DORIC SHIPBROKERS S.A.

CHINA – BAROMETER

Monthly Update

Septemeber 2025

FOCAL POINTS :

Macro Environment

China's economy showed further signs of softness in August, as factory output and retail sales registered their slowest pace of growth since August 2024. Persistently restrained domestic demand continues to weigh on momentum, maintaining pressure on policymakers in Beijing to introduce additional measures.

Energy

In August, industrial electricity production increased by 1.6 percent year-on-year to 936.3 billion kilowatt-hours (kWh). Average daily generation exceeded the 30 billion kWh mark for the first time.

Manufacturing

In the first eight months, crude steel output reached 672.21 million tonnes, down by 2.8 percent year-on-year, with an average daily output of 2.76 million tonnes.

Imports

Coal imports surged to their highest monthly level so far this year in August, reaching 42.74 million tonnes, or up 20.2 month-on-month. Soybean imports reached a record high for August at 12.28 million tonnes, marking a 1.2 percent increase from the same period last year.

Exports

Fertilizer exports surged 26.2 percent year-on-year in August to 5.1 million tonnes. Over January-August, shipments remained elevated at 27.92 million tonnes, up 41.6 percent year-on-year. Cumulative steel exports for the same period climbed 10.0 percent to 77.49 million tonnes, setting a new record.

Doric Research Department

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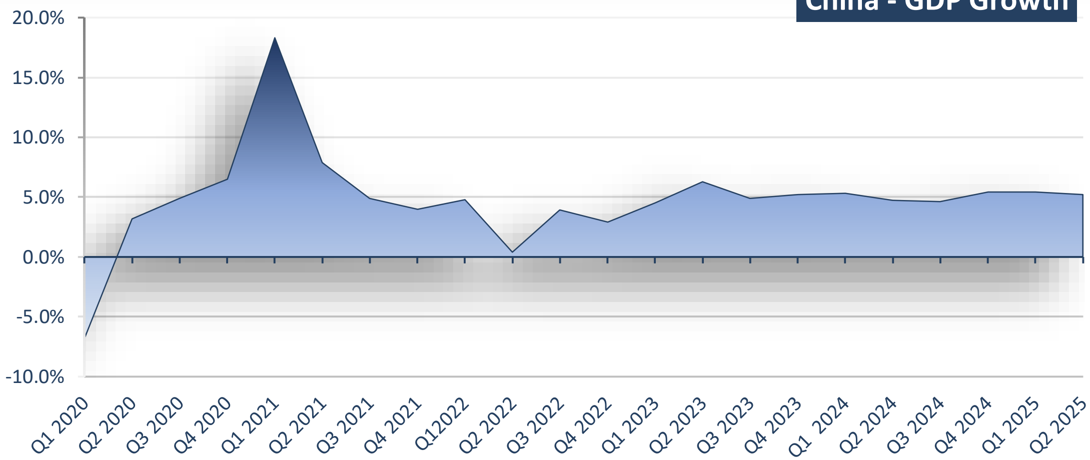
CONTENT PAGES :

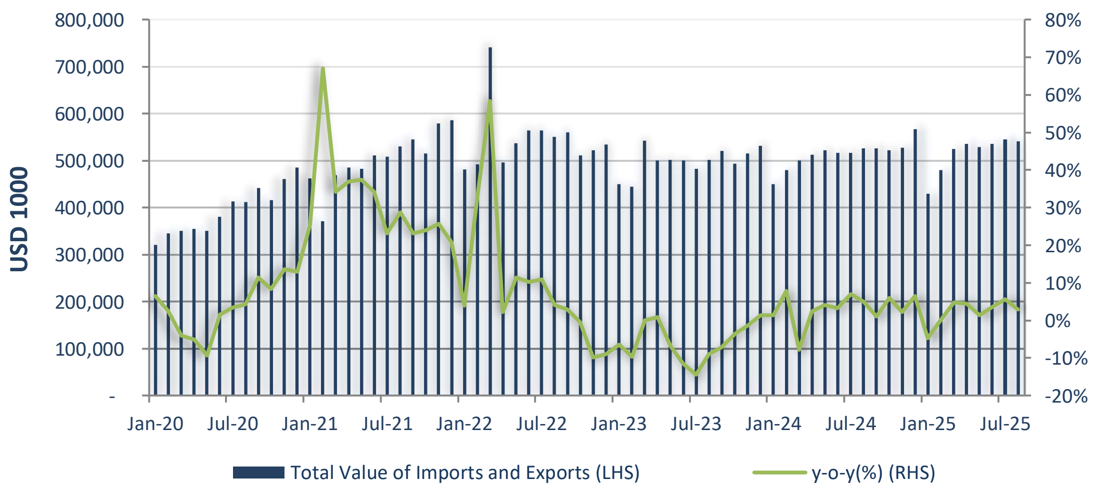
- China's economic slowdown deepened in August with a raft of key indicators missing expectations, as weak domestic demand persisted and Beijing's campaign against industrial overcapacity curbed output.
- Retail sales rose 3.4 percent last month from a year earlier, falling short of consensus forecasts of a 3.9 percent growth and slowing from July's 3.7 percent gain.
- Industrial output growth slowed to 5.2 percent in August, compared to the 5.7 percent in July, representing its weakest level since August 2024. That also missed forecasts for a 5.7 percent increase in a Reuters poll.
- China's exports rose by 4.4 percent year-on-year in August to USD 321.8 billion, easing from July's 7.2 percent increase and marking the slowest pace of outbound shipments since February.
- Seaborne arrivals continued to expand, with cumulative imports reaching USD 219.4 billion in August, up 1.3 percent year-on-year and recording a third straight month of growth.
- The trade surplus widened to USD 102.3 billion, an 11.8 percent increase compared with a year earlier, putting China on course to potentially surpass USD 1.2 trillion in surplus in 2025.

