CHINA – BAROMETER

Monthly Update

August 2025

FOCAL POINTS :

Macro Environment

China's economy expanded by 5.3 percent year-on-year in the first half of 2025, keeping growth broadly on track to meet Beijing's 5.0 percent target. However, momentum slowed in July as weakness in domestic demand persisted and uncertainty surrounding potential U.S. tariff measures weighed on sentiment.

Energy

Power consumption hit a historic milestone in July, rising 8.6 percent year-on-year to 1.02 trillion kilowatt-hours. This marked the first time China's nationwide monthly electricity usage surpassed the 1.0 trillion kWh threshold — a level unmatched globally.

Manufacturing

Factory activity softened further in July, with the official Manufacturing Purchasing Managers' Index (PMI) slipping to 49.3 from June's 49.7, its lowest in three months. This marked the fourth consecutive month of contraction.

Imports

Coal imports totaled 35.61 million tonnes in July, down 22.9 percent from the previous year. Despite the annual decline, arrivals recovered from June's more than two-year low as extreme heat lifted demand for power generation. Soybean imports surged to a record for July, reaching 11.67 million tonnes, up 18.6 percent year-on-year, driven by ample Brazilian supply.

Exports

Steel exports continued their record-breaking run, climbing 1.7 percent month-on-month in July to 9.84 million tonnes. Year-to-date volumes now stand at the highest level since records began in 1990.

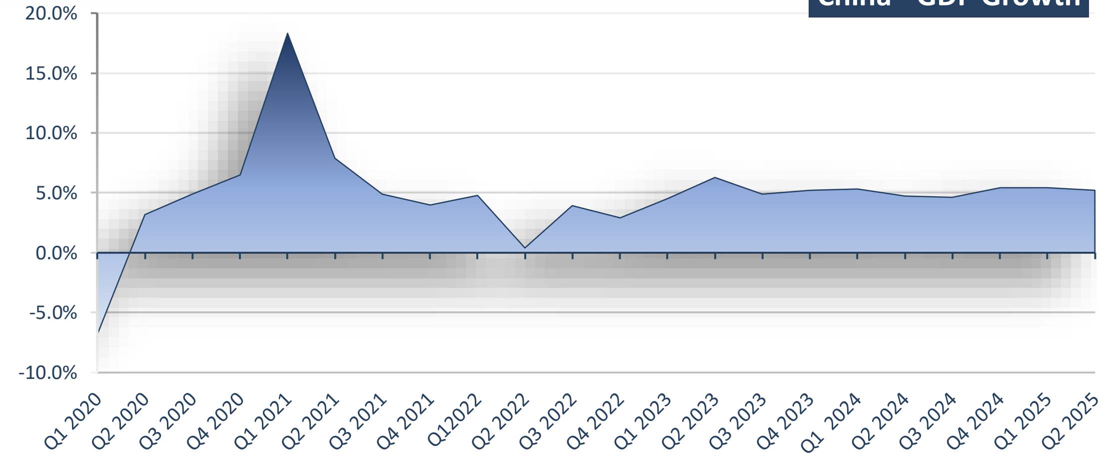
Doric Research Department

Michalis Voutsinas
Helen Vlassi

CONTENT PAGES :

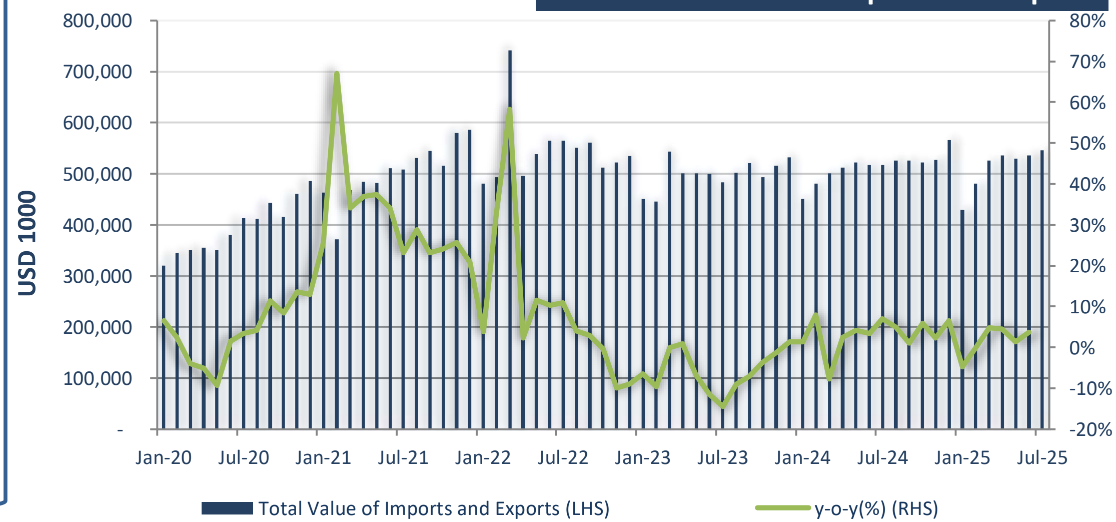
- China's economy expanded by 5.3 percent on year in the first half of 2025, on track to meet Beijing's growth target of 5.0 percent. However, economy lost momentum in July, with growth faltering across the board.
- Retail sales rose 3.7 percent from a year earlier in July, missing analysts' estimates for a 4.6 percent growth and slowing from June's 4.8 percent growth.
- Industrial output rose 5.7 percent from a year ago in July, its weakest level since November last year.
- Cumulative seaborne exports from China rose by 7.2 percent year-on-year to USD 321.8 billion in July, beating expectations of a 5.4 percent increase and accelerating from a 5.8 percent gain in June. This marked the fastest pace of outbound shipments since April.
- Imports to China rose by 4.1 percent on year to a five-month high of USD 223.5 billion in July, defying market expectations of a 1.0 percent decline and picking up from 1.1 percent growth in the previous month.
- China's trade surplus came in at USD 98.24 billion in July, below market expectations of USD 105.0 billion, though higher than the USD 85.27 billion recorded in the same month a year earlier.

China - GDP Growth



Source: NBS, Doric Research

China - Total Value of Imports and Exports



Source: GAC, Doric Research

- China's producer prices slowed by 3.6 percent year-on-year in July, matching the 2-year low recorded in June. This marked the 34th consecutive month of producer deflation.
- However, on a monthly basis, Producer Price Index (PPI) shrank by 0.2 percent in July, slowing from a 0.4 percent fall in the preceding four months and marking the softest pace in five months.
- From January to July, factory-gate prices shrank by 2.9 percent year-on-year, indicating ongoing deflationary pressures from weak domestic demand.

