DORIC
SHIPBROKERS S.A.

CHINA – BAROMETER

Monthly Update

May 2025

FOCAL POINTS :

Macro Environment

China’s retail sales rose 5.1 percent year-on-year in April, missing expectations of 5.5 percent. Fixed-asset investment grew 4.0 percent in the January–April period, slightly below forecasts. Industrial output climbed 6.1 percent, beating estimates but slowing from March’s 7.7 percent rise, suggesting limited impact from U.S. tariffs so far. Exports outperformed, supported by strong demand from Southeast Asia despite falling shipments to the U.S.

In response to ongoing pressures, the People’s Bank of China cut the seven-day reverse repo rate by 10 basis points to 1.4 percent to support growth.

Energy

China’s thermal power generation, fuelled mainly by coal, eased by 2.3 percent year-on-year in April, to 449.15 billion kilowatt-hours, in line with expectations that China's fossil-fuelled power output could dip in 2025 for the first time in a decade.

Manufacturing

China’s factory activity fell to a 16-month low in April, with a gauge on new export orders dropping to its lowest since December 2022.

Imports

China’s coal imports declined by 16.0 percent on the year in April, to 37.83 million tonnes. That marked the second consecutive month of annual decline, as weaker domestic prices made imports less profitable.

Exports

During the pace of the first four months of the year, total fertilizer exports soared to 9.7 million tonnes, representing a sharp year-on-year increase of 37.4 percent.

Doric Research Department

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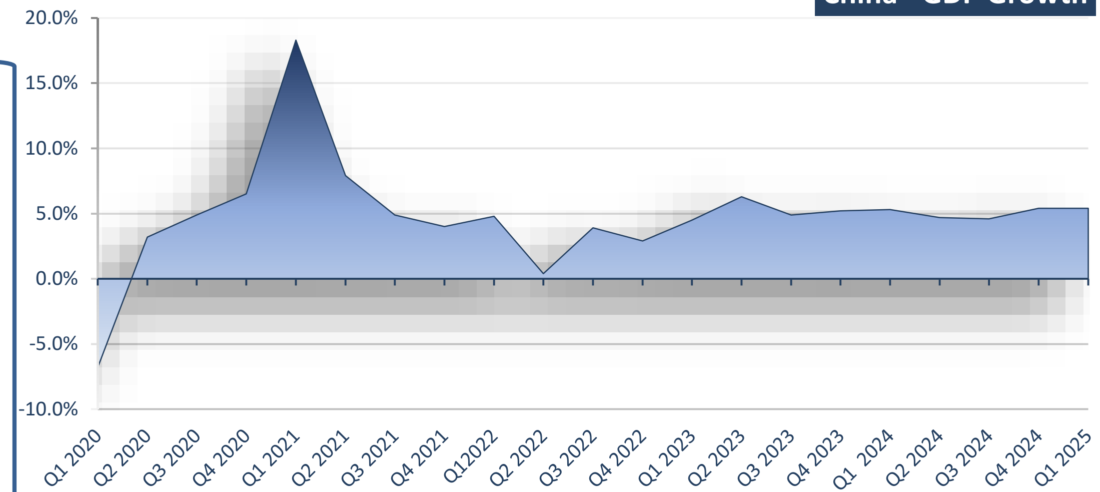
CONTENT PAGES :

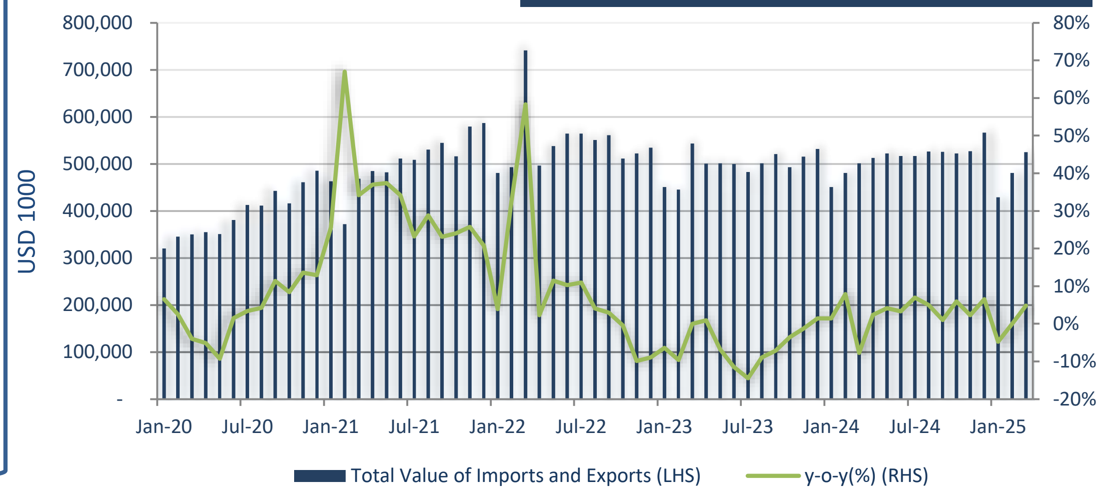
- China's retail sales growth slowed in April at 5.1 percent from a year earlier, missing forecasts of a 5.5 percent growth. Sales had grown by 5.9 percent in the previous month. Industrial output grew by 6.1 percent in April, slowing down from the 7.7 percent jump in March.
- China's central bank announced earlier this month, its first major policy response, cutting benchmark lending rates, while major state banks lowered deposit rates, in an effort to inject liquidity and support the economy from the impact of the trade war.
- Earlier this month, Beijing and Washington agreed to roll back most tariffs for 90 days, fact that prompted a slew of global investment banks to raise their forecasts for China's economic growth this year.
- Outbound shipments from China jumped by 8.1 percent year-on-year in April to USD 315.7 billion, well above market forecasts of a 1.9 percent gain.
- Imports to China slumped by just 0.2 percent on the year in April, to USD 219.5 billion, softer than market expectations of a 5.9 percent decline, extending March's 4.3 percent drop .
- China's trade surplus surged to USD 96.18 billion in April , up from USD 72.04 billion in the same period a year earlier, and exceeding market expectations of USD 89.0 billion.

