DORIC SHIPBROKERS S.A.



CHINA – BAROMETER

Monthly Update

October 2026

FOCAL POINTS :

Macro Environment

China's economic growth recorded a modest acceleration in the third quarter, with GDP expanding by 4.5 percent year-on-year. Supported by robust industrial production and export activity, the outturn keeps Beijing on course to meet its annual growth target.

Energy

China's electricity mix continued to reflect the gradual reconfiguration of its generation base in September. Hydropower output contracted sharply by 18.1 percent year-on-year, while thermal generation recorded a narrower decline of 1.4 percent, highlighting the interplay between seasonal fluctuations in renewable output, softer power demand and the expanding contribution of alternative energy sources.

Manufacturing

China's official manufacturing PMI returned to expansion in September, rising to 50.1 from 49.8 in August and crossing the neutral 50-point threshold for the first time since June. The improvement points to firmer factory activity, supported by strengthening industrial output and new orders.

Imports

China's imports of key industrial raw materials weakened in September. Iron ore arrivals declined by 5.6 percent year-on-year, while seaborne coal shipments fell by 5.7 percent.

Exports

China's outbound shipments remained comparatively firm in September. Finished steel exports reached 10.49 million tonnes, while fertiliser shipments climbed to a record 6.13 million tonnes following an orderly relaxation of state-managed export restrictions.

Doric Research Department

Michalis Voutsinas
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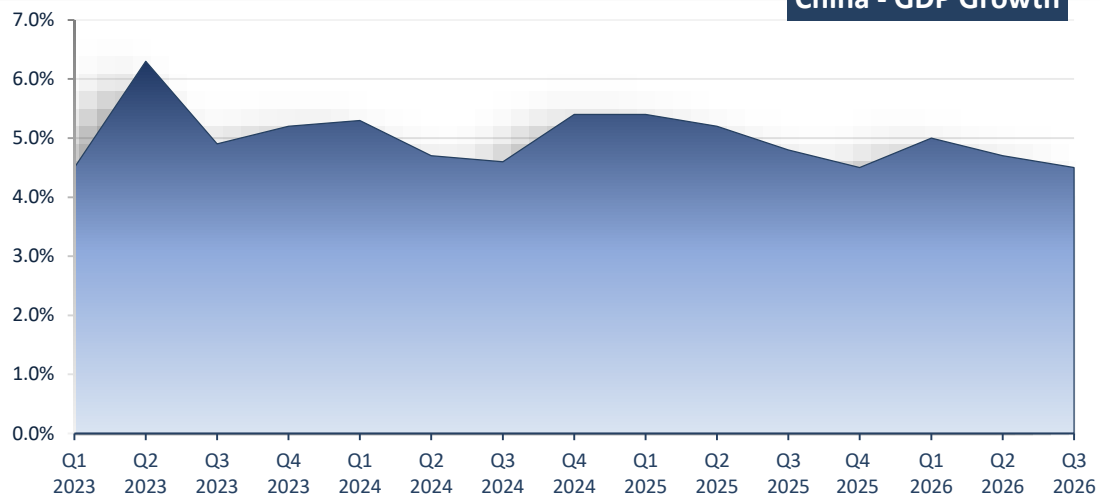
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MACRO ENVIRONMENT OCTOBER 2026

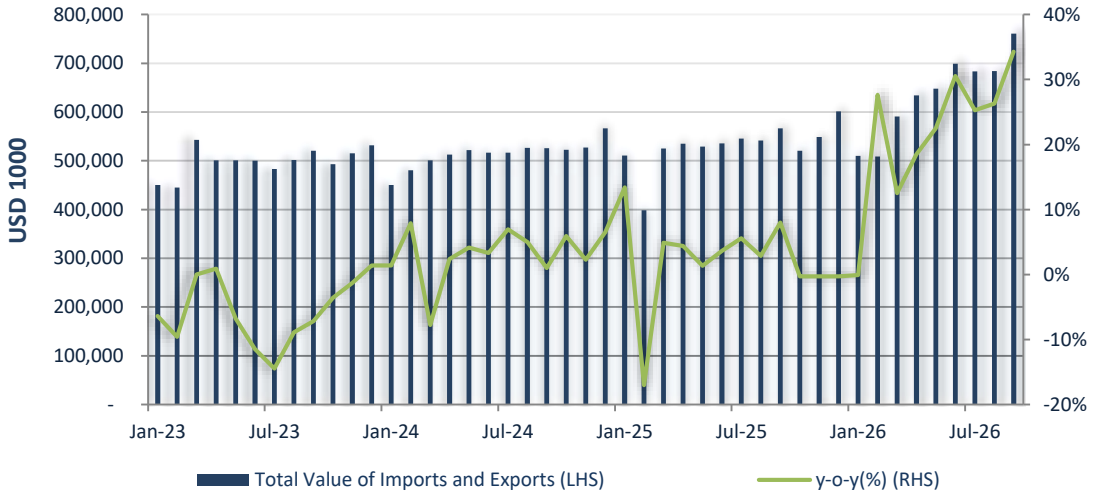
- China's GDP grew by 4.5 percent year-on-year in Q3 2026, recovering from 4.3 percent in Q2, while cumulative growth reached 4.6 percent in January–September, keeping the economy on track to meet its annual growth target of 4.5–5.0 percent.
- September retail sales increased by 1.1 percent year-on-year, exceeding analysts' expectations but still indicating relatively soft consumer demand.
- Industrial production provided stronger support, rising by 5.5 percent year-on-year in September.
- Outbound shipments reached a record USD 447.18 billion in September, representing a massive 36.3 percent annual spike. This comfortably outpaced both August's 25.0 percent expansion and market consensus of a 25.5 percent rise.
- Complementing the export rally, China's imports surged to a record USD 313.66 billion in September, marking a sharp 31.0 percent increase on year.
- Driven by these figures, China's trade surplus increased to $133.53 billion in September, posting a substantial 50.5 percent year-on-year increase.