China - Producer Price Index (Industrial Sector)

Source: NBS, Doric Research

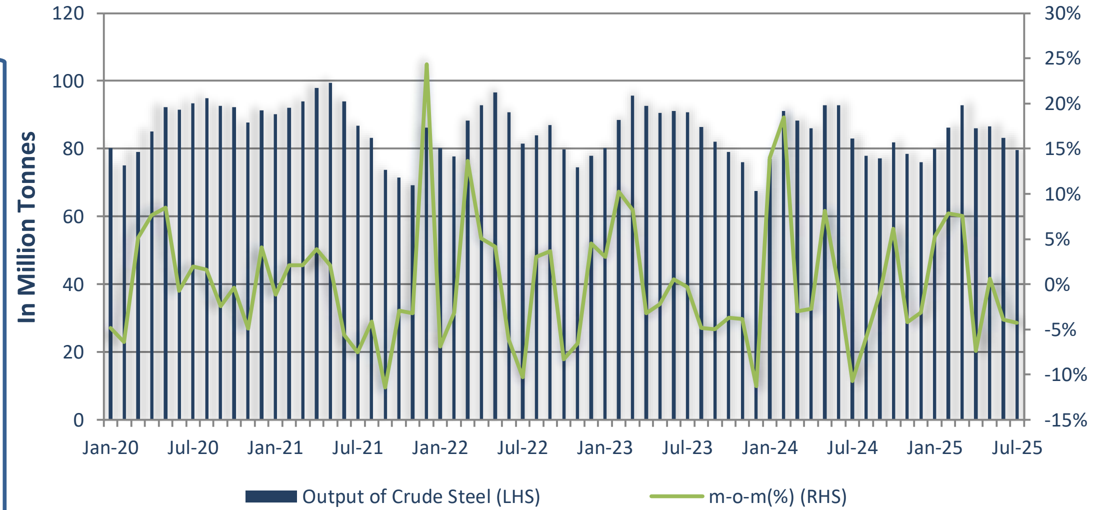
- China's consumer prices remained flat from a year earlier in July, surpassing market expectations for a 0.1 percent drop and following a 0.1 percent gain in the previous month.
- On a monthly basis, the CPI rose 0.4 percent in past month, reversing a 0.1 percent decline in June. This marked the highest monthly inflation since January.
- The core inflation, stripping out food and fuel prices, rose 0.8 percent year-on-year, the highest reading in 17 months, following a 0.7 percent gain in June.

China - Inflation Rate

Source: NBS, Doric Research

- China's crude steel output fell below the 80-million-tonne mark in July for the first time this year, totaling 79.66 million tonnes, down 3.9 percent year-on-year.
- Cumulative production for January–July reached 594.47 million tonnes, a 3.1 percent decline compared with the same period last year.
- On a daily basis, crude steel output averaged 2.57 million tonnes in July, 7.3 percent lower than June's 2.77 million tonnes. Meanwhile, the production price index for the steel sector rose to the highest level in nearly nine months of 51.9 percent.
- China's factory activity unexpectedly deteriorated to a three-month low in July, with the official Manufacturing Purchasing Manager's Index (PMI) slowed to 49.3, down from June's 49.7, marking the fourth consecutive month of contraction.
- The sub-index of new orders stood at 51.9 percent, 6.3 percentage points higher than in June, back in the expansion zone after two months, hitting a new high over the past nine months.
- The non-manufacturing PMI, which included services and construction, dropped to 50.1 in July, down from 50.5 in June, hitting the lowest reading since November 2024.

China - Crude Steel Output



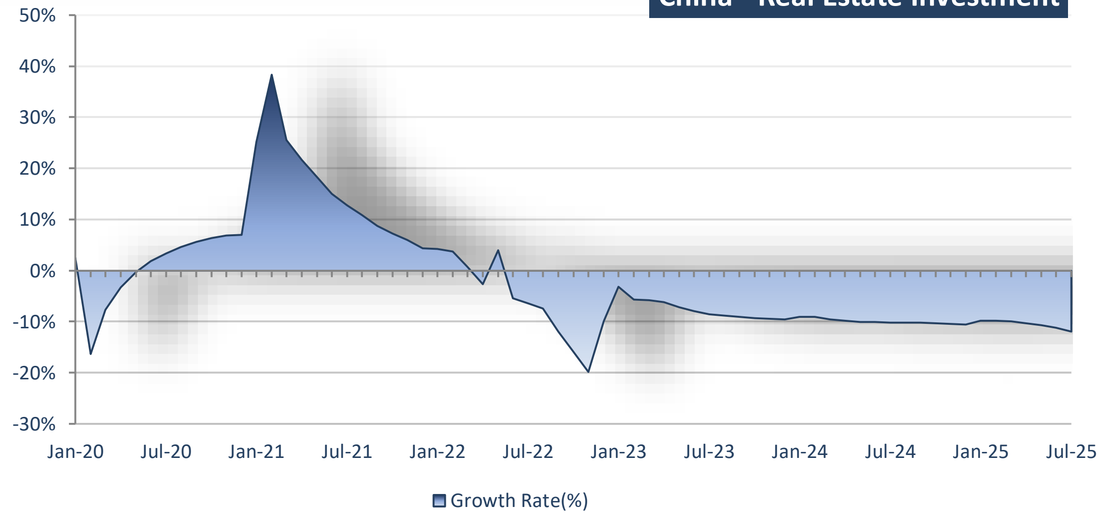
Source: NBS, Doric Research

China - Manufacturing PMI

Source: NBS, Doric Research

- China's property investment plummeted by 12.0 percent year-on-year in July, after dropping by 11.2 percent in the first half of the year.
- Property sales by floor area fell by 4.0 percent year-on-year in the past seven months, compared with a 3.5 percent slump in the first six months of the year.
- New construction starts measured by floor area slumped by 19.4 percent in January-July period, after contracting by 20.0 percent in the preceding six months.
- China's new home prices dropped by 2.8 percent year-on-year in July, easing from a 3.2 percent decline in the previous month. That was the 25th consecutive month of contraction and the softest pace since March 2024. On a monthly basis, prices slipped by 0.3 percent for a second straight month.
- In July, China's value-added industrial output grew 5.7 percent year-on-year, easing from a 6.8 percent increase in June.
- From January to July, the added value industries rose by 6.3 percent compared to the same period last year.
- By sector, the value added of the mining increased by 5.0 percent year-on-year, while that of the manufacturing grew by 6.2 percent annually.

