

**RELEASE IN
FULL**

From: Abedin, Huma <AbedinH@state.gov>
Sent: Tuesday, October 11, 2011 9:09 PM
To: H
Subject: Fw: China urges Obama administration, Congress to block yuan bill (Reuters)

From: OpsNewsTicker
Sent: Tuesday, October 11, 2011 08:50 PM
To: NEWS-China; NEWS-EB; NEWS-H; NEWS-Mahogany
Cc: SES-O
Subject: China urges Obama administration, Congress to block yuan bill (Reuters)

BEIJING, Oct 12 (Reuters) - China's Foreign Ministry warned on Wednesday that a U.S. bill aimed at pressing Beijing to lift the value of the yuan could disrupt joint efforts to prop up global economic recovery and urged the Obama administration to oppose the legislation.

The legislation "gravely violates World Trade Organisation rules," Foreign Ministry spokesman Mao Zhaoxu also said after the U.S. Senate approved the bill, threatening to punish China for holding down its currency.

"China urges the U.S. government, Congress and all quarters to resolutely oppose using domestic legislation to create a fuss about and put pressure on the renminbi exchange rate," said Ma in comments on the ministry's website (www.mfa.gov.cn).

The "renminbi" is another name for China's yuan currency.

Many U.S. lawmakers, trade unions and manufacturing lobbies say China keeps down the value of its yuan currency to give its exports an unfair edge in global markets.

The bill would allow the U.S. government to slap countervailing duties on goods from countries found to be subsidizing their exports by undervaluing their currencies.

But before President Barack Obama could be forced to decide whether to sign the bill into law, it must first win approval from the House of Representatives, where key Republicans have indicated they dislike the tariff threat.

NewsTickers alert senior Department officials to breaking news. This item appears as it did in its original publication and does not contain analysis or commentary by Department sources.