China - GDP Growth



Source: NBS, Doric Research

China - Total Value of Imports and Exports

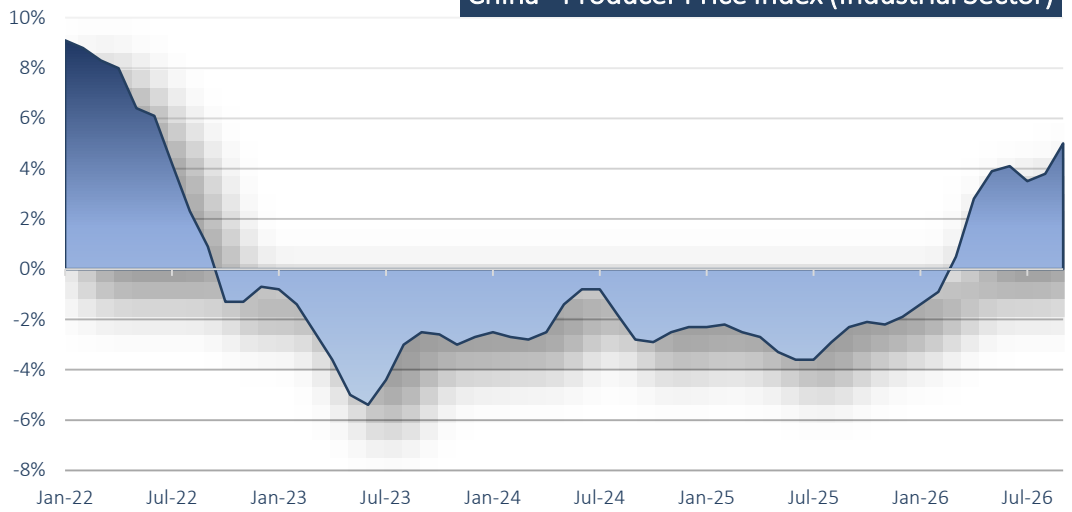


Source: GAC, Doric Research

PRICE ENVIRONMENT OCTOBER 2026

- Driven by rising fuel costs, China's annual producer price inflation accelerated to 5.0 percent in September, from 3.8 percent in August, marking its sharpest increase since June 2022.
- On a monthly basis, the PPI rose 1.2 percent, its largest gain since April and a sharp acceleration from August's 0.4 percent increase.
- Year-to-date producer prices grew by 2.3 percent compared to the corresponding period last year.

China - Producer Price Index (Industrial Sector)



Source: NBS, Doric Research

- China's annual inflation edged up to 0.9 percent in September, from 0.8 percent in August, pointing to its highest reading since June.
- Consumer prices rose 0.2 percent month-on-month, slowing down from August's six-month high of 0.4 percent.
- Core inflation held steady at 1.0 percent year-on-year, remaining unchanged from August, even as non-food inflation accelerated to 1.5 percent compared to 1.2 percent in previous month.

China - Inflation Rate



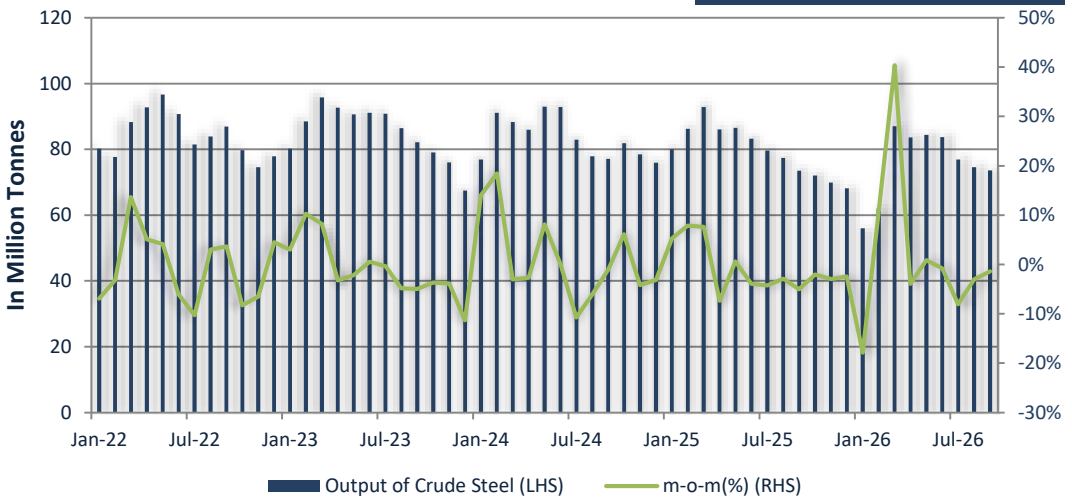
Source: NBS, Doric Research

MANUFACTURING 1/2

OCTOBER 2026

- China's crude steel production reached 73.59 million tonnes in September, up 0.1 percent year-on-year but down 1.4 percent month-on-month amid persistent real estate and construction headwinds.
- Daily output increased by 1.9 percent month-on-month to 2.45 million tonnes, indicating a modest seasonal recovery in steel mill activity.
- Cumulative production declined by 2.9 percent year-on-year to 724.77 million tonnes in January–September, reflecting continued pressure on steel demand.

China - Crude Steel Output



Source: NBS, Doric Research

- China's factory activity snapped a two-month contraction in September, with the official Purchasing Managers Index (PMI) ticking up to 50.1, on the back of a nine-month peak in production output.
- The non-manufacturing PMI similarly rebounded into growth, climbing to 50.2 from 49.0 in August, outperforming the 49.3 market consensus, driven by a broad recovery in services and construction.