China - GDP Growth



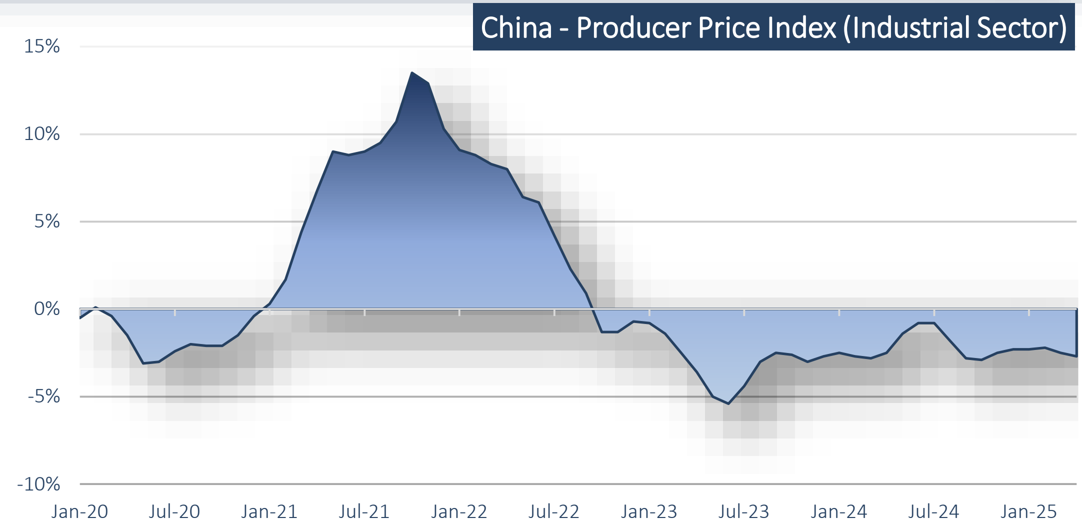
Source: NBS, Doric Research

China - Total Value of Imports and Exports



Source: GAC, Doric Research

- In April, China's Producer Price Index (PPI) fell by 2.7 percent year-on-year, slightly exceeding market expectations. This marked the 31st consecutive month of producer deflation and the steepest annual fall since October 2024.
- On a monthly basis, PPI slipped 0.4 percent—the largest decline in six months—extending March's downward trend.
- Over the January–April period, factory-gate prices averaged a 2.4 percent decline year-on-year, highlighting persistent deflationary pressures in the industrial sector.
- China's core inflation fell by 0.1 percent year-on-year in April, underscoring continued weakness in domestic demand. This marked the third straight month of consumer deflation.
- The Consumer Price Index (CPI) rose 0.1 percent month-on-month, reversing a 0.4 percent drop in March—its first increase in three months—as authorities intensify efforts to curb deflation amid rising U.S. tariffs.
- Non-food prices were unchanged after a 0.2 percent rise in March.
- Non-food prices were flat after the prior 0.2 percent rise, while core inflation, which excludes volatile food and fuel prices, rose 0.5 percent, holding steady for the second month.

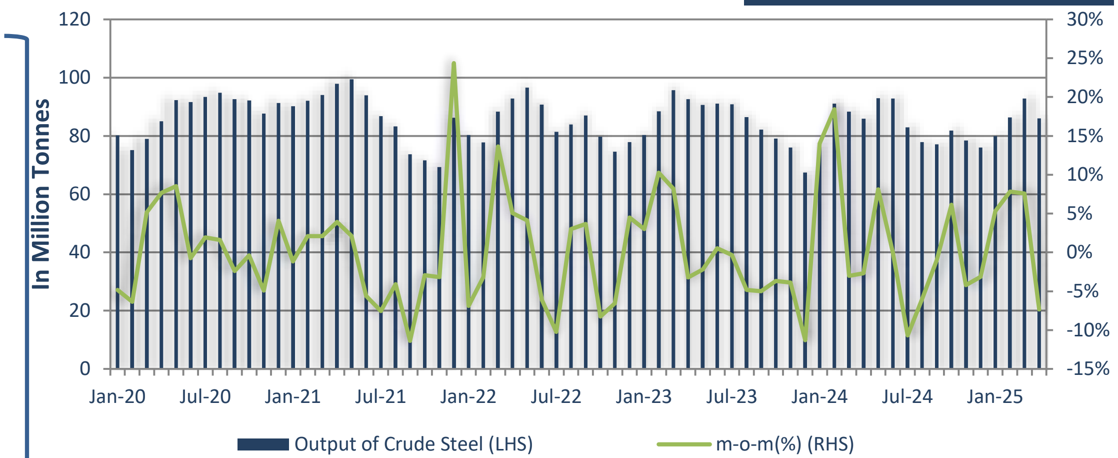


Source: NBS, Doric Research

Source: NBS, Doric Research

- China's mills produced 86.02 million tonnes of crude steel in April, broadly unchanged year-on-year but 7.0 percent lower than March's 92.84 million tonnes.
- This equated to an average daily output of 2.87 million tonnes, down from 2.99 million tonnes in March and marginally above the 2.86 million tonnes recorded in April 2024.
- Crude steel production over the January–April period totalled 345.35 million tonnes, inching up 0.4 percent from 343.67 million tonnes a year earlier, reflecting a largely range-bound trend in output.
- China's official Manufacturing Purchasing Managers' Index (PMI) slipped back into contraction in April, falling to 49.0 from 50.5 in March — its lowest reading since December 2023.
- Among the sub-indices, new export orders posted a notable decline to 44.7 from 49.0, suggesting that the impact of rising tariffs is beginning to take hold.
- China's non-manufacturing PMI eased slightly to 50.4 in April, compared to 50.8 in the previous month.