China - Real Estate Investment



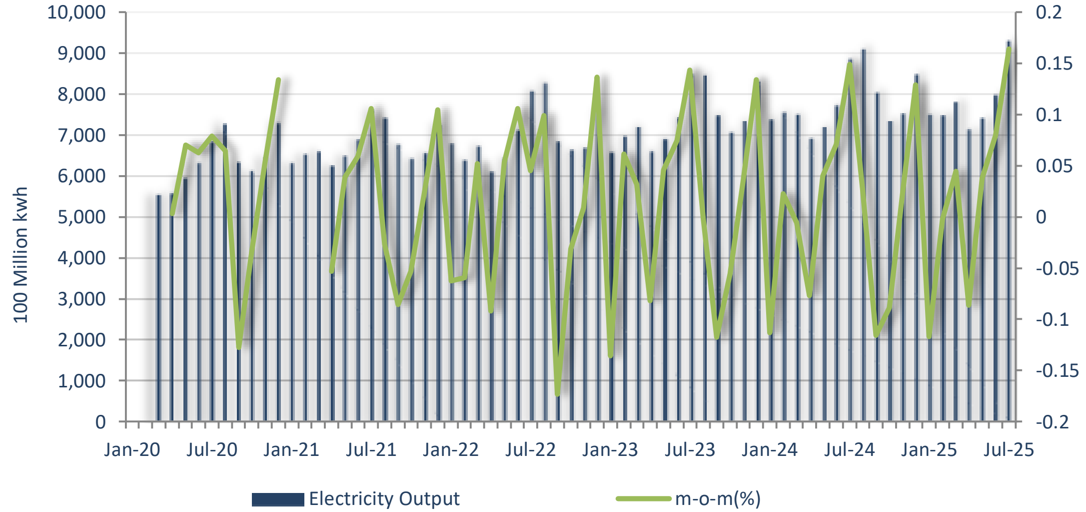
Source: NBS, Doric Research

China - Value-added of Industry

Source: NBS, Doric Research

- China's total power generation rose 3.1 percent year-on-year in July to a record 926.7 billion kilowatt-hours (kWh), also surging 16.4 percent from June's 796.3 billion kWh as extreme heat drove electricity demand higher.
- Over January–July, total power generation reached 5.43 trillion kWh, up 2.6 percent compared with the same period last year.
- Power consumption hit a historic milestone in July, rising 8.6 percent year-on-year to 1.02 trillion kWh — the first time monthly nationwide usage has exceeded the 1.0 trillion kWh threshold, unmatched globally.

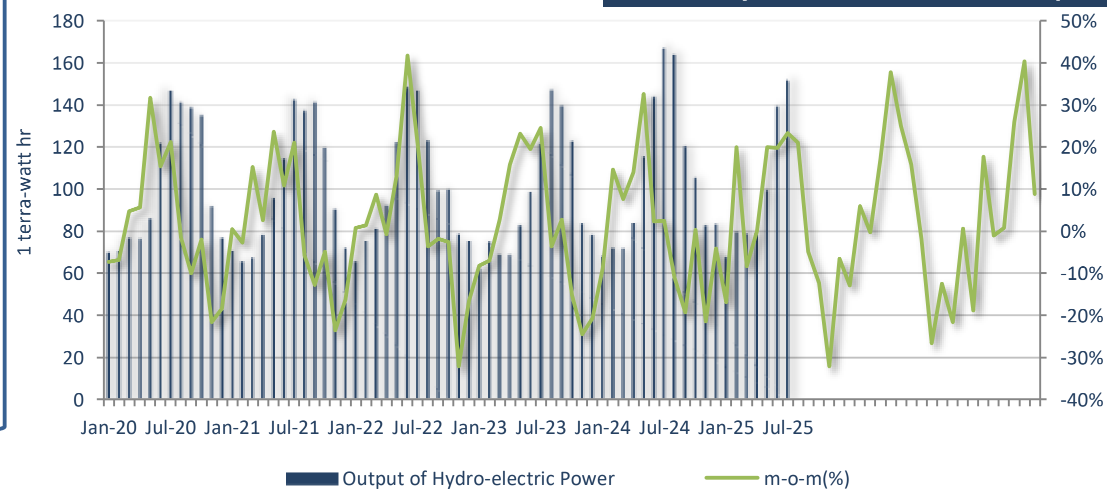
China - Electricity Output



Source: NBS, Doric Research

- Hydropower was the only major source to contract, with output falling 9.8 percent year-on-year to 151.35 billion kWh.
- Since the beginning of the year, hydropower output reached 692.4 billion kWh, down by 3.7 percent year-on-year.
- China announced in August its plan to embark on the construction of the world's largest hydropower dam in Thibet, expected to be able to generate over 300.0 billion kWh of electricity annually.