China - Manufacturing PMI



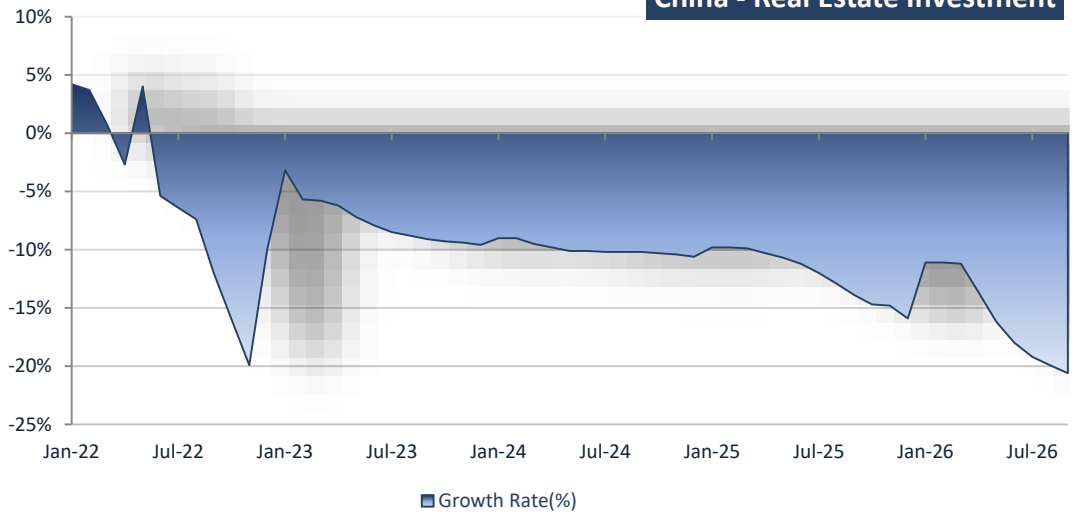
Source: NBS, Doric Research

MANUFACTURING 2/2

OCTOBER 2026

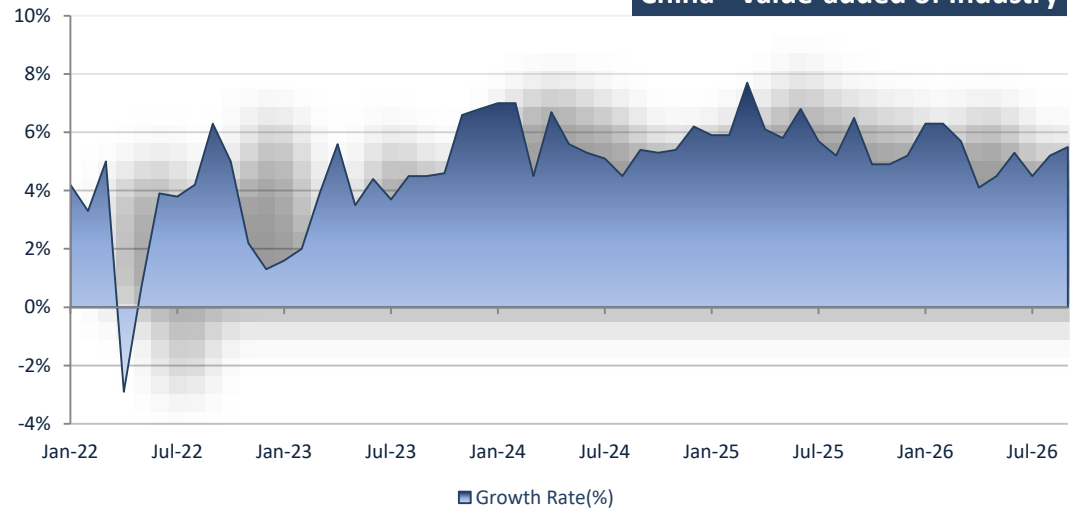
- China's real estate downturn hit a fresh low during September, as property investment plunged 20.6 percent year-on-year, outpacing the 19.9 percent contraction seen in August.
- China's property demand remained under pressure in September, with total floor space sold declining 13.2 percent year-on-year, highlighting persistent weakness in housing sales.
- New residential construction starts fell 24.9 percent year-on-year in the first nine months of 2026, reflecting developers' continued caution and a constrained pipeline of new housing supply.
- September price data hinted at stabilization, with slowing new home price declines and a softer 0.26 percent monthly drop in secondary market valuations.
- China's value-added industrial output accelerated to a six-month high of 5.5 percent on year in September, up from 5.2 percent in August, outperforming market estimates
- China's industrial growth was led by manufacturing, which expanded by 6.0 percent year-on-year, while mining output returned to positive territory with a 1.3 percent increase.

China - Real Estate Investment



Source: NBS, Doric Research

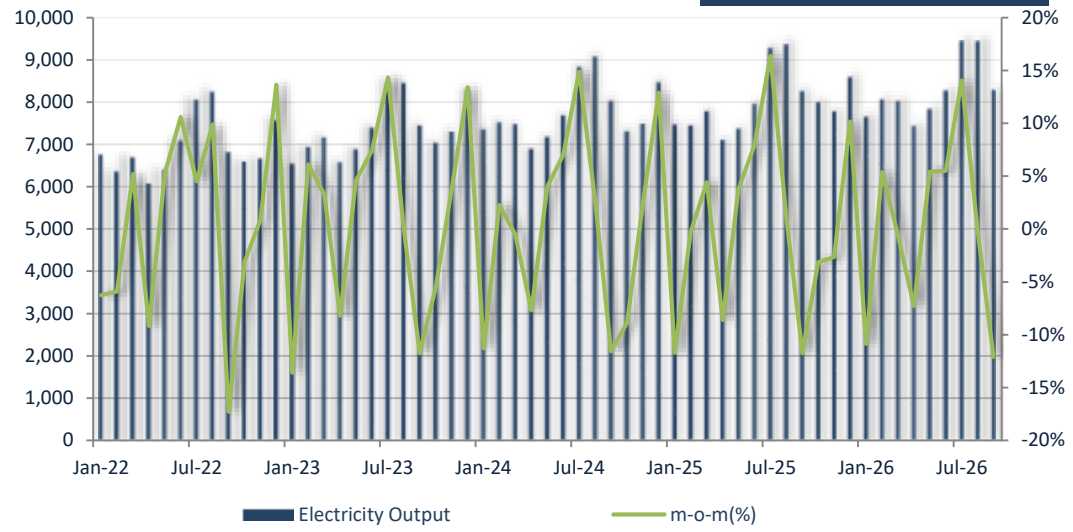
China - Value-added of Industry



Source: NBS, Doric Research

- China's major power enterprises generated 829.4 billion kWh of electricity in September, down 1.2 percent year-on-year as post-summer demand eased.
- Clean energy generation continued to expand rapidly, with nuclear output rising 21.5 percent year-on-year, solar generation increasing 19.5 percent and wind output growing 10.6 percent, reinforcing the ongoing shift towards lower-carbon power sources.
- Last month's performance propelled January-September total output to a staggering 7.49 trillion kWh, locking in a solid 2.2 percent annual expansion for the nine-month period.

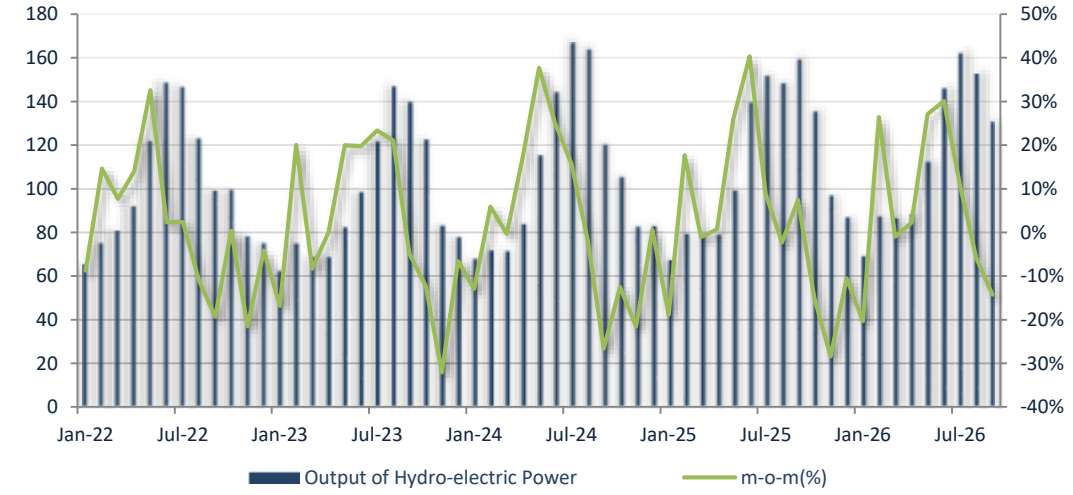
China - Electricity Output



Source: NBS, Doric Research

- Hydroelectric utilities experienced a 18.1 percent annual contraction in September, delivering 130.5 billion kWh, as river inflows into major dams thinned considerably.
- China's hydropower generation reached 1.04 trillion kWh in January–September 2026, with cumulative output remaining in positive territory.