China - Crude Steel Output



Source: NBS, Doric Research

China - Manufacturing PMI

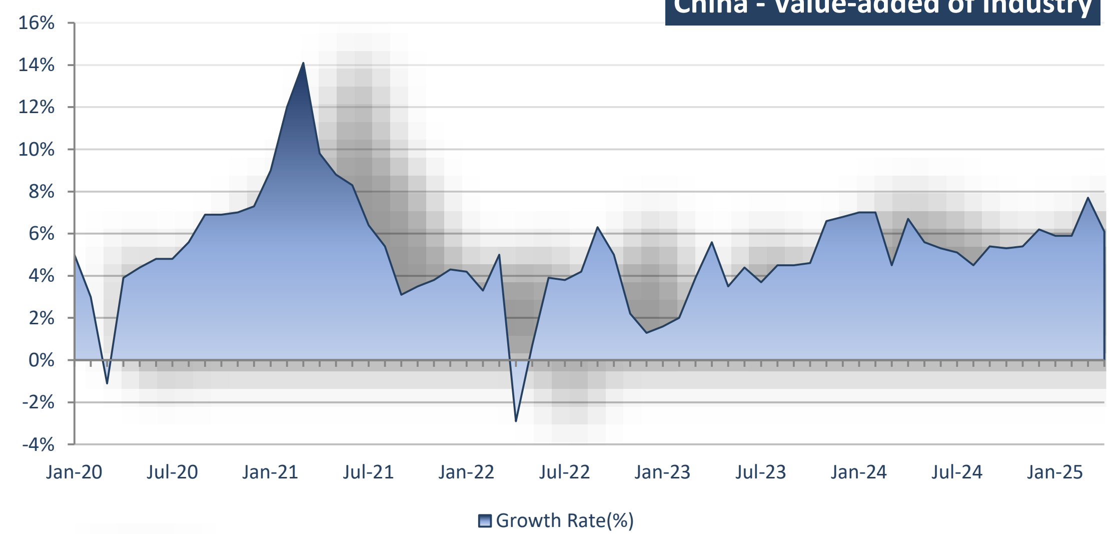
Source: GAC, Doric Research

- China's property investment declined by 10.3 percent year-on-year in the first four months of 2025 , following a drop of 9.9 percent in the first quarter of current year.
- Property sales by floor area narrowed their year-to-date decline, falling by 2.8 percent from a year earlier across January-April, after declining by 3.0 percent in the first three months of the current year.
- China's new home prices were unchanged in April from a month earlier, extending the no-growth trend since May 2023. Moreover, new construction starts measured by floor area, shrank by 23.8 percent on the year, versus a 24.4 slump in January-March.
- China is considering a major shift in housing policy for the second half of the year, potentially requiring developers to sell only completed homes—moving away from the pre-sales model that has worsened the housing crisis.
- China's value-added industrial output expanded by 6.1 percent in April, over the previous year.
- For the first four months as a whole, China's industrial production gained 6.4 percent year-on-year.
- By sector, value-added output in mining increased by 6.2 percent year-on-year in the first quarter, while manufacturing grew by 7.1 percent.

China - Real Estate Investment

Source: NBS, Doric Research

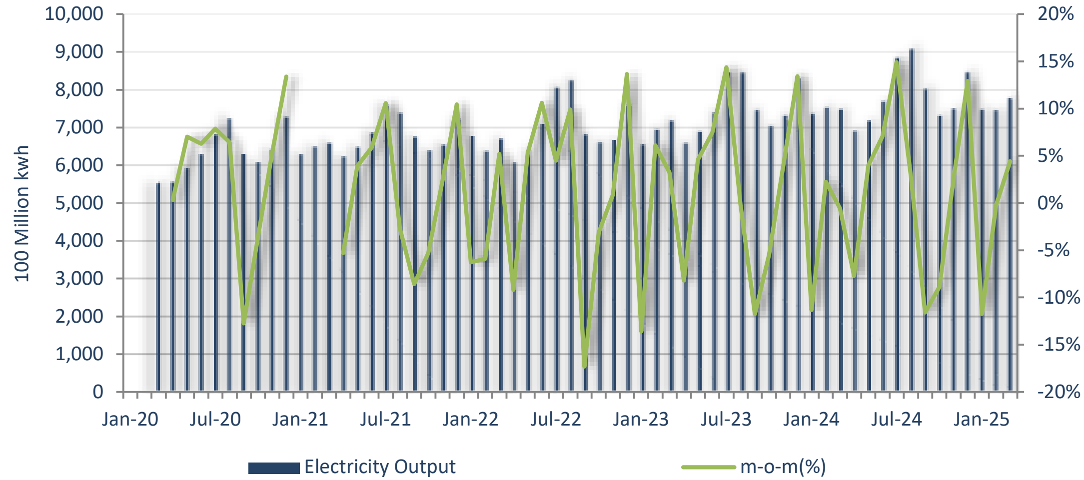
China - Value-added of Industry



Source: NBS, Doric Research

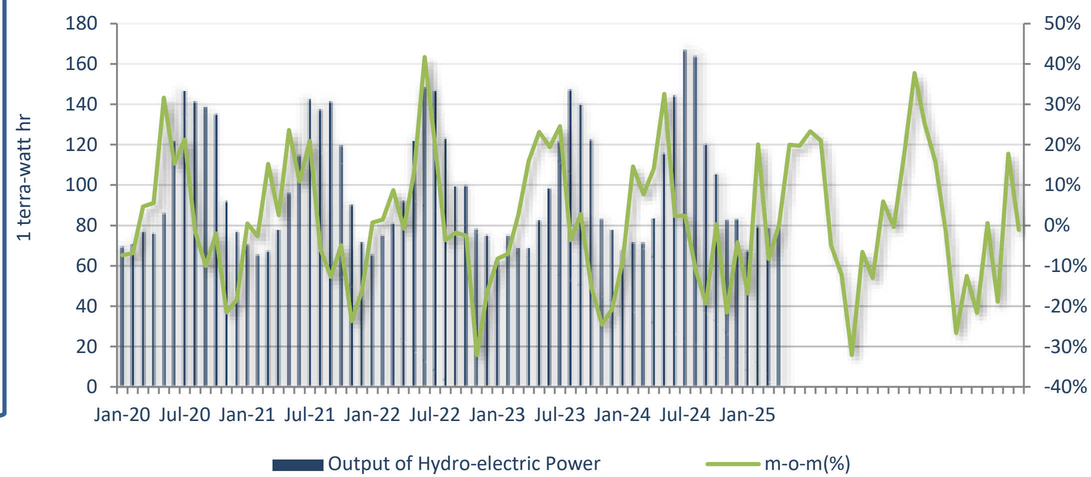
- China's total power generation growth slowed by 0.9 percent in April to 711.1 billion kilowatt-hours (kWh), after rising by 1.8 percent in March.
- The unusually warm winter this year meant that power generation for the January–April period rose by just 0.1 percent, reaching 2.98 trillion kilowatt-hours.
- The growth in renewables is currently reshaping the overall generation mix. Fossil fuel generation has already declined by 3.6 percent on the year across the first four months of 2025, a shift that's beginning to show structural signs.
- China's hydropower output, China's second-largest power source, fell by 6.5 percent to 78.6 billion kWh in April, as parts of Sichuan and Yunnan province, where much hydropower capacity is located, have been facing drought conditions.
- In the first four months of the year, China's hydropower output edged up by 2.2 percent.
- Growth in hydro-power generation has now overtaken the current and long-term average growth in electricity demand, pushing down fossil fuel use.