China - GDP Growth



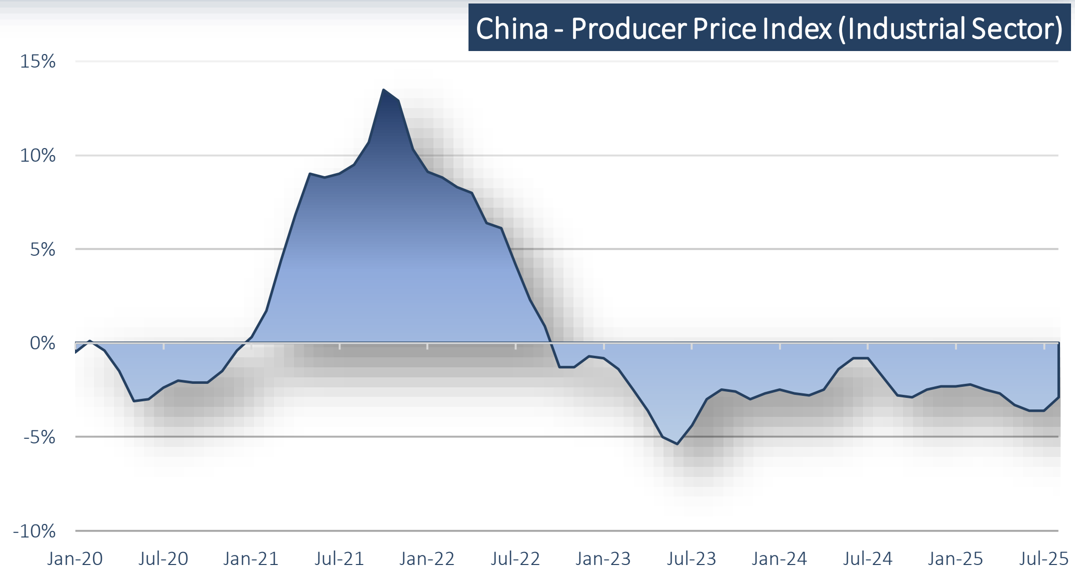
Source: NBS, Doric Research

China - Total Value of Imports and Exports



Source: GAC, Doric Research

- China's producer prices shrank by 2.9 percent year-on-year in August, slowing from a 3.6 percent drop in the previous month and marking the mildest decline since April.
- The latest result was in line with market consensus but extended the streak of factory-gate deflation to 35 months.
- On a monthly basis, producer prices reversed their deflationary trajectory, to head steady at the same rate as the previous month, after a 0.2 percent drop in the preceding month.
- Purchasing price index for industrial producers decreased by 4.0 percent year-on-year, remaining flat month on month.
- China's consumer price index (CPI) dipped by 0.4 percent in August from a year earlier, swinging from July's flat reading. That marked the fifth time of consumer deflation this year and the sharpest pace since February.
- Non-food inflation picked up by 0.5 percent on year in previous month, boosted by Beijing's consumer goods subsidies, with gains in housing, clothing and education.
- Core inflation, stripping out food and energy, rose by 0.9 percent on year, the highest since February 2024, after a 0.8 percent gain in July.