China - Hydro-Electric Power Output

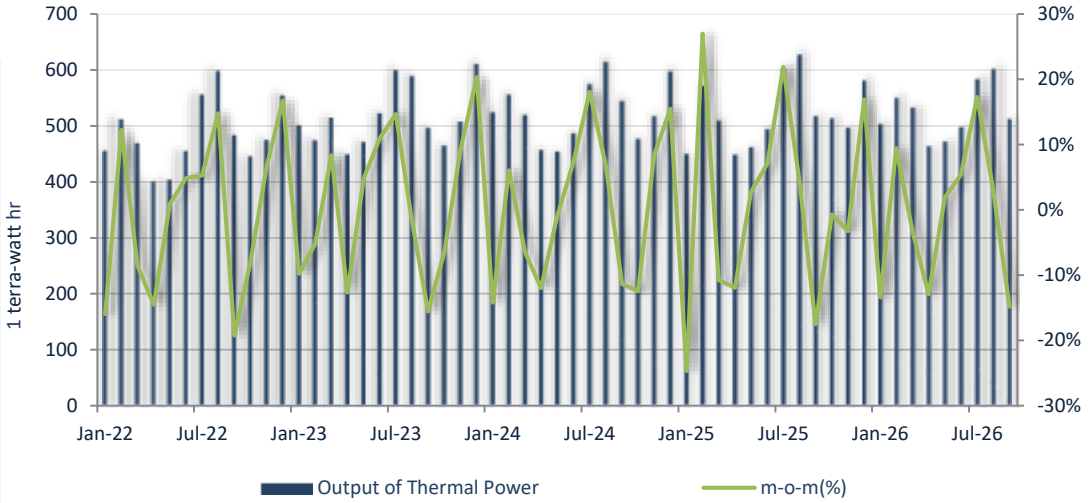


Source: NBS, Doric Research

- China's thermal power generation fell to 512.94 TWh in September, down 14.8 percent month-on-month and 1.4 percent year-on-year, as seasonal demand eased and clean energy expanded.
- Despite the recent decline, thermal power retained a dominant 61.5 percent share of total electricity generation.
- Cumulative output reached 4,734.3 TWh in January–September, up 0.7 percent year-on-year.

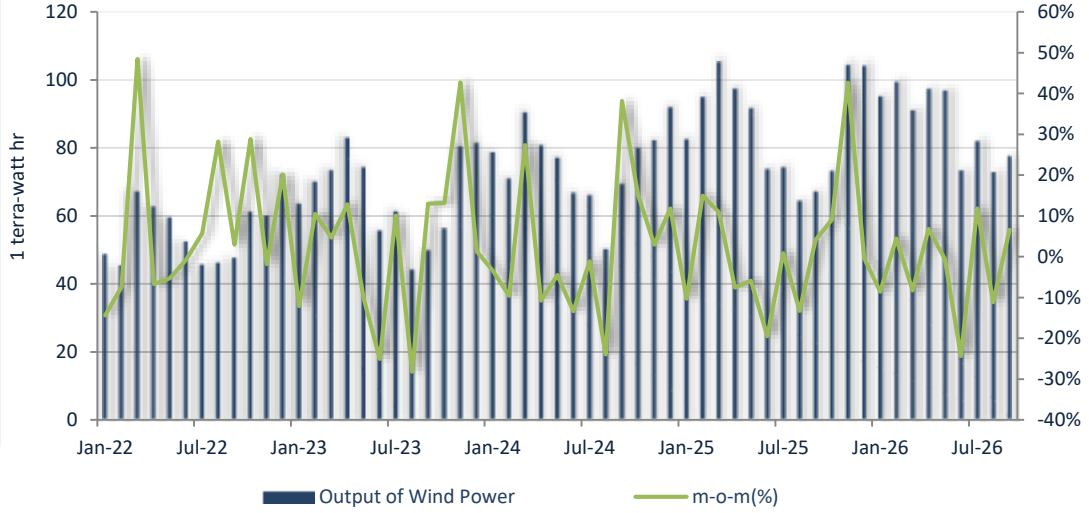
- Wind power generation rose 10.6 percent year-on-year to 77.6 TWh in September, accounting for 9.4 percent of total output.
- Cumulative wind generation reached 802.2 TWh in the first nine months, up 1.9 percent year-on-year, although growth remained modest despite expanding renewable capacity.