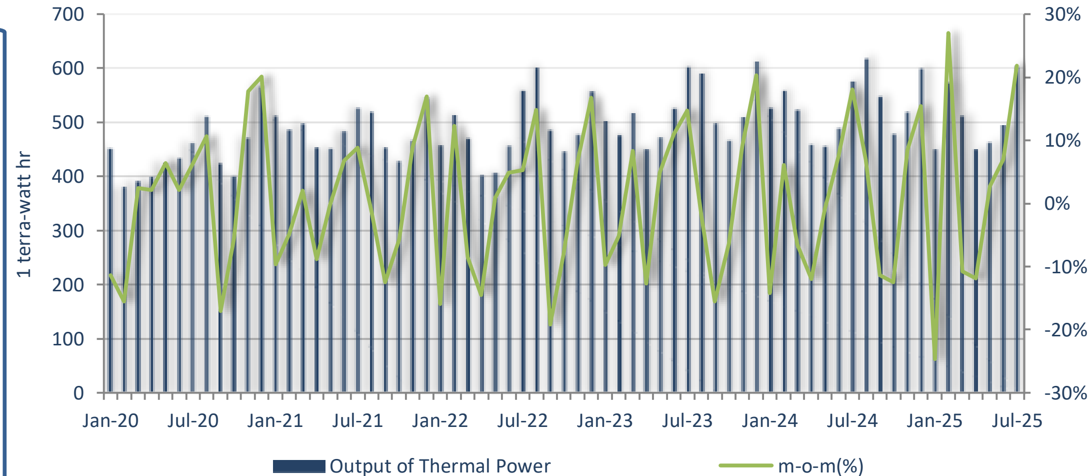
China - Hydro-Electric Power Output



Source: NBS, Doric Research

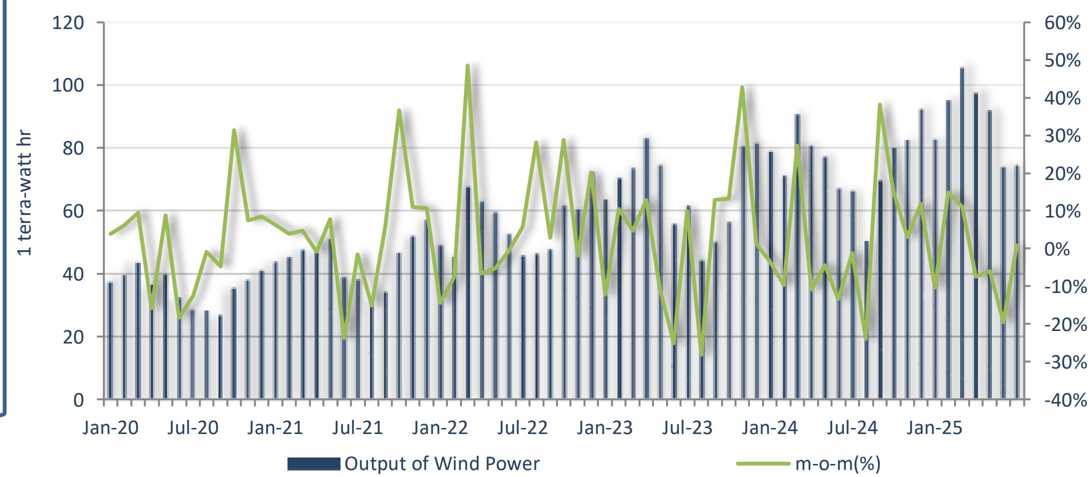
- China's thermal power output reached an 11-month high in July, rising by 4.3 percent from a year ago to 602.0 billion kilowatt-hours (kWh). That stood also 21.9 percent higher than June's figure.
- The spike in thermal power generation outpaced total output in July, fueled by record-breaking summer heat, leading grid operators to rely on coal and gas for stable power supply.
- Despite the modest rebound in thermal output, fossil-fuelled power use is still trending downwards this year compared to 2024, on track to potentially decline for the first time in a decade. In the first seven months of 2025, thermal power fell by 1.3 percent year-on-year, as competition from wind and solar intensified.
- In July, China hit a new all-time record high of solar output, rising by 28.7 percent year-on-year to 55.9 billion kWh, surpassing the previous record of 50.1 billion kWh set in June. However, country's solar capacity installations showed a significant year-on-year decrease, with new additions falling to 14.36 GW compared to the record-breaking installations in the first half of the year.
- Wind power sector also saw significant growth with a 5.5 percent year-on-year increase in wind power output.

