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Trump Says He Discussed Trade, Rare Earths in Call With China's Xi

President calls conversation productive; Beijing's account is less conciliatory

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WASHINGTON—President Trump spoke Thursday with Chinese leader Xi Jinping and suggested after the call that one point leading to a breakdown in trade talks—the export of [rare-earth minerals](#), which are critical to the U.S. auto industry—had been addressed.

Trump called the conversation productive and said both sides agreed to meet soon. He also said Xi invited him to visit China and that he reciprocated the offer. “The call lasted approximately one and a half hours, and resulted in a very positive conclusion for both Countries,” Trump wrote on social media.

“There should no longer be any questions respecting the complexity of Rare Earth products,” Trump wrote.

“We had a very good talk and we’ve straightened out any complexity,” Trump told reporters later Thursday, without elaborating. “I think we’re in very good shape with China and the trade deal.”

Details were unclear, however, and Beijing struck a less conciliatory note in its account of the call, with an official Xinhua News Agency account saying that Xi urged Trump to remove “negative” measures that have disrupted bilateral trade. It made no mention of rare earths.

The two heads of state agreed that their teams would hold a new round of talks as soon as

possible. The Chinese team is led by Vice Premier He Lifeng, who has a clear mandate from Xi of [not catering to America's demands](#) without getting concessions in return. The U.S. would be represented by Treasury Secretary Scott Bessent, Commerce Secretary Howard Lutnick and U.S. Trade Representative Jamieson Greer, Trump said.

The addition of Lutnick to the U.S. negotiating team, in addition to Bessent and Greer, suggests that Beijing is getting a desired channel of communication with the cabinet member overseeing export controls.

The partly conflicting accounts of the conversation raised questions of whether Trump had extracted a firm commitment from Xi to loosen controls over rare earths and other critical minerals.

“The asymmetry in Beijing’s and Washington’s reporting of the call suggests that Xi held to a tough line and Trump did not get much acquiescence to his demands,” said Eswar Prasad, a former senior International Monetary Fund official in China and now an economics professor at Cornell University.

The White House didn’t respond to questions about the rare-earth discussion.

The conversation was focused almost entirely on trade, Trump said, and they didn’t discuss the war in Ukraine and other global hot spots. However, the Chinese readout indicated that Xi had cautioned Trump on Taiwan, following reports of increased U.S. arms shipments to the island. Xi emphasized that the U.S. should handle the Taiwan issue cautiously, Xinhua said.

According to Xinhua, the call took place at Trump’s request. It was the first time the two leaders spoke since Trump took office in January.

Washington and Beijing [agreed in mid-May](#) to temporarily lower tit-for-tat tariffs after talks in Geneva. But the Trump administration accused China of violating the 90-day truce, citing a slow-walking of exports of rare-earth minerals, which are critical for [the automobile and other industries](#).

China, in turn, alleged that Washington introduced multiple “discriminatory and restrictive measures,” such as issuing export-control guidelines for artificial-intelligence chips and announcing a plan [to revoke visas for Chinese students](#).

After the call, Trump told reporters, “Chinese students are coming—no problem. It’s our honor to have them, frankly.” He added, “We want to have foreign students, but we want them to be checked.”

When both sides resume trade negotiations, Beijing will likely try to get the U.S. to reverse some of the recent restrictions on the sale of high-tech products to China, which include jet engines China needs to make its own commercial aircraft and software-design chips.

“The Chinese want to use the talks to walk back legitimate U.S. national-security actions supported on a bipartisan basis in the strategic export-control and technology space,” said Jimmy Goodrich, a China and technology expert and senior adviser to Rand. “That would be a trap the U.S. side seems keenly aware of.”

Trump administration officials have consistently labeled a trade deal with China as the key prize in Trump’s attempt to reshape global economic relations through tariffs.

But some analysts believe Trump has a misplaced faith in a grand bargain with China. “If Trump makes this about a trade deal, Xi will just violate it down the road,” said Michael Sobolik, a senior fellow at the Hudson Institute think tank in Washington.

The phone call took place just hours before German Chancellor Friedrich Merz visited the White House, hoping to persuade Trump [to drop tariffs on Europe](#).

Until now, Xi had resisted getting on the phone with Trump as the Chinese leader wanted the White House to first dial down its pressure on Beijing, according to people close to China’s decision-making.

However, faced with mounting economic pressure, Xi also has to prevent the Chinese economy from falling into an abyss. Managing relations with Washington is key to that.

In an initial sign that Beijing was engaged with Washington in arranging the call, Chinese Foreign Minister Wang Yi met with David Perdue, the U.S. ambassador to Beijing, on Tuesday. Wang urged the U.S. to “create the necessary conditions” for bilateral relations to get back on the right track.

Then on Thursday, Chinese Vice President Han Zheng also met a U.S. delegation for a “Track II” dialogue, or discussions among nongovernmental groups on both sides, saying that bilateral

relations are now at “a crucial juncture.”

Trump and Xi last spoke on Jan. 17, days before Trump was sworn in for a second term.

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