China - Thermal Power Output



Source: NBS, Doric Research

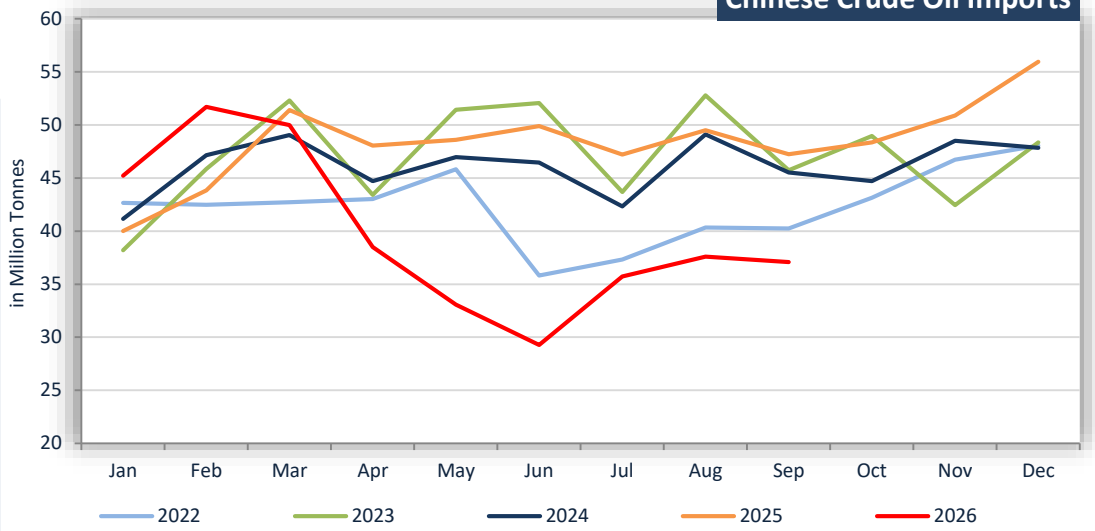
China - Wind Power Output



Source: NBS, Doric Research

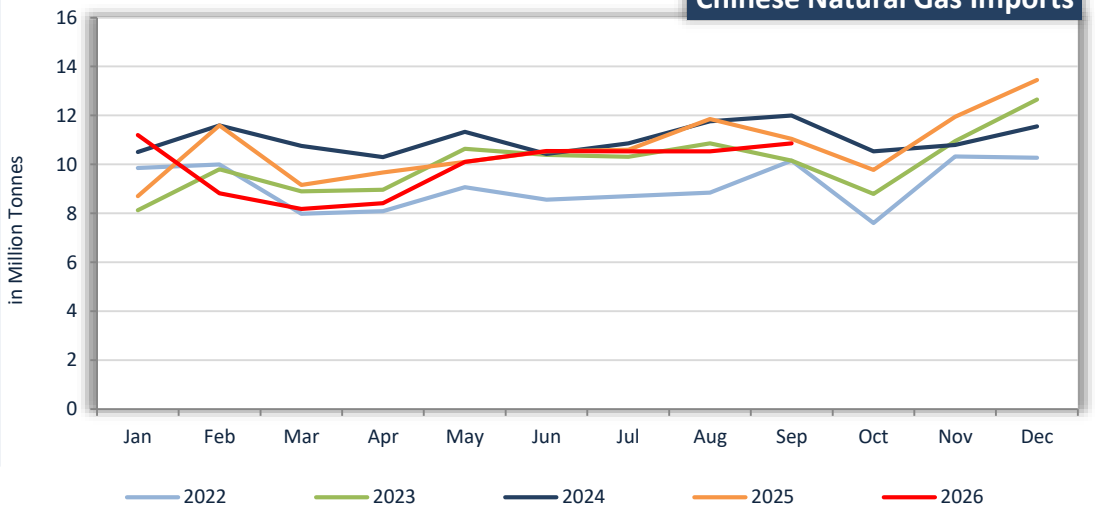
- China's crude oil arrivals dropped to 37.1 million tonnes, or 9.03 million barrels per day (bpd) in September, recording a 2.2 percent decline on month, as refiners increasingly prioritized domestic inventories.
- Despite the monthly dip, September arrivals plummeted 21.5 percent on year, severely suppressed by ongoing Middle Eastern supply disruptions.
- This prolonged downturn dragged year-to-date imports down 15.3 percent on year, highlighting a structural contraction driven by a systemic reliance on strategic stockpiles.
- Russia remained China's largest crude oil supplier in September, delivering 9.54 million tonnes and reinforcing its position as a key source of Chinese oil imports.
- Natural gas imports totaled 10.02 million tonnes in September, falling 1.7 percent on year and contracting slightly month-over-month, bringing the cumulative January-September volume to 89.23 million tonnes.
- Official customs tracked 5.61 million tonnes of LNG arrivals in September, dipping 1.4 percent year-on-year.

Chinese Crude Oil Imports



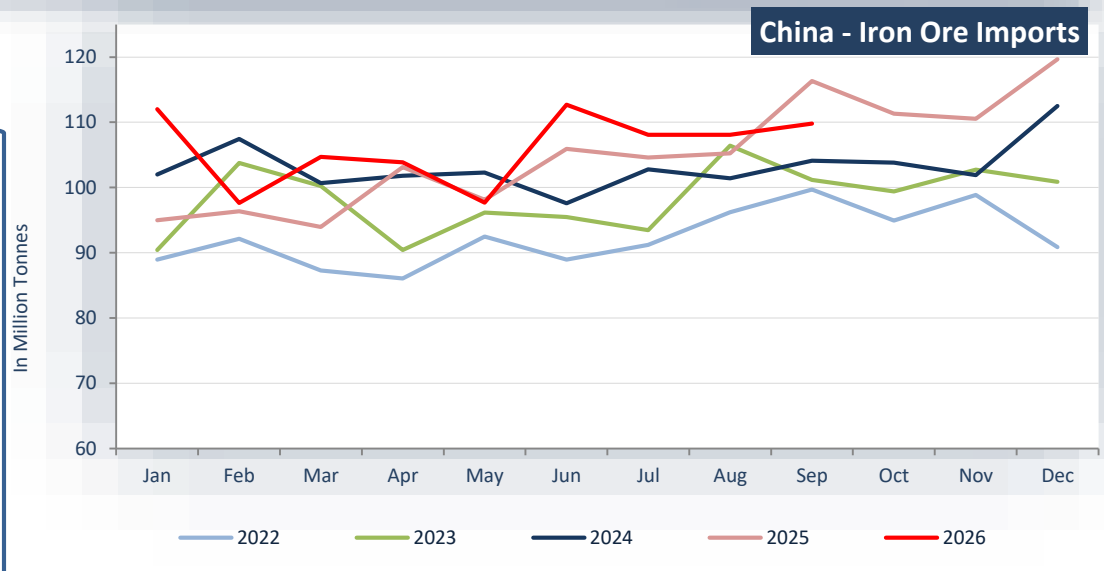
Source: GAC, Doric Research

Chinese Natural Gas Imports

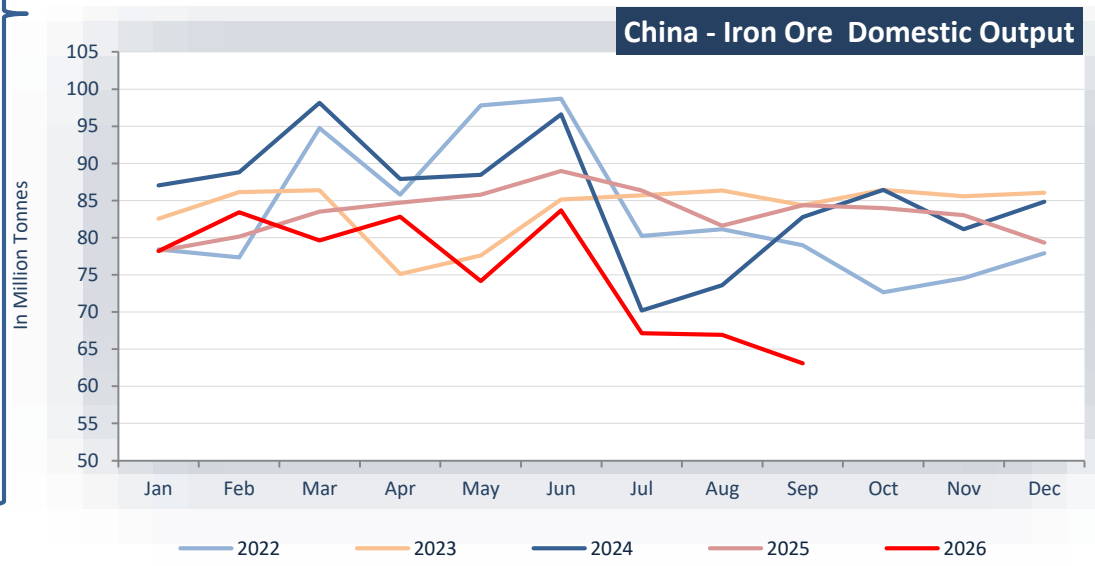


Source: GAC, Doric Research

- China's iron ore imports rose by 1.6 percent month-on-month in September to 109.82 million tonnes, supported by holiday-related restocking.
- Despite the monthly increase, imports declined by 5.6 percent year-on-year, reflecting softer downstream industrial demand.
- Australia remained the dominant supplier, shipping 68.86 million tonnes and accounting for 62.7 percent of September imports.
- Cumulative imports reached 954.97 million tonnes in January–September, up 4.1 percent year-on-year.
- In contrast to imports, widespread mining slowdowns in September caused China's domestic iron ore output to plummet 23.9 percent on year to 63.11 million tonnes.
- The monthly figure registered a 5.7 percent contraction compared to August, heavily pressured by deteriorating steel mill margins.
- Domestic iron ore production fell by 10.3 percent year-on-year to 665.45 million tonnes from January to September.