China - Thermal Power Output



Source: NBS China, Doric Research

China - Wind Power Output

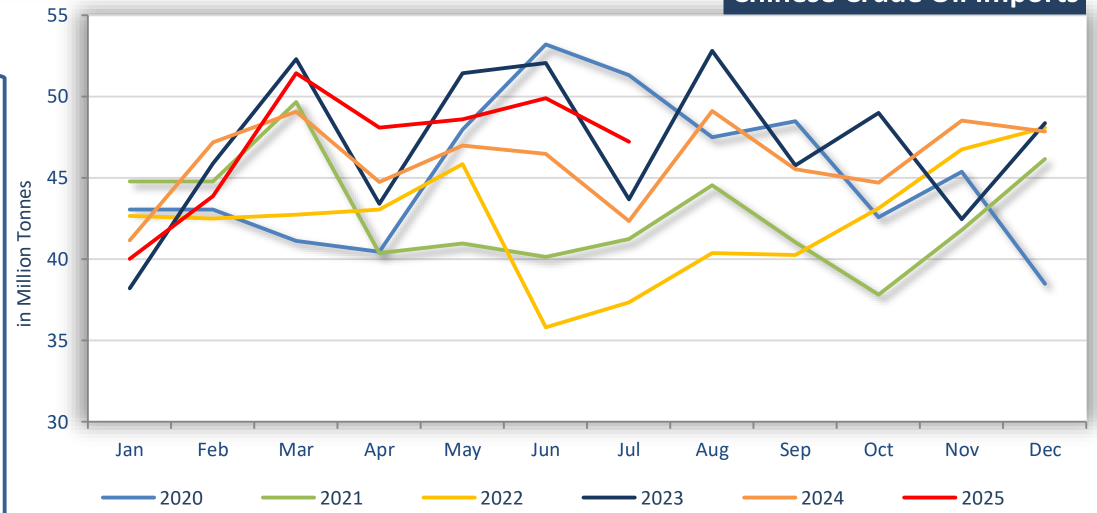


Source: NBS, Doric Research

CRUDE OIL/NATURAL GAS AUGUST 2025

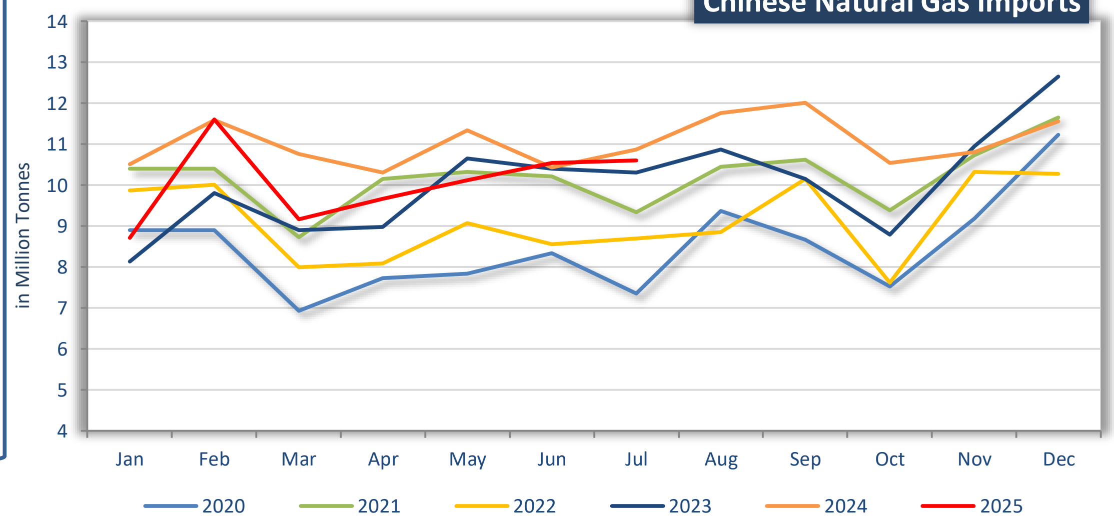
- China imported 47.2 million tonnes of crude oil in July, equivalent to 11.12 million barrels per day, or a 11.5 percent increase compared to the year-ago record. However, that was also down by 5.4 percent from June's 48.89 millions tonnes.
- Total crude oil imports within the past seven months, stood at 326.57 million tonnes, or 11.25 million bpd, edging up by 2.8 percent from the same period last year.
- Russian seaborne crude shipments to China totalled 8.71 million tonnes, making it the top source of China's crude imports last month. This marked a year-on-year increase of 16.8 percent.
- China's natural gas arrivals slipped to 10.6 million tonnes in July, down by 2.0 percent year-on-year from 1.09 million tonnes imported in July 2024.
- Cumulative gas imports over January-July period reached 70.4 million tonnes, a 7.1 percent decline year-on-year from 75.8 million tonnes reported over the same period a year ago.
- China's Liquefied Natural Gas (LNG) imports decreased by 6.7 percent in July 2025, compared to the same month in previous year.

Chinese Crude Oil Imports



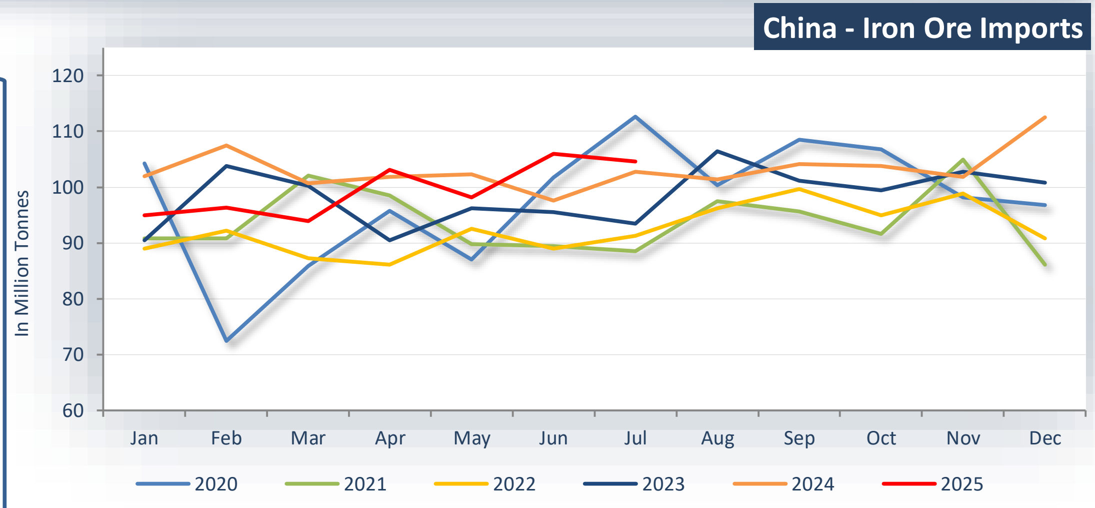
Source: GAC, Doric Research

Chinese Natural Gas Imports

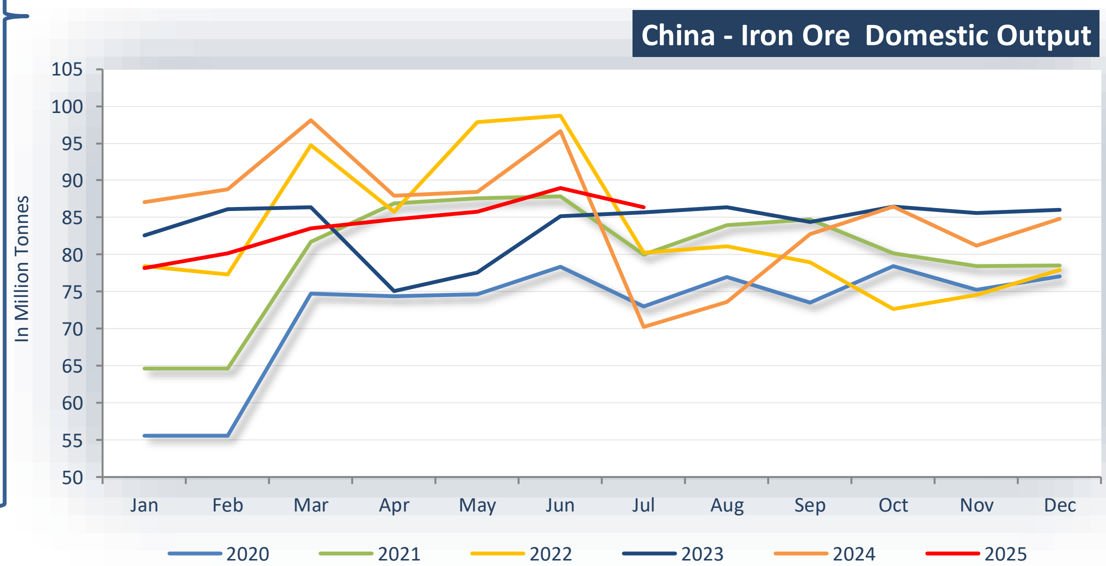


Source: GAC, Doric Research

- In July, China imported 104.62 million tonnes of iron ore, reflecting a modest 1.3 percent decline against June's six-month high of 105.95 million tonnes. Still July marks the third consecutive month that China's monthly arrivals stayed above the 100-million tonnes threshold.
- The figure also represented a 1.76 percent increase from the 102.81 million tonnes recorded in July 2024. Seaborne arrivals from Australia slipped to around 60.4 million tonnes, down 13.0 percent from June.
- Despite monthly fluctuations, China's imports for the first seven months of 2025 saw a cumulative 2.3 percent year-on-year decrease to 696.57 million tonnes.
- In July, China produced an estimated 86.33 million tonnes of crude iron ore, up 21.8 percent year-on-year but 3.0 percent lower than the previous month.
- Despite the strong July increase, the broader trend points to weaker output, with January–July production totaling 595.92 million tonnes, a 5.4 percent decline year-on-year.
- Portside inventories of imported iron ore stockpiled at China's major ports were still 8.0 percent lower than the year-ago level.