China - Electricity Output



Source: NBS, Doric Research

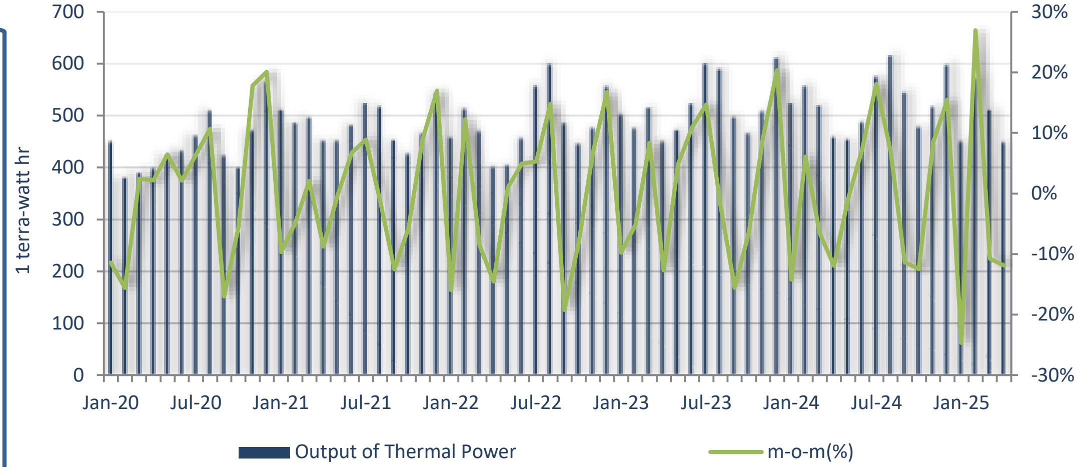
China - Hydro-Electric Power Output



Source: NBS, Doric Research

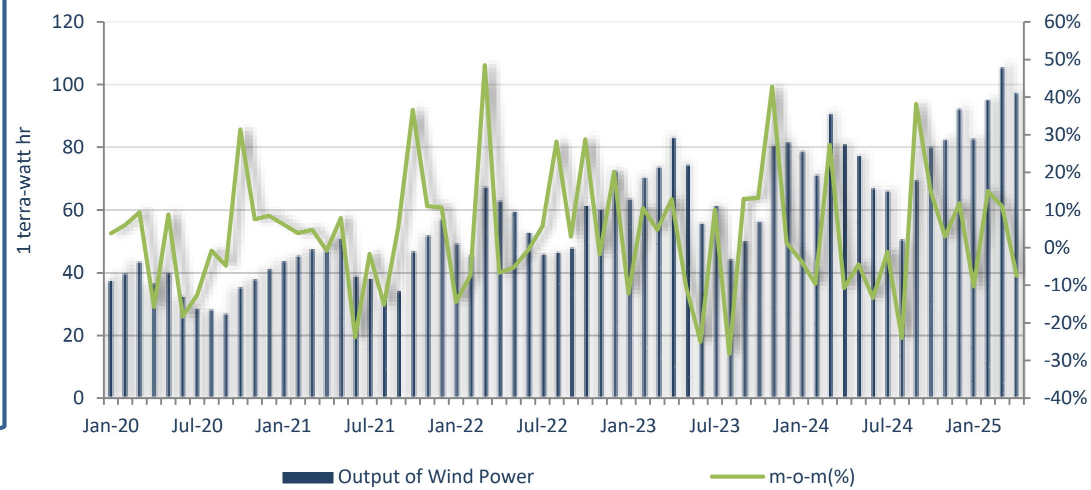
- China's thermal power generation declined by 2.3 percent year-on-year in April, reaching 449.15 billion kilowatt-hours. This aligns with expectations that fossil-fuelled power output could contract in 2025 for the first time in a decade.
- On a monthly basis, thermal power output dropped sharply by 12.0 percent from March's 509.9 billion kilowatt-hours.
- Despite April's year-on-year dip, total thermal power generation over the January–April period rose by 2.1 percent year-on-year to 1.98 trillion kilowatt-hours.
- During the same four-month period, China added 13 GW of new thermal capacity; however, 91.0 percent of overall capacity additions came from renewable energy sources, including hydro.
- Wind power generation reached approximately 97.45 terawatt-hours in April, up 12.7 percent compared to the same month last year.
- China marked a milestone in its energy transition that month, with wind and solar power accounting for 26.0 percent of total electricity generation — the highest monthly share on record.

China - Thermal Power Output



Source: NBS, Doric Research

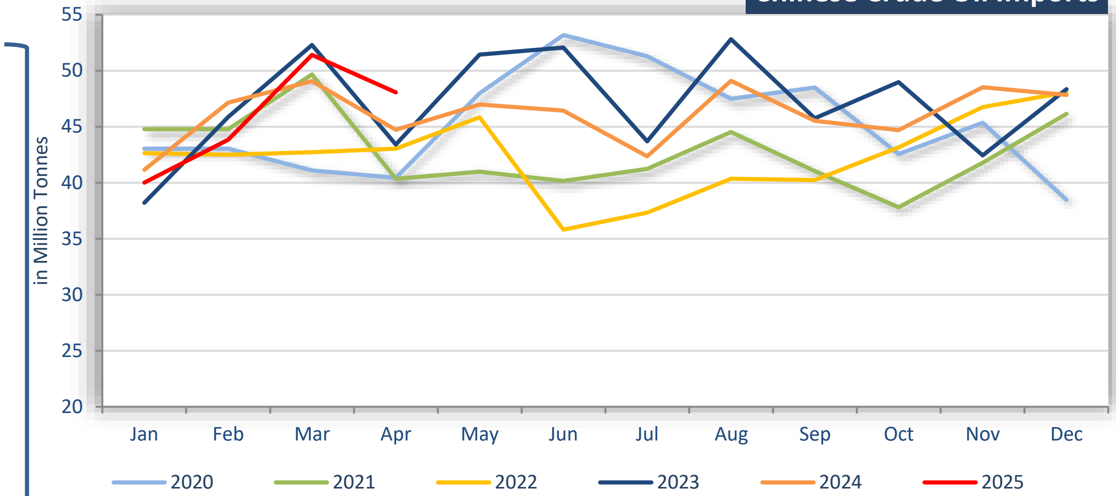
China - Wind Power Output



Source: NBS, Doric Research

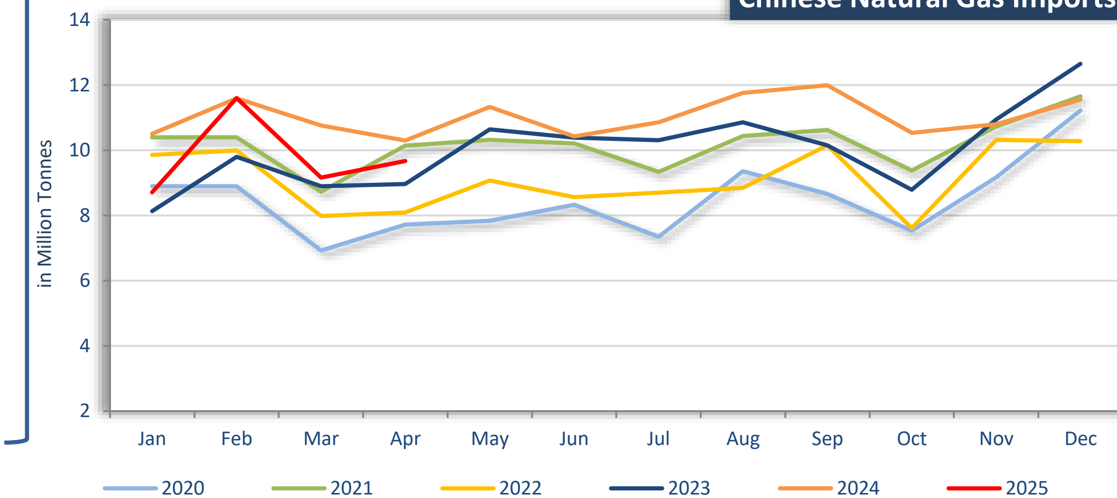
- China In April, seaborne iron ore shipments to China totalled 103.14 million tonnes, marking a 1.3 percent increase year-on-year. Demand remained firm during the month.
- On a month-on-month basis, April imports rose by 9.8 percent, indicating a recovery in port arrivals.
- Over the January–April period, total iron ore imports reached 388.36 million tonnes, down 5.5 percent compared to the same period last year. Meanwhile, the average import price per tonne declined by 18.6 percent year-on-year.
- During the pace of the past four months, China's crude oil arrivals stood at 183.03 million tonnes, or 11.13 million bpd, marginally up by 0.5 percent from the year-ago period.
- Natural gas imports—including both piped gas and liquefied natural gas — fell by 6.0 percent year-on-year in April to 9.67 million tonnes, pressured by strong domestic production.
- Cumulative natural gas imports for January–April 2025 declined by 10.0 percent from the same period last year, to 38.99 million tonnes.
- China's exports of refined oil products, including diesel, gasoline, aviation and marine fuel, rose by 10.0 percent on the year in April to 5.01 million tonnes.

Chinese Crude Oil Imports



Source: GAC, Doric Research

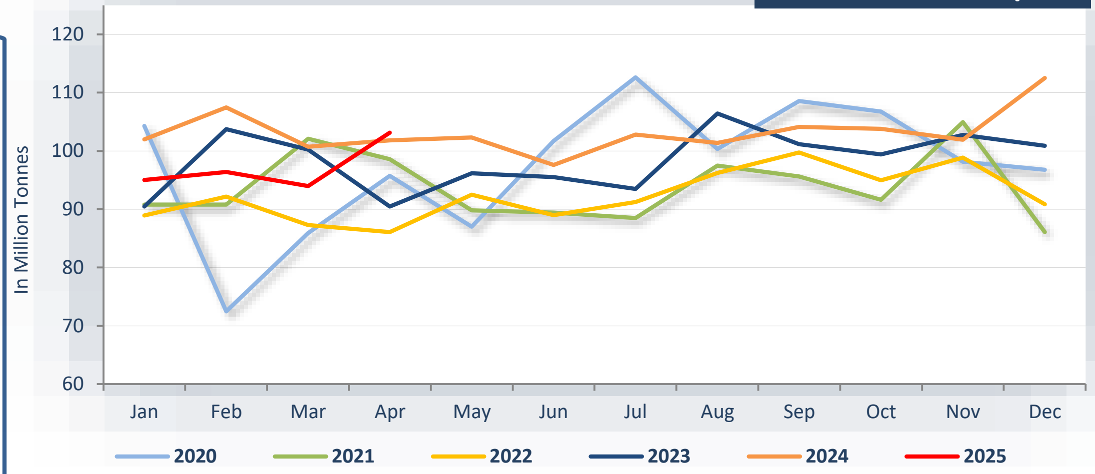
Chinese Natural Gas Imports



Source: GAC, Doric Research

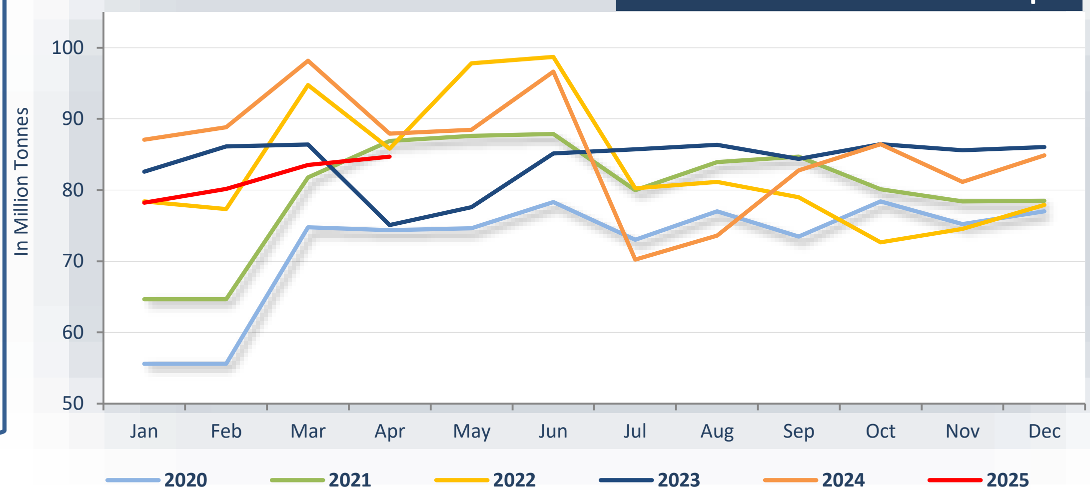
- In April 2025, seaborne iron ore shipments to China totalled 103.14 million tonnes, marking a 1.3 percent increase year-on-year. Demand remained firm during the month, supported by active production plans among Chinese steelmakers.
- On a month-on-month basis, April imports rose by 9.8 percent, indicating a recovery in port arrivals.
- Over the January–April period, total iron ore imports reached 388.36 million tonnes, down 5.5 percent compared to the same period last year. Meanwhile, the average import price per tonne declined by 18.6 percent year-on-year.
- Domestic crude iron production stood at 84.69 million tonnes in April, down by 4.9 percent from the same period last year.
- According to the China Iron and Steel Association, total steel output at major mills rose by 1.4 percent on a month-on-month basis in April, up from 83.53 million tonnes in March.
- Over the past four months, Chinese mining companies reduced iron ore production by 12.2 percent compared to the same period in 2024, to 328.6 million tonnes.

China - Iron Ore Imports



Source: GAC, Doric Research

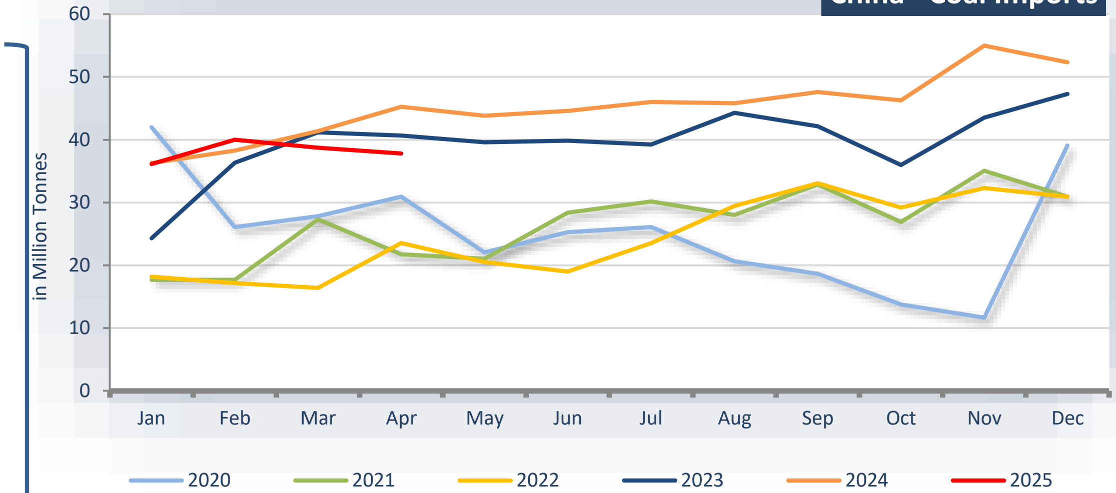
China - Iron Ore Domestic Output



Source: NBS, Doric Research

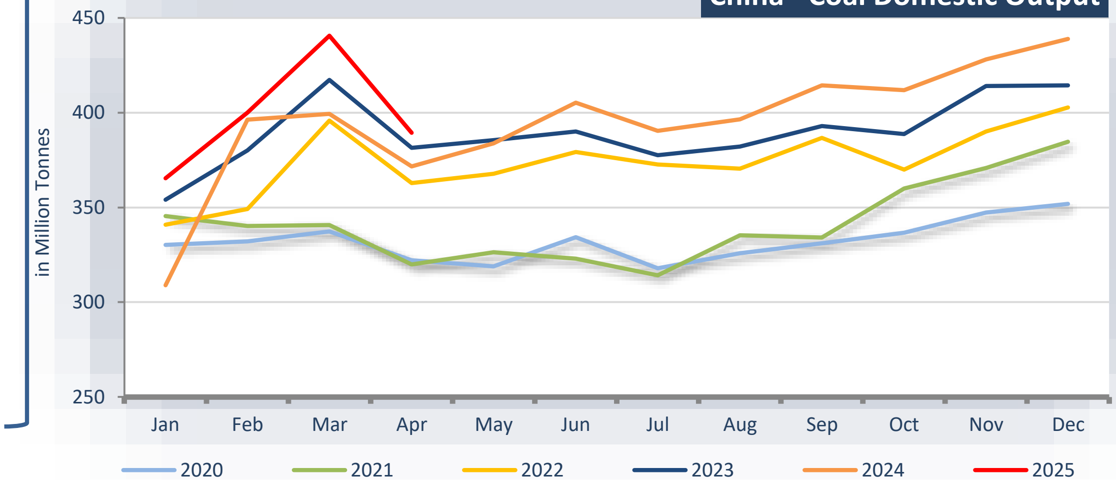
- China's coal imports declined by 16.0 percent on the year in April, to 37.83 million tonnes. That marked the second consecutive month of annual decline, as weaker domestic prices made imports less profitable.
- China's coal imports totalled 152.67 million tonnes over the first four months of the year, marking a 5.3 percent decline year-on-year. This follows a record-high intake of 76.12 million tonnes during the January–February period, suggesting a notable slowdown in subsequent months.
- Domestic coal prices in China fell to their lowest levels in four years in April, eroding margins for imported cargoes.
- China's coal imports from Russia contracted by 13.0 percent on the year in April to 7.4 million tonnes, while Australian arrivals declined by 3.0 percent in the month to 6.97 million tonnes.
- China's April coal output came out at 389.13 million tonnes, up by 3.8 percent from the year-earlier level but down from March's record monthly high of 440.58 million tonnes.
- For the first four months of the year, China's coal production stood at 1.58 billion tonnes, a 6.6 percent increase compared with the same period last year.

China - Coal Imports



Source: GAC, Doric Research

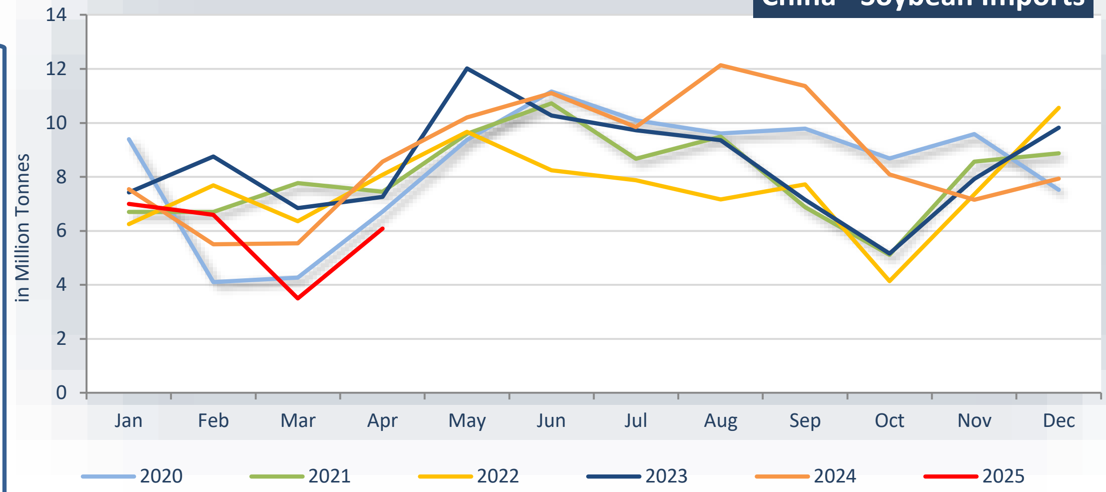
China - Coal Domestic Output



Source: NBS, Doric Research

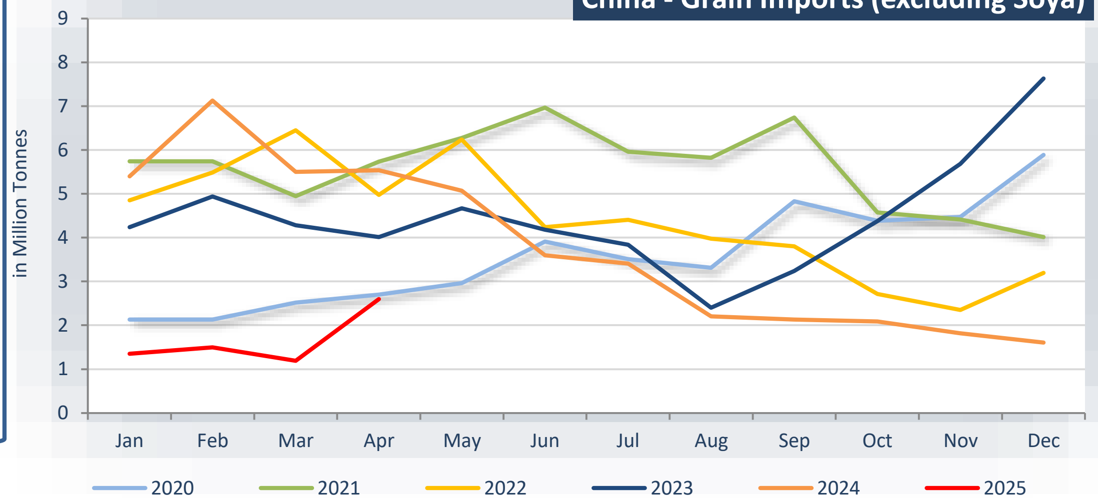
- China's soybean imports plunged to a decade-low in April, down by 29.1 percent year-on-year to 6.08 million tonnes. That came out as a result of significant customs delays and logistical disruptions to Brazilian exports.
- On a monthly basis, April's soybean arrivals stood 2.5 million tonnes higher, although an estimated 2.4 million tonnes remain delayed in customs clearance.
- On April 25th, Chinese authorities lifted import bans on soybean shipments from five Brazilian suppliers—including ADM, Cargill, and Olam. With Brazilian soybean exports typically flowing into China from May through October, analysts anticipate a marked pickup in arrivals.
- Over the January–April period, total soybean arrivals in China reached 23.19 million tonnes, down 14.6 percent from 27.15 million tonnes in the same period last year.
- Excluding soybeans, China imported 2.6 million tonnes of grains in April, representing a steep year-on-year decline of 53.4 percent.
- China's April imports of corn were down sharply by 84.7 percent to 0.18 million tonnes, down from 1.18 million tonnes in April 2024. Brazil supplied 81.0 percent of China's April corn imports, while Russia supplied 6.8 percent.

China - Soybean Imports



Source: GAC, Doric Research

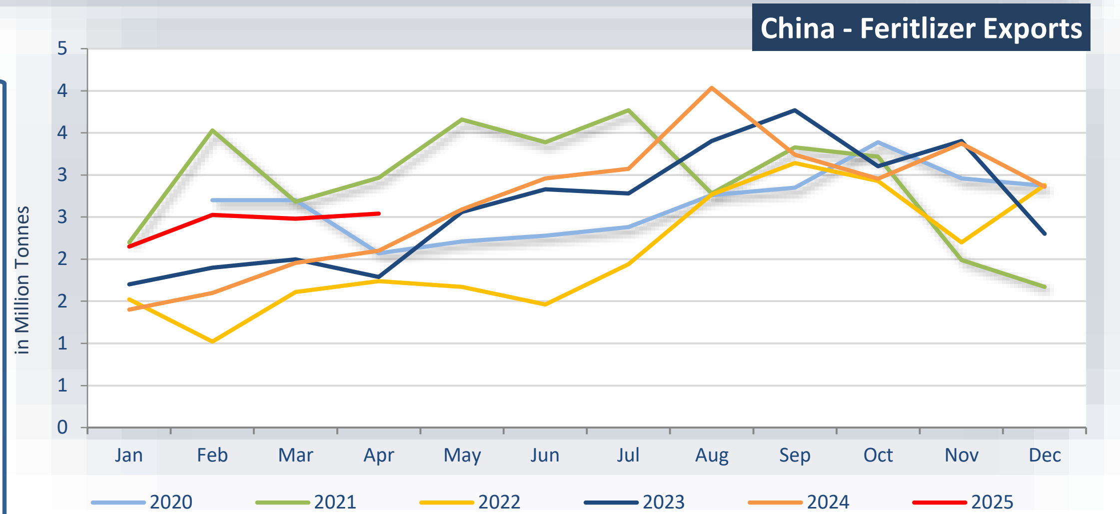
China - Grain Imports (excluding Soya)



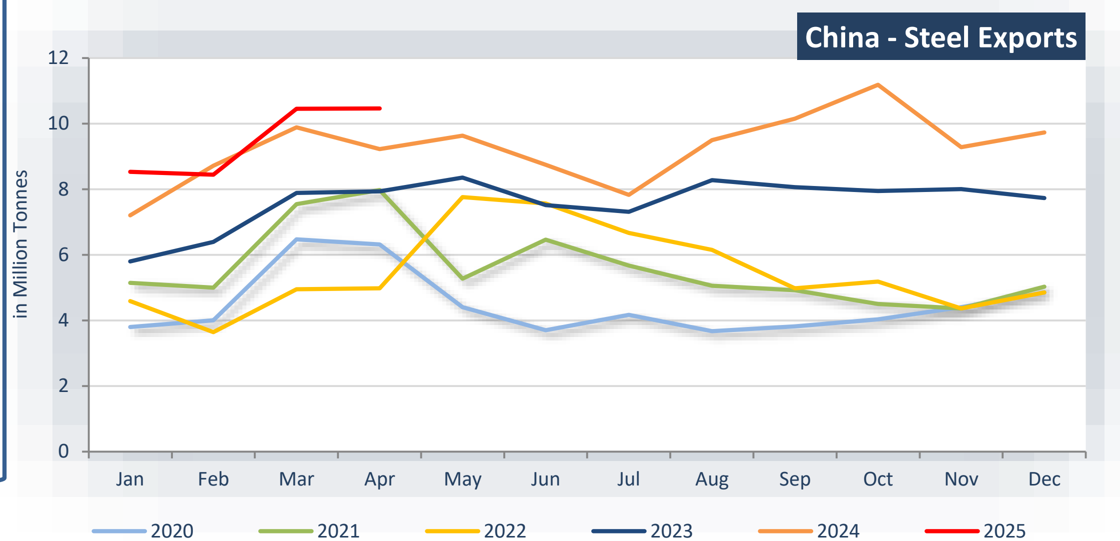
Source : GAC, Doric Research

MINORS (EXPORTS) MAY 2025

- China’s fertilizer exports rose to 2.54 million tonnes, slightly up by 2.4 percent on the month and substantially higher by 21.0 percent from a year earlier.
- During the pace of the first four months of the year, total fertilizer exports soared to 9.7 million tonnes, representing a sharp year-on-year increase of 37.4 percent.
- China's NP/NPS exports jumped by more than eightfold to an all-time high of about 0.61 million tonnes over January-April, as it is a more affordable alternative, given tighter phosphate export availability and higher fertilizer prices globally.
- China’s finished steel exports rose by 13.4 percent year-on-year in April, reaching 10.46 million tonnes—the highest monthly volume since September 2015.
- Over the first four months of the year, total steel exports reached 37.89 million tonnes, up 8.2 percent from the same period last year.
- Despite the rise in volume, the average export price per tonne declined by 10.5 percent year-on-year. This price weakness reflects the impact of mounting anti-dumping actions, which have prompted Chinese exporters to prioritise volume over pricing in order to maintain market share abroad.

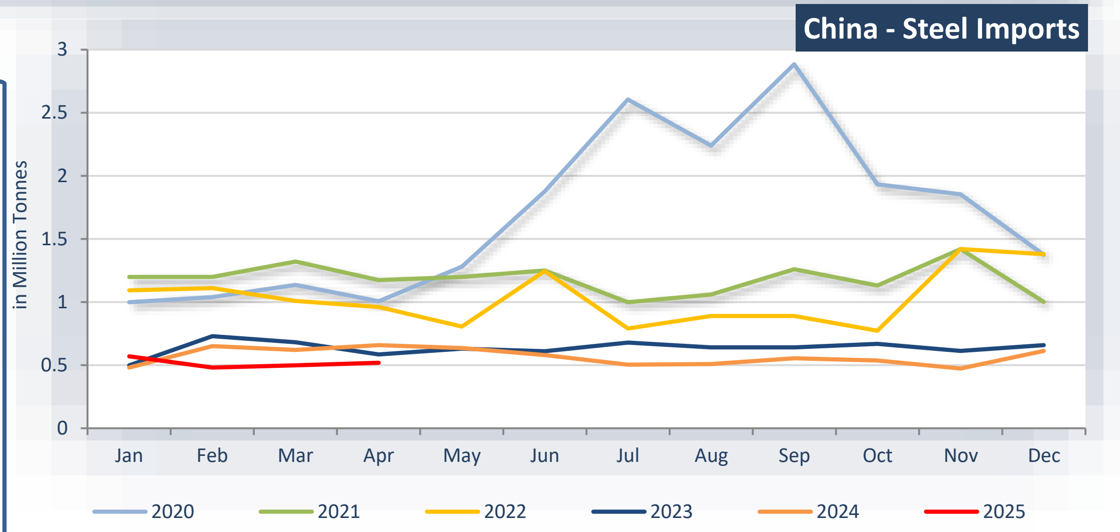


Source: GAC, Doric Research



Source: GAC, Doric Research

- China's steel imports shrank by 20.7 percent in April, compared to the same month last year, reaching 0.52 million tonnes. However, on a monthly basis, April's record stood 4.2 percent above March's.
- Following the same path, Chinese cumulative imports of steel products, from January to April, decreased by 13.9 percent year-on-year, totaling 2.07 million tonnes.
- Meanwhile in April, 53.0 percent of Chinese steelmakers were reported profitable, marking a stark improvement from just 25.0 percent in April 2024. This recovery, supported by a pick up in infrastructure spending, encouraged mills to ramp up production, boosting raw material imports.
- In April, Chinese timber imports balanced at 5.34 million cubic meters (CBM), reflecting a 15.2 percent year-on-year fall.
- Over January-April period, China brought in 19.2 million CBM of timber and logs, or 12.0 percent down year-on-year.
- China's Global Timber Index remained in the expansion territory for the second consecutive month in April, at 54.1 percent, down from a record of 58.1 percent in previous month.



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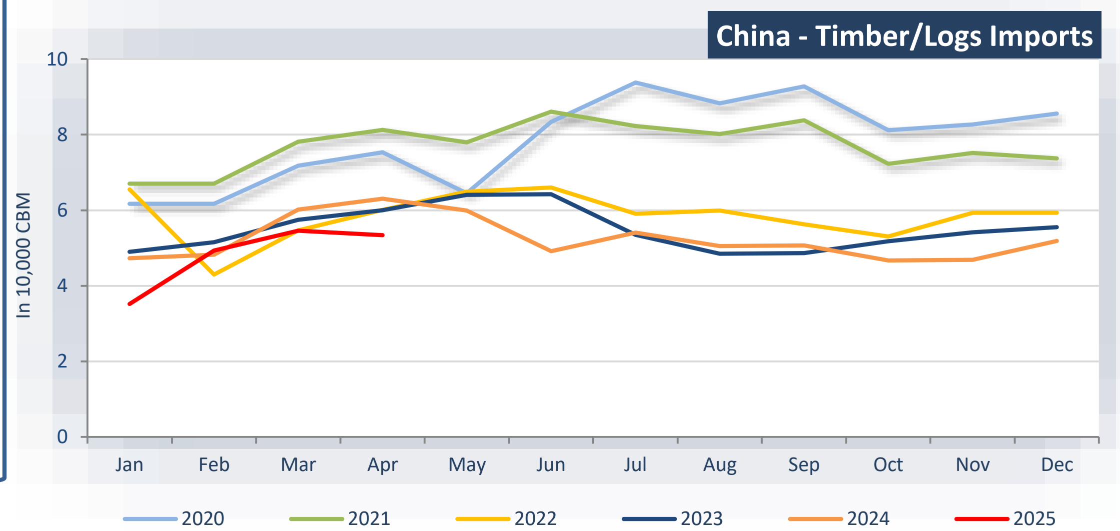

Source: GAC, Doric Research

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