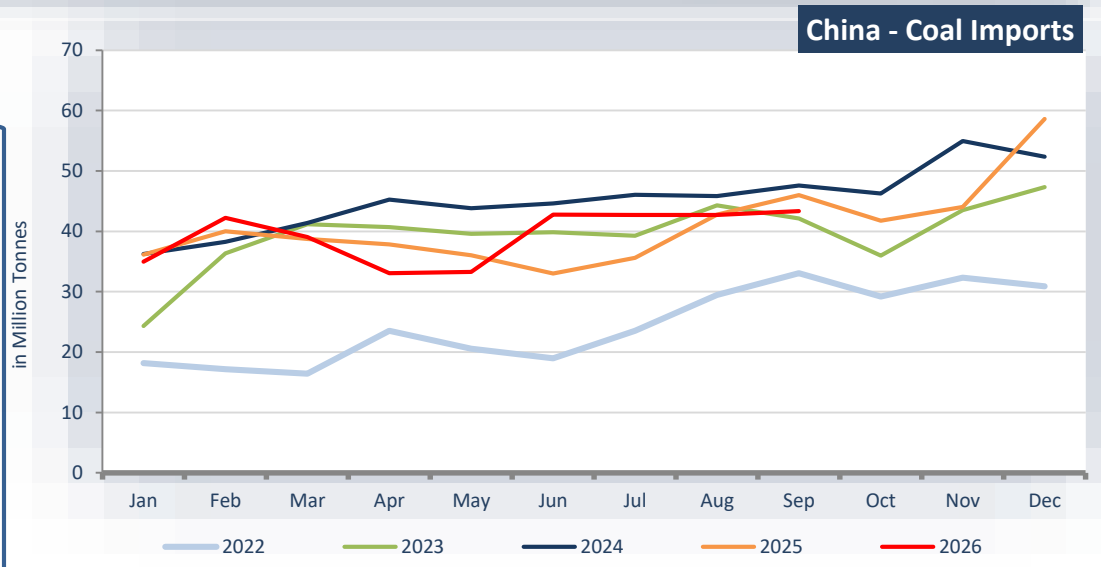


Source: GAC, Doric Research

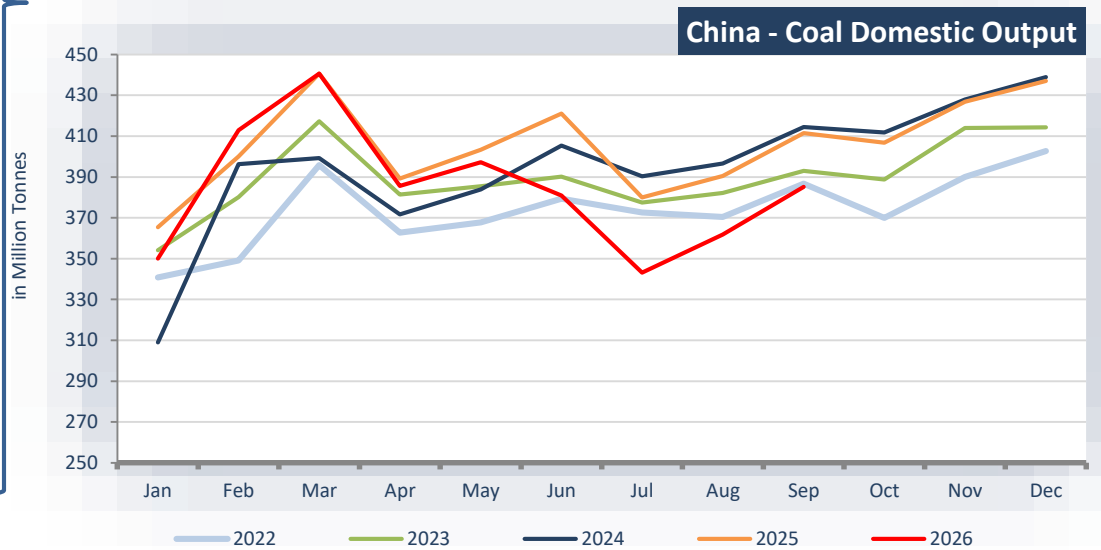


Source: NBS, Doric Research

- Breaking a multi-month slowdown, China's coal imports recovered in September, rising 3.0 percent month-on-month to 43.37 million tonnes.
- High domestic inventories and reduced cooling demand weighed on inflows, with September imports contracting 5.7 percent year-on-year.
- Notwithstanding the broader annual slowdown, year-to-date coal imports rose a modest 2.2 percent on year, totaling 353.54 million tonnes over the first nine months.
- Indonesia remained China's premier coal supplier in September, anchoring seaborne inflows despite production quotas and logistics bottlenecks.
- China's domestic raw coal production surged 6.4 percent month-on-month in September to 385.13 million tonnes, though volumes contracted 6.8 percent relative to the prior year.
- Tempering the recent monthly recovery, year-to-date raw coal production from January through September dropped 3.5 percent year-on-year to 3.45 billion tonnes,