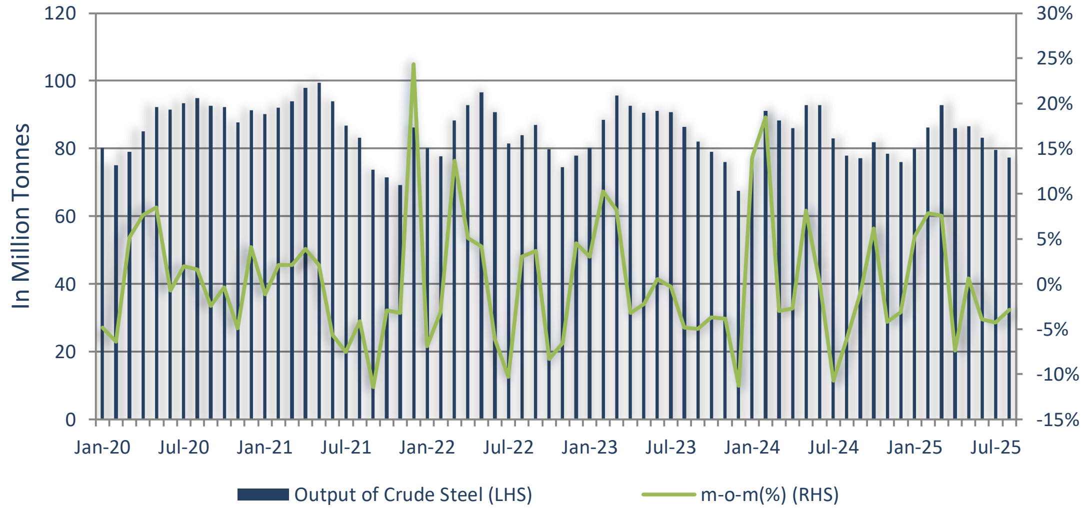


Source: NBS, Doric Research

Source: NBS, Doric Research

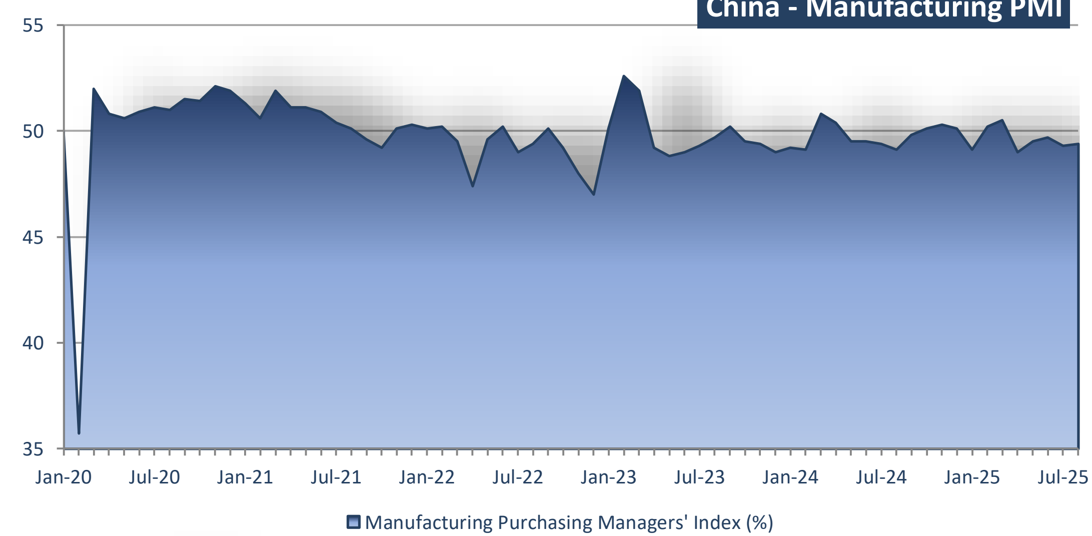
- China's crude steel output contracted by 0.7 percent year-on-year in August, to 77.37 million tonnes. The daily output stood at 2.49 million tonnes, down by 2.9 percent on month.
- On a monthly basis, China's crude steel production remained below the 80-million-tonne threshold in August, following July's dip under that level for the first time this year.
- In the first eight months, crude steel output reached 672.21 million tonnes, down by 2.8 percent year-on-year, with an average daily output of 2.76 million tonnes.
- China's official manufacturing Purchasing Managers' Index (PMI) rose slightly to 49.4 in August, up from 49.3 in July, remaining in contraction territory for the fifth consecutive month.
- The sub-index for production rose to 50.8, up 0.3 points from the previous month, indicating faster manufacturing output, while the new orders index edged up 0.1 points to 49.5.
- In August, China's composite PMI, which covers both manufacturing and non-manufacturing sectors, stood at 50.5, up 0.3 points from July.

