How much will it affect China's garlic exports if the U.S. cancels the tariffs imposed on China?

Detail Introduction :

The combined effects of the pandemic and the war in Ukraine have caused the prices in the U.S. to rise at their fastest pace since the early 1980s. President Biden said on May 10 that he might remove some tariffs on imports from China to help slow down the rise in consumer prices. It is still under discussion whether to remove the tariffs or not. If the tariffs are lifted, what will impact garlic exports?

Garlic exported to the U.S. is mostly garlic slices. If the tariffs are canceled, it will benefit the export of garlic and garlic slices. The U.S. is the largest importer of dried garlic. With the increase in global demand for garlic slices, the overall volume of demand has shown a steady upward trend.

Judging from previous experience, the global demand for garlic slices has shown a trend of increasing year by year. Among them, the export volume of garlic slices from China was 246,700 tons in 2021, with a year-on-year growth rate of 7.40%. In 2020, the export volume of garlic slices from China was 229,700 tons, with a year-on-year growth rate of 27.53%. From January to March 2022, the total export volume of garlic slices was 60,800 tons, with a year-on-year increase of 20.87%.

The main exporting destinations of China's dried garlic include the U.S., Germany, Japan, and Brazil. The United States accounted for 39.15%, which was the main destination. The export volume to Germany ranked second, accounting for 5.56%, The export volume to Japan accounted for 4.65%, and that to Brazil accounted for 4.62%. It can be seen that garlic slices in China are mostly exported to developed countries in Europe and America.

The volume of Chinese garlic slices imported by the U.S. is between 60,000 to 100,000 tons per year, and the import volume far exceeds that of other countries. If the U.S. cancels anti-dumping duties on China's products, it will also provide an example for other anti-dumping countries to a certain extent. The total export volume of Chinese garlic may increase, which will provide good support for China's efforts to destock garlic. Moreover, the recent sharp depreciation of the RMB and the corresponding drop in sea freight rates are good for garlic exporters. They are expected to increase the export volume of garlic in the future.