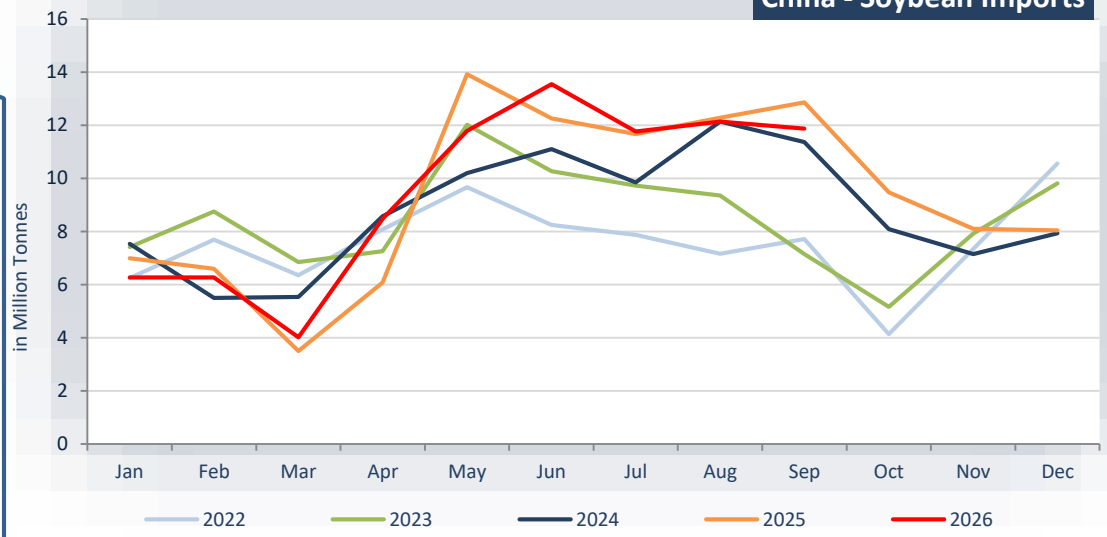
Source: GAC, Doric Research



Source: NBS, Doric Shipbrokers

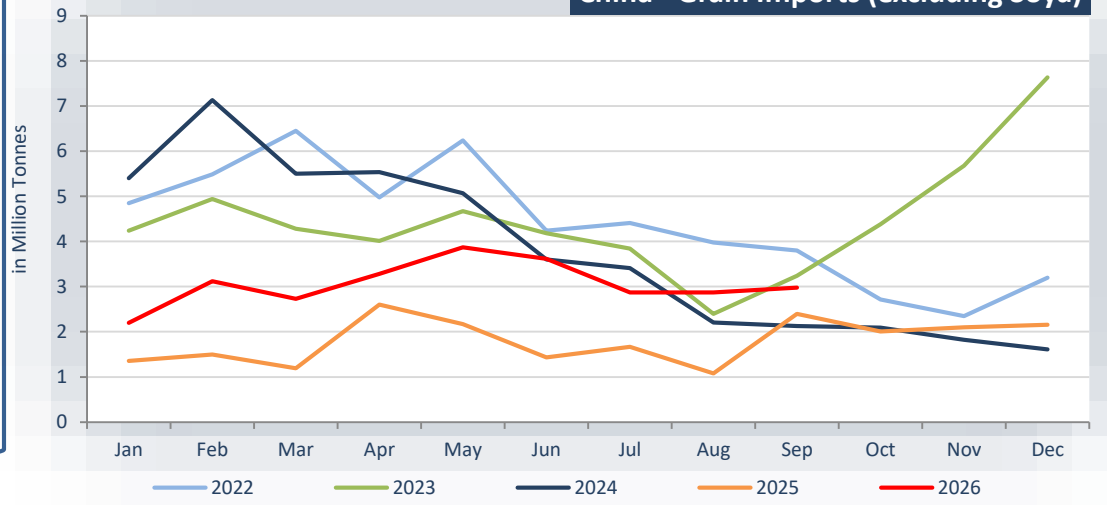
- China's soybean imports declined by 7.7 percent year-on-year and 2.1 percent month-on-month in September to 11.88 million tonnes.
- Brazil maintained its dominance, supplying 10.7 million tonnes, equivalent to 90.0 percent of September arrivals.
- Cumulative imports reached 86.08 million tonnes in January–September, with significant divergence in performance among suppliers.
- U.S. shipments fell by 34.0 percent year-on-year to 11.06 million tonnes over the first nine months, highlighting China's continued shift towards Brazilian supplies.
- Reversing months of sluggish throughput, China's non-soybean grain imports climbed 24.3 percent year-on-year to reach 2.98 million tonnes in September.
- Wheat arrivals rose 8.4 percent month-on-month to 0.65 million tonnes, with further upside capped by a strong domestic harvest.
- In contrast, tighter import controls and cheaper domestic alternatives kept China's corn imports flat at 0.38 million tonnes during the same period.

China - Soybean Imports



Source: GAC, Doric Research

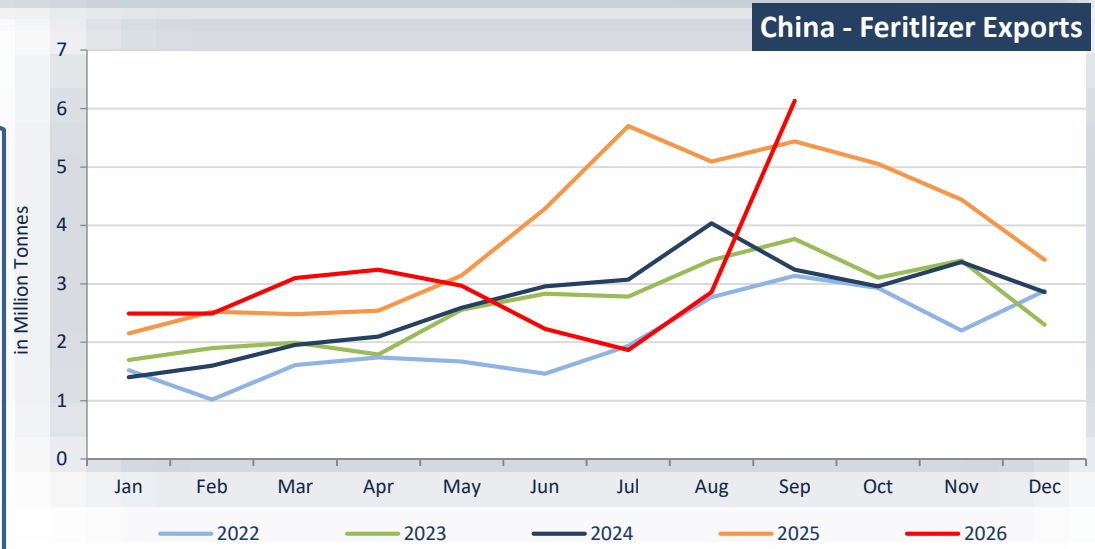
China - Grain Imports (excluding Soya)



