

China's Xiaomi soars as US judge lifts it from blacklist

March 15 2021



Xiaomi was one of nine firms classified by the Pentagon as "Communist Chinese military companies"

Shares in Chinese smartphone maker Xiaomi surged more than 10 percent in Hong Kong on Monday after a US judge removed it from a

blacklist that barred American companies from investing in it.

The firm's stock price has been hammered since mid-January when Donald Trump, in his last days in office, included it in a group the White House considered a threat to US national security.

The move classified Xiaomi, which is among the biggest smartphone makers in the world, as one of nine "Communist Chinese military companies" that also included state oil giant CNOOC, and popular social media app TikTok.

But US District Judge Rudolph Contreras ruled Friday that the Department of Defense and the Treasury "have not made the case that the national security interests at stake here are compelling".

He removed Xiaomi from the blacklist and suspended the investment ban after the firm appealed against the blacklisting.

The news sent shares in the firm surging 12 percent in Hong Kong morning trade Monday, having lost more than 40 percent since Trump's order.

However, while Xiaomi was removed, US regulators listed Huawei and ZTE among Chinese telecom equipment makers considered a threat to [national security](#), signalling that a hoped-for softening of relations is not on the cards.

Washington claims Huawei has close ties to China's military and that Beijing could use its equipment for espionage—accusations the company denies.

© 2021 AFP

Citation: China's Xiaomi soars as US judge lifts it from blacklist (2021, March 15) retrieved 6 May 2024 from <https://techxplore.com/news/2021-03-china-xiaomi-soars-blacklist.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.