China - Crude Steel Output



Source: NBS, Doric Research

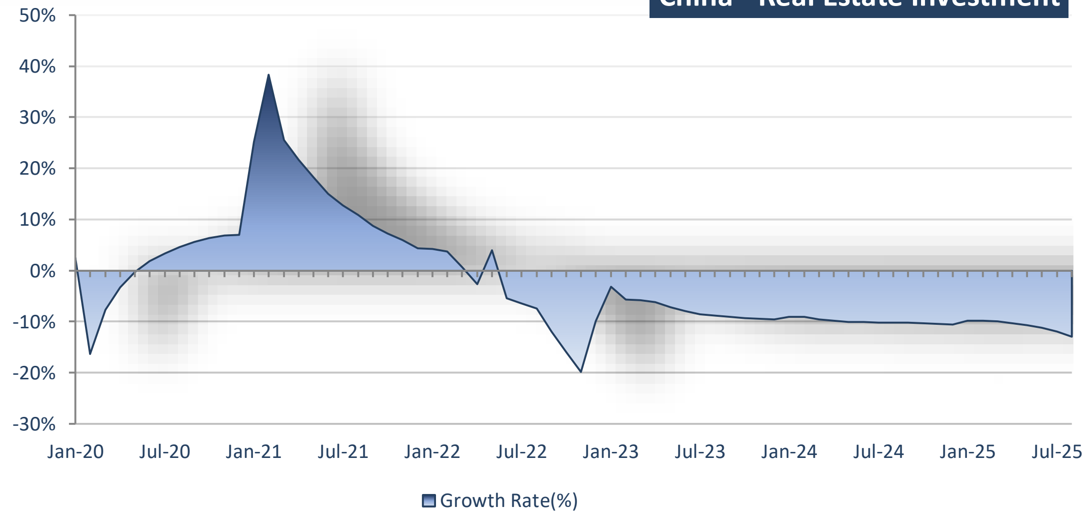
China - Manufacturing PMI



Source: NBS, Doric Research

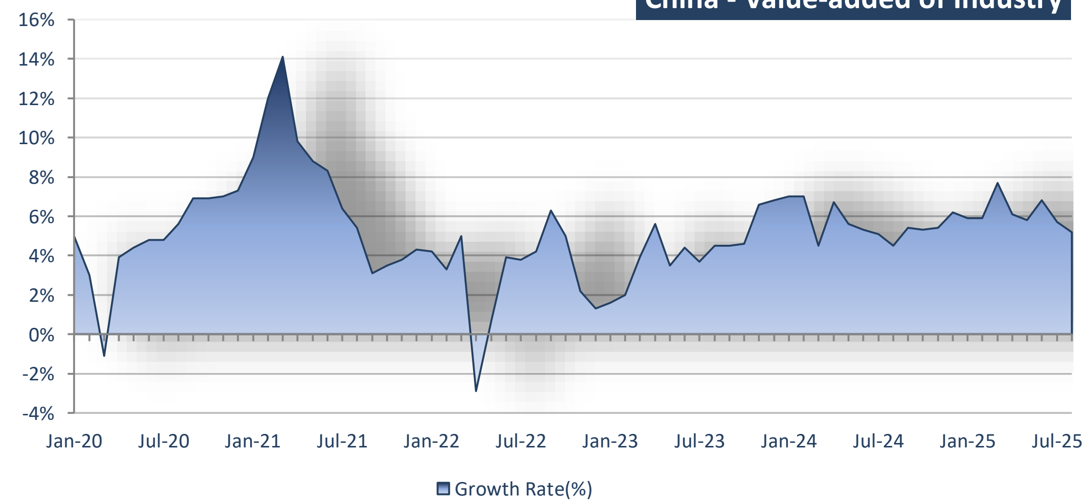
- Property investment in China plummeted by 12.9 percent year-on-year in August, following a 12.0 percent drop in the January-to-July period.
- Property sales by floor area declined by 4.7 percent year-on-year during the past eight months, compared with a 4.0 percent drop in the first seven months of the year.
- New construction starts measured by floor area slumped by 19.5 percent on year in January-August period, after contracting by 19.4 percent in the preceding seven months.
- China's new home prices saw a 2.5 percent year-on-year drop, narrowing from a 2.8 percent decline in July. That marked the 26th consecutive month of falling prices but at the slowest pace of decline since March 2024.
- In August, China's total value-added industrial output expanded by 5.2 percent year-on-year, slowing from a 5.7 percent rise in July.
- From January to August, the added value of industries went up by 6.2 percent compared to the same period last year.
- By sector, the value added of the mining edged up by 5.1 percent year-on-year, while that of the manufacturing grew by 5.7 percent annually.