Source: GAC, Doric Research

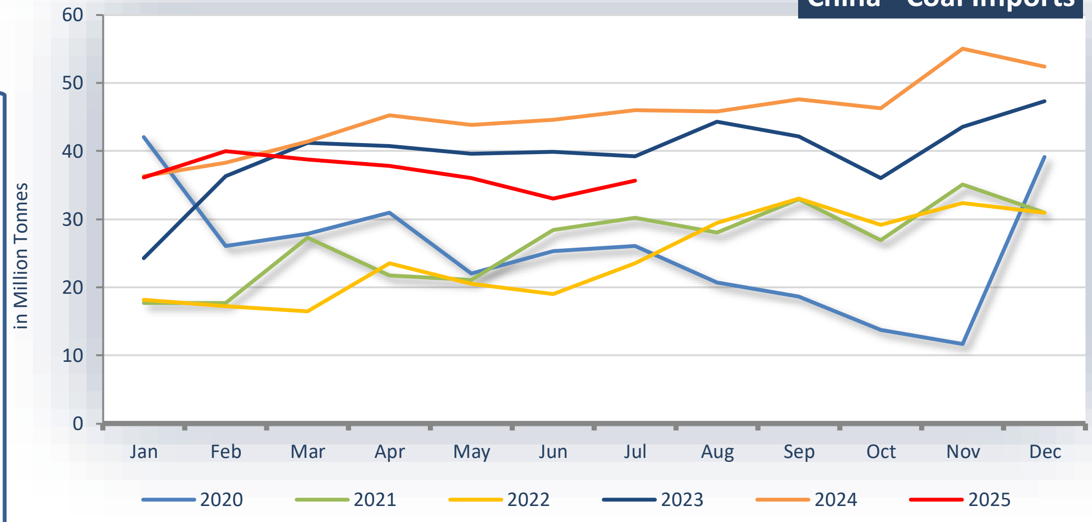


Source: NBS, Doric Research

- China's coal imports declined in July, falling 22.9 percent year-on-year to 35.61 million tonnes.
- Despite the sharp annual drop, volumes recovered from June's more than two-year low, as hotter weather boosted electricity consumption.
- Over the January–July period, seaborne coal arrivals totaled 257.3 million tonnes, representing a 13.0 percent decrease compared with the same period in 2024.
- Imports from top thermal coal exporter Indonesia are on track to reach a five-month high of 16.13 million tonnes, while those from Australia rose for a third consecutive month to 5.84 million tonnes.

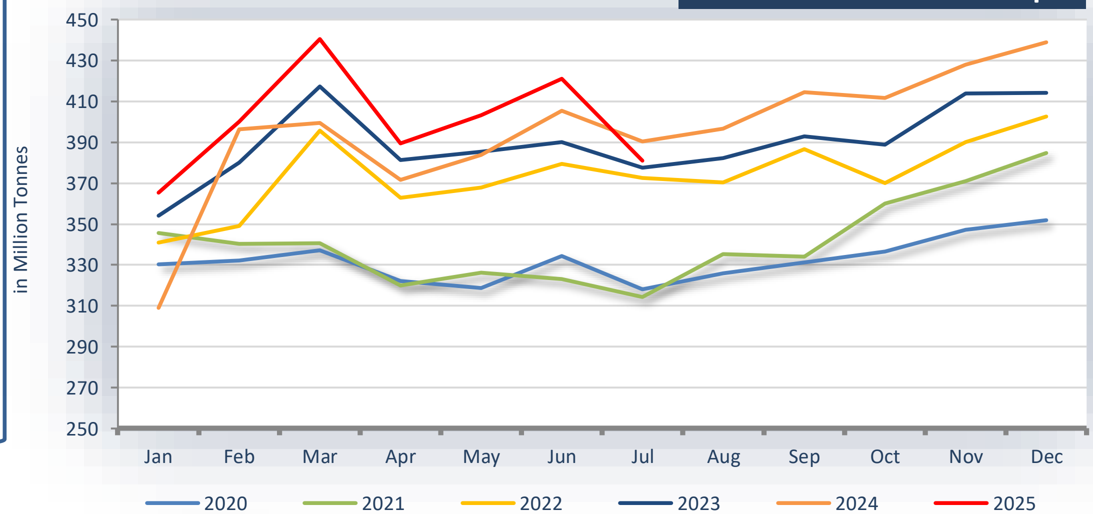
- China's raw coal output in July reached 380.0 million tonnes, down 3.8 percent year-on-year and marking the lowest level since April 2024. This represented the first annual decline of the year, reflecting efforts to curb oversupply.
- Despite July's drop, cumulative production from January to July 2025 increased by 3.8 percent year-on-year to 2.78 billion tonnes.

China - Coal Imports



Source: GAC, Doric Research

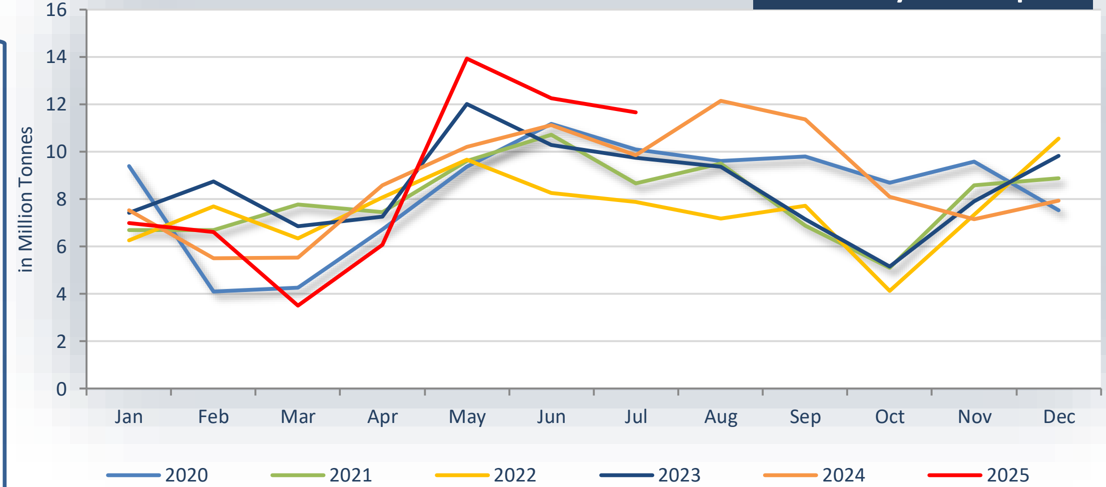
China - Coal Domestic Output



Source: NBS, Doric Research

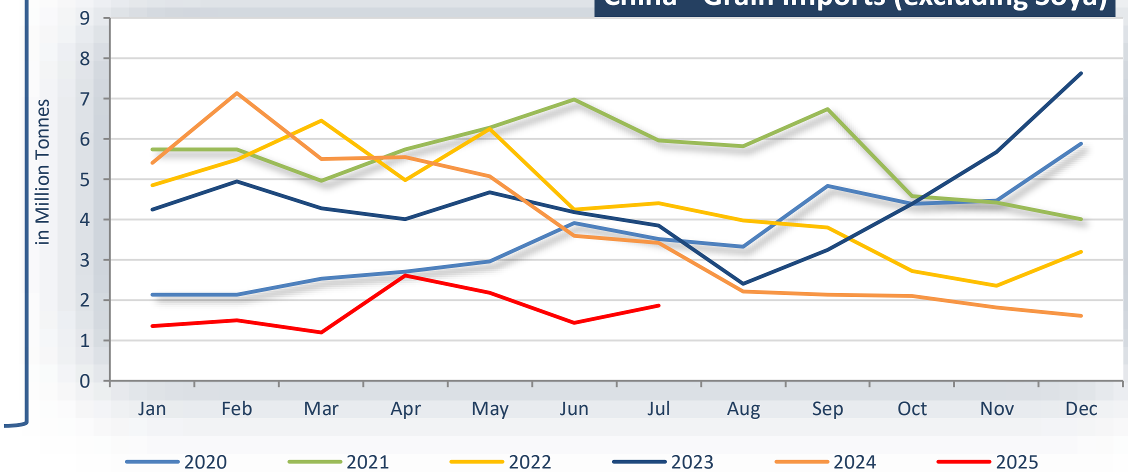
- China's soybean imports climbed to a record high for the month of July, reaching 11.67 million tonnes — an 18.6 percent increase from a year earlier.
- The surge was underpinned by abundant supply from Brazil's bumper harvest and lingering uncertainty in China-U.S. trade relations, which reinforced China's reliance on its primary supplier. In July alone, arrivals from Brazil amounted to 12.3 million tonnes, up 9.0 percent year-on-year.
- Cumulative imports over the first seven months stood at 61.04 million tonnes, representing a 4.6 percent increase compared with the same period last year.
- In contrast with soybean record arrivals, corn and wheat imports decreased significantly year-over-year in July, down by 95.0 percent and 48.3 percent respectively, primarily due to a bumper domestic harvest.
- In the January-July period, China's wheat imports fell sharply to 2.37 million tonnes, down 76.4 percent compared with the same period last year. Corn arrivals were even more limited, totaling just 0.8 million tonnes — a steep 93.0 percent year-on-year decline.

China - Soybean Imports



Source: GAC, Doric Research

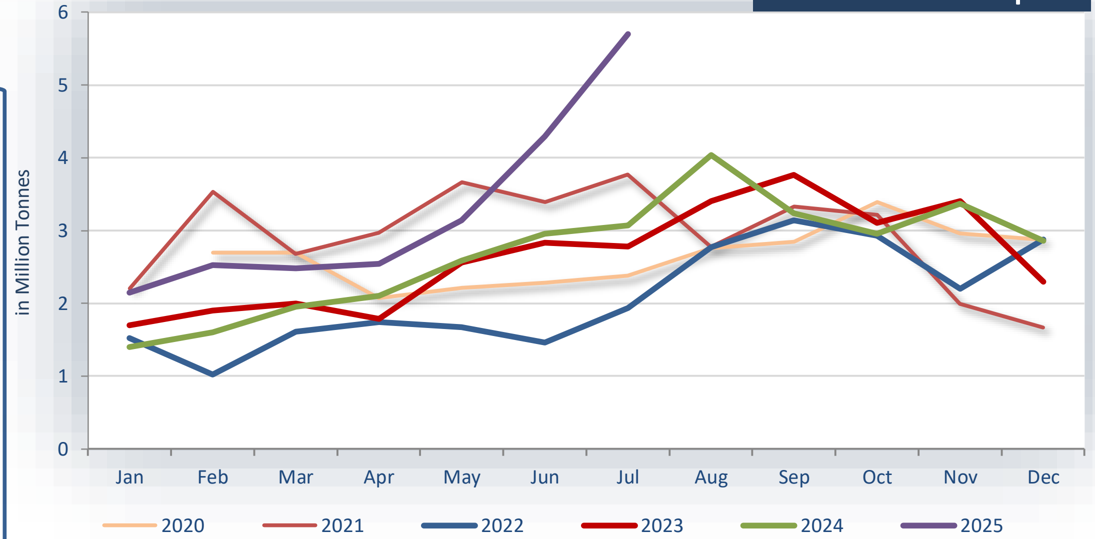
China - Grain Imports (excluding Soya)



Source : GAC, Doric Research

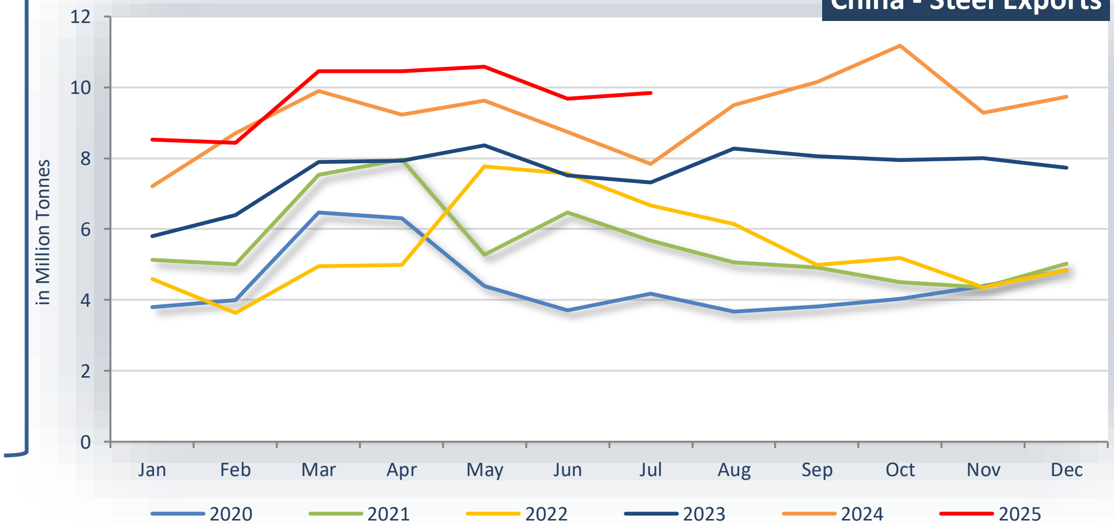
- China's fertilizer exports posted an exceptional performance last month, surging 85.7 percent year-on-year to 5.7 million tonnes.
- This sharp rise reflects a broader trend, with total exports in the first seven months of 2025 climbing 45.7 percent to 22.83 million tonnes.
- Urea shipments stood out in particular, with exports reaching 567,184 tonnes in July — a staggering 614 percent jump compared with the same month in 2024. Even more striking, volumes were 7.6 times higher than June's 66,240 tonnes.
- China's steel exports climbed in July, continuing a record-breaking run, rising by 1.7 percent from June to 9.84 million tonnes. The year-to-date tally is the highest level in records going back to 1990.
- Despite a global weakening in manufacturing, Chinese steelmakers increased steel exports by 9.2 percent to 58.15 million tonnes within January-July period, compared to the same period in 2024.
- Despite mounting trade protection measures of almost 40 countries against China's record steel exports, Chinese steelmakers adapted by increasing sales of products not subject to tariffs and finding new destinations, helping to bypass trade barriers.

China - Feritlizer Exports



Source: GAC, Doric Research

China - Steel Exports

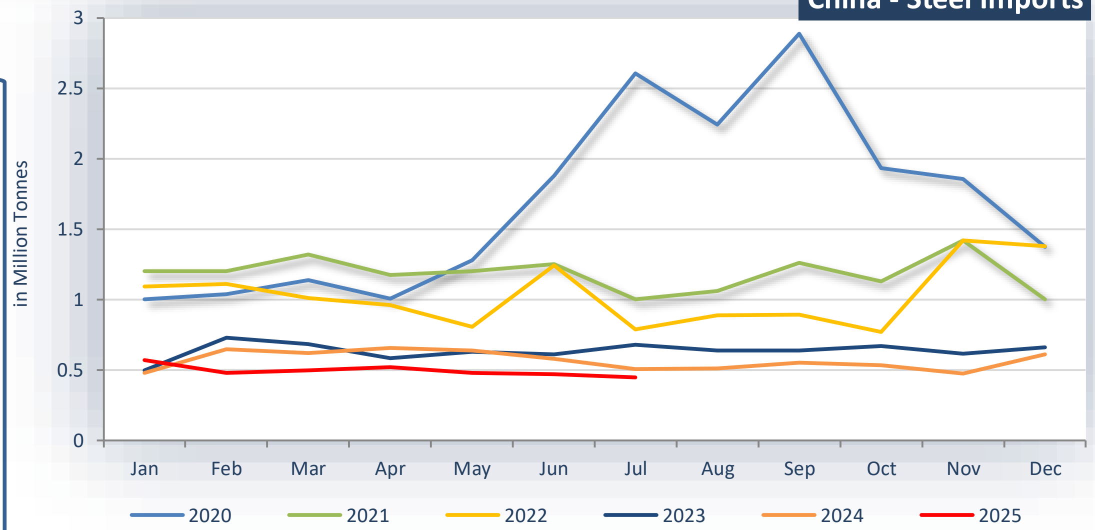


Source: GAC, Doric Research

- China's seaborne steel imports remained subdued in July, falling by 3.8 percent month-on-month to 0.45 million tonnes.
- By type, imports of stainless steel also dropped significantly by 39.0 percent from the previous month, while semi-finished steel imports plummeted by 88.1 percent year-on-year.
- Over the past seven months, steel imports amounted to 3.47 million tonnes, representing a year-on-year decline of 16.2 percent.
- Finished steel inventories at Chinese trading houses edged up by 1.3 percent from June to reach 7.85 million tonnes, though levels remain 24.5 percent lower year-on-year.

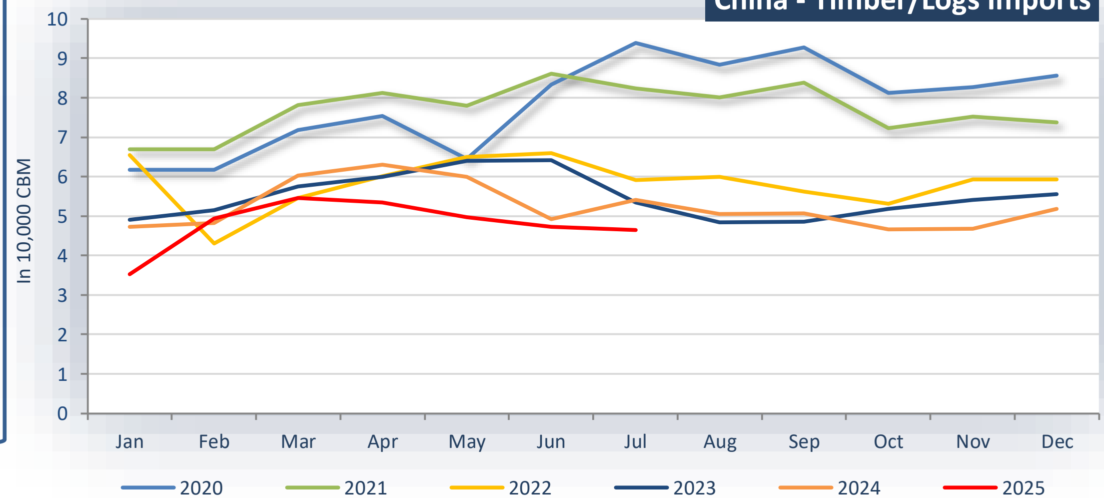
- In June, China imported 4.65 million cubic metres of logs and sawn timber. This represented a 14.0 percent year-on-year decline.
- Total timber and log imports reached 33.48 million CBM over the past seven months, down 12.3 percent compared to the same period in 2024.
- In line with weak imports, China's national Global Timber Index (GTI) fell back into the contraction territory after four months, recording 48.7 percent.

China - Steel Imports



Source: GAC, Doric Research

China - Timber/Logs Imports



Source: GAC, Doric Research

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