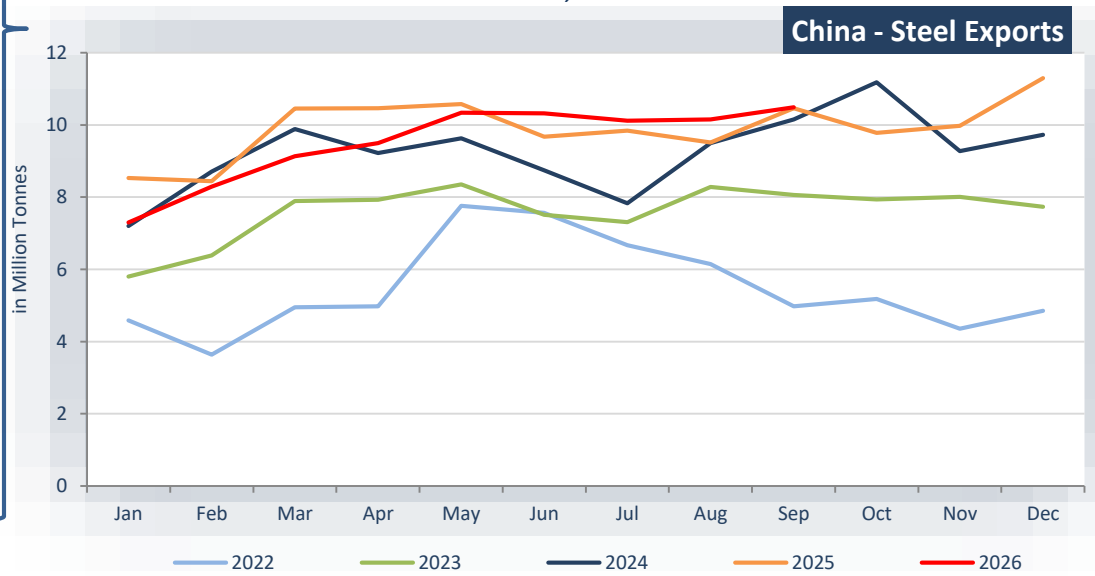
Source : GAC, Doric Research

MINORS (EXPORTS) OCTOBER 2026

- In September, China's monthly fertilizer exports reached a multi-year high of 6.13 million tonnes, driven by a massive surge in nitrogen-based shipments like ammonium sulfate and urea.
- China's nitrogen fertiliser exports fell by 17.7 percent year-on-year to 27.45 million tonnes in January–September, reflecting stringent export restrictions.
- September shipments rebounded sharply as Beijing eased controls and released urea export quotas following tight restrictions during the spring agricultural season.
- China's finished steel exports rose by 3.3 percent month-on-month in September to 10.49 million tonnes, remaining above the 10-million-tonne threshold for the fifth consecutive month.
- Cumulative exports declined by 2.6 percent year-on-year to 85.64 million tonnes in January–September, despite modest positive movements in domestic steel prices during September.



Source: GAC, Doric Research

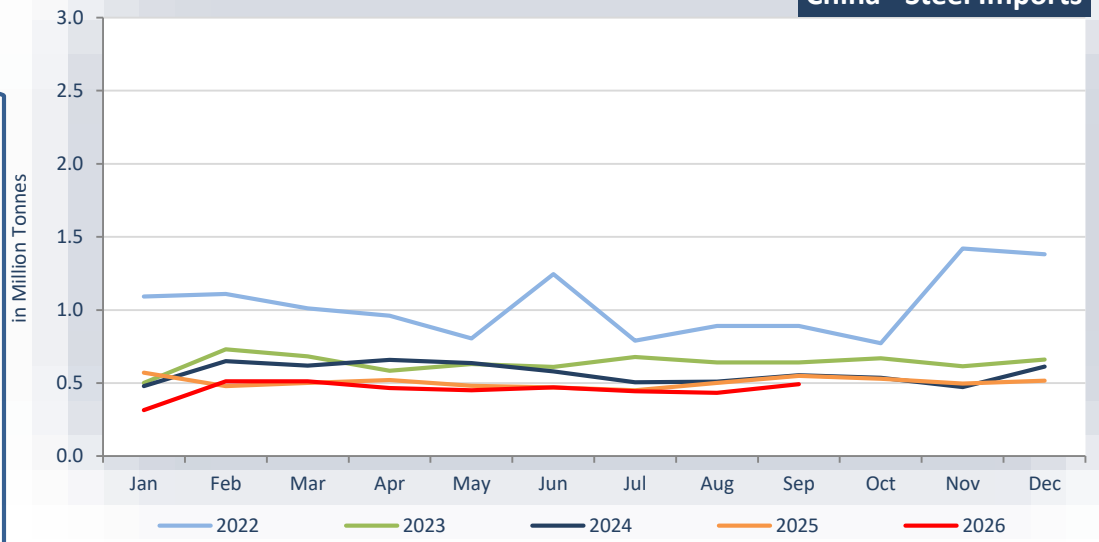


Source: GAC, Doric Shipbrokers

MINORS (IMPORTS) OCTOBER 2026

- China's finished steel imports rebounded by 13.4 percent month-on-month in September to 492,000 tonnes, breaking a multi-month downward trend.
- Despite the monthly recovery, imports remained 10.2 percent lower year-on-year, reflecting reduced reliance on foreign steel.
- Cumulative imports reached 4.07 million tonnes in January–September, down 10.5 percent year-on-year, reinforcing the longer-term trend towards domestic self-sufficiency.

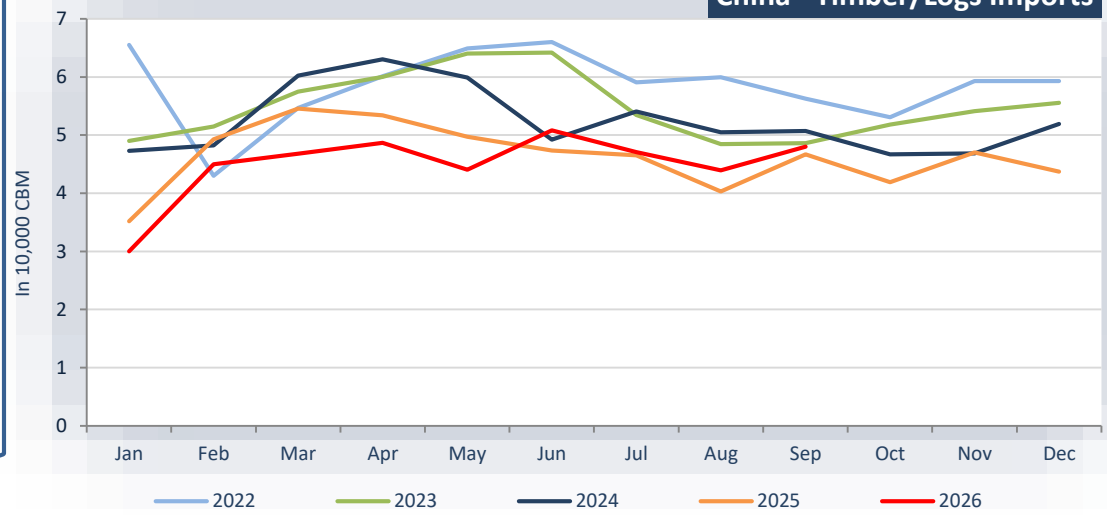
China - Steel Imports



Source: GAC, Doric Research

- China's combined log and sawn timber imports rose by 2.6 percent year-on-year in September to 4.8 million CBM.
- Year-to-date imports declined by 4.4 percent, highlighting continued weakness in China's timber market.

China - Timber/Logs Imports



Source: GAC, Doric Research

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