China - Real Estate Investment



Source: NBS, Doric Research

China - Value-added of Industry

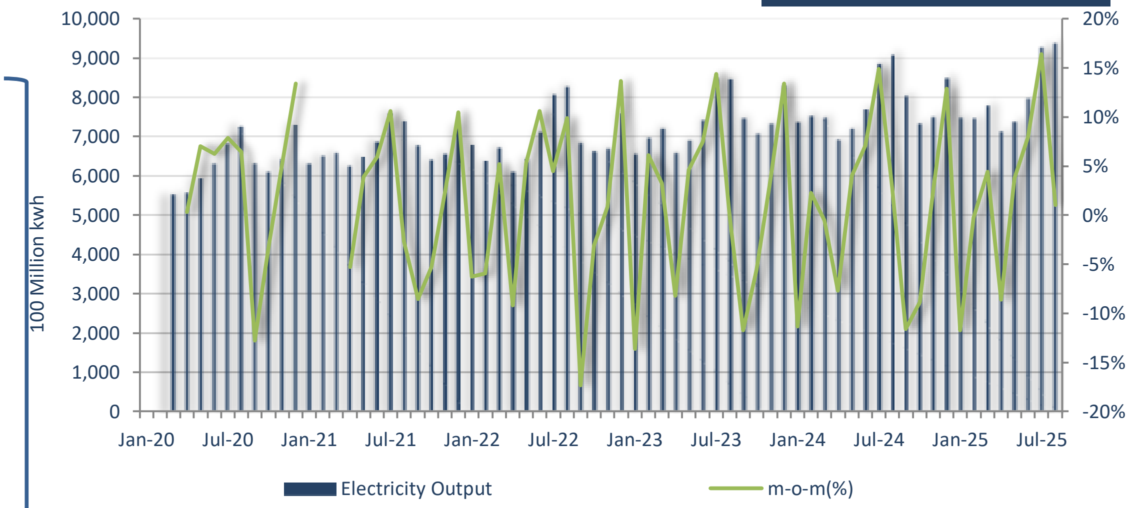


Source: NBS, Doric Research

- In August, China's industrial electricity production increased by 1.6 percent year-on-year to 936.3 billion kilowatt-hours (kWh), also registering a 1.0 percent gain over July.
- Average daily generation exceeded the 30 billion kWh mark for the first time, setting a new record at 30.2 billion kWh during the month.
- Clean energy generation showed a mixed performance in August. Wind power growth accelerated, while hydropower output declined. Nuclear and solar growth slowed.
- Between January and August, overall power generation reached 63.78 trillion kWh, which represented a 2.8 percent increase compared with the same period last year.

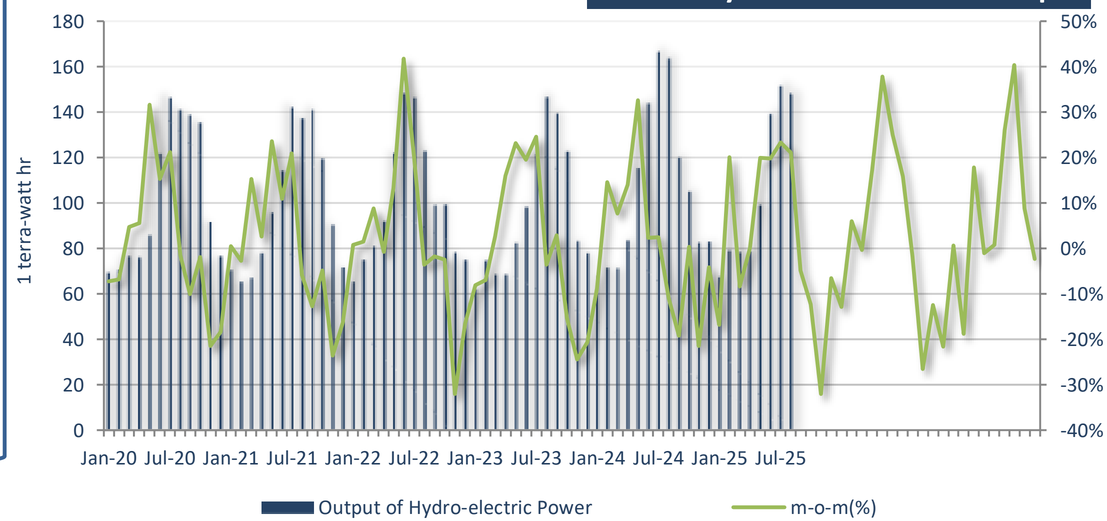
- Despite drought conditions in August, hydropower generation still climbed 10.1 percent year-on-year to 147.87 billion kWh, though volumes slipped by 2.3 percent from July's record levels.
- Hydropower generation over the first eight months amounted to 840.28 billion kWh, a decline of 4.8 percent against the same period in 2024.

China - Electricity Output



Source: NBS, China Research

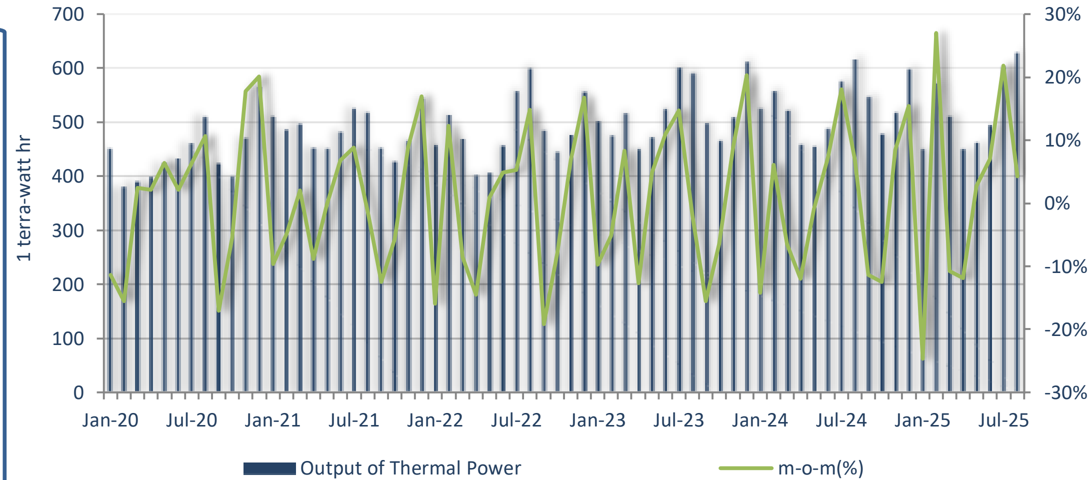
China - Hydro-Electric Power Output



Source: NBS, Doric Research

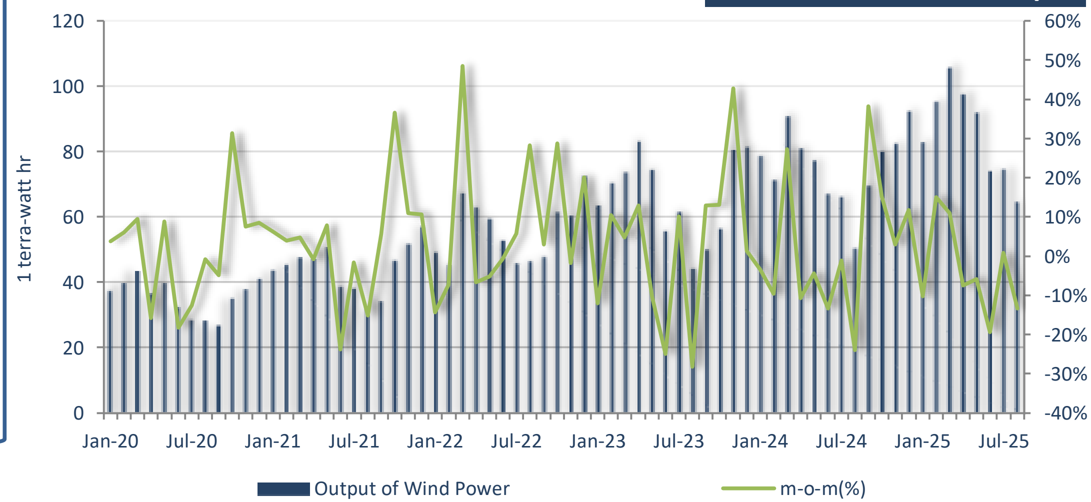
- China's thermal power output recorded its fourth consecutive month of growth in August, but the pace of its annual expansion slowed notably by 1.7 percent year-on-year to 627.44 terawatt-hours.
- On a monthly basis, thermal power generation stood 4.2 percent higher in August, despite July's increased annual growth rate.
- Between January and August, thermal power production shrank marginally by 0.6 percent year-on-year to 4.17 trillion kWh, continuing the decelerating trend observed throughout the year.
- While renewable energy expansion keeps accelerating with double-digit increases in both wind and solar power output, the continued growth in thermal power, particularly from new coal projects, highlights the country's ongoing reliance on fossil fuels.
- In August, China's wind power generation surged significantly by 20.2 percent year-on-year to 64.5 terawatt-hours.
- That was 14.7 percentage points higher than the growth rate seen in July, indicating accelerating momentum in country's clean energy development.

China - Thermal Power Output



Source: GAC, Doric Research

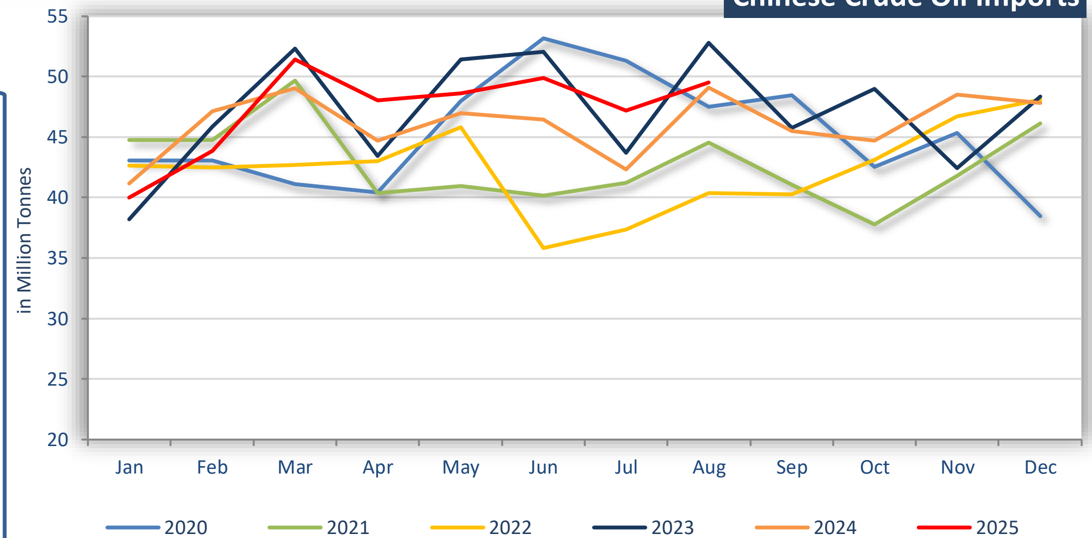
China - Wind Power Output



Source: NBS, Doric Research

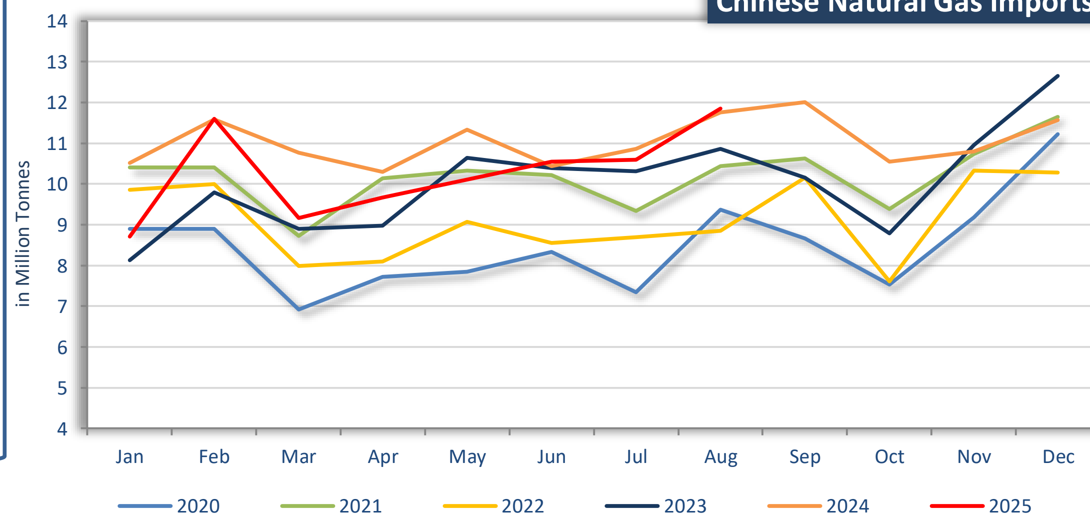
- China crude oil imports showed a modest rise of 0.8 percent from a year earlier in August, to 49.5 million tonnes, or equivalent to 11.65 million barrels per day.
- The volume was also up by 4.9 percent from 47.2 million tonnes imported in July, as both state-owned and independent refiners maintained high operations rates.
- Russian seaborne crude oil arrivals were down to 1.03 million bpd in August, from 1.25 million bpd in July, while imports from Iran totaled 1.02 million bpd, a rebound from 0.73 million bpd in July.
- Total crude oil arrivals during the past eight months, stood at 376.05 million tonnes, or 11.13 million bpd, up by 2.5 percent year-on-year.
- China's natural gas imports rose by 0.8 percent year-on-year to 11.85 million tonnes in August.
- Over the past eight months, China's natural gas imports declined by 5.9 percent year-on-year to 81.91 million tonnes.
- Customs reported a 2.1 percent drop in its LNG imports in August, while its pipeline gas arrivals increased by 5.4 percent compared to the same month last year.

Chinese Crude Oil Imports



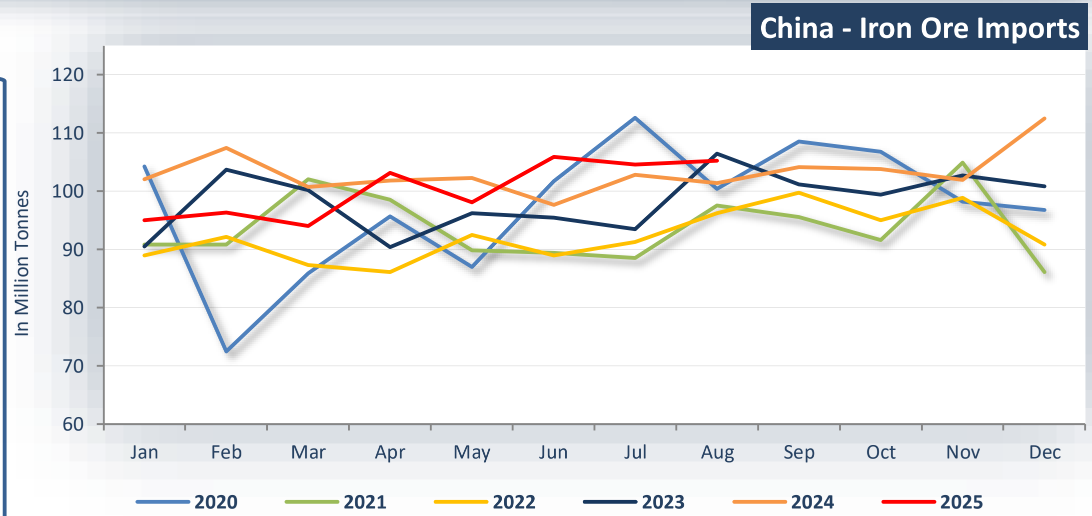
Source: GAC, Doric Research

Chinese Natural Gas Imports

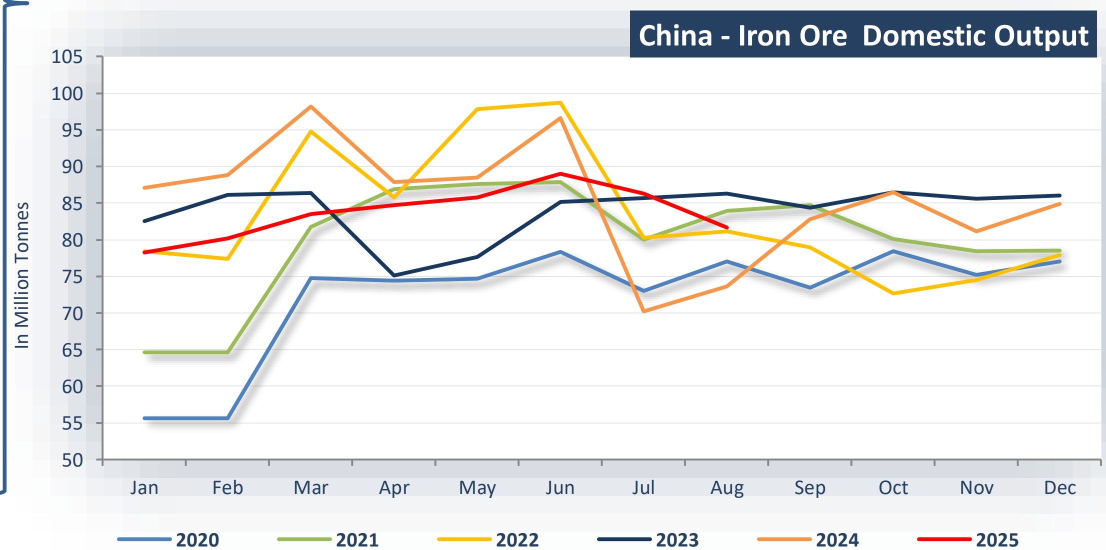


Source: GAC, Doric Research

- China brought in 105.23 million tonnes of iron ore in August, up by 3.8 percent year-on-year, staying above the 100-million-tonnes mark for a third consecutive month.
- August's figure was 0.6 percent higher from July's 104.62 million tonnes, amid a wave of restocking among steel mills in anticipation of the seasonal peak in steel demand in September.
- During the past eight months, China's iron ore imports amounted to 801.62 million tonnes, narrowing the year-to-date decline to 1.6 percent from 2.3 percent over the January-July period.
- In August, China extracted 81.6 million tonnes of crude iron ore, rising by 8.8 percent on year, but falling by 4.7 percent from July's figure of 86.33 million tonnes.
- The on-month decline was mainly attributed to frequent maintenance stoppages among mines during the past month, amid torrential rains that forced mining firms to suspend operations.
- Over the course of the year so far, China extracted 678.10 million tonnes of crude iron , a 4.2 percent annual drop.

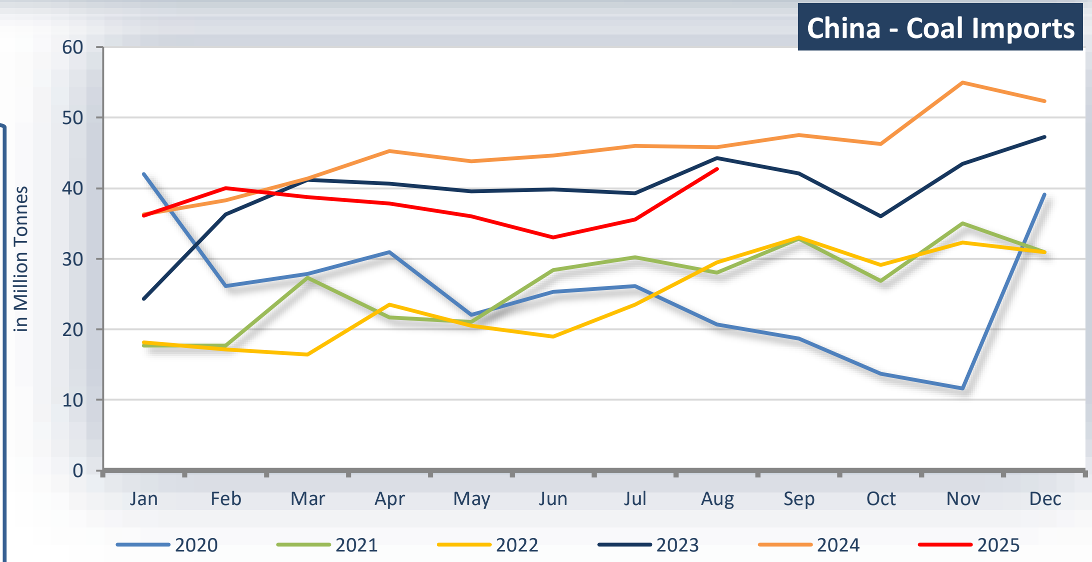


Source: GAC, Doric Research



Source: NBS, Doric Research

- China's coal imports surged to their highest monthly level so far this year in August, reaching 42.74 million tonnes, which represented a 20.2 percent increase compared with July. This was the strongest August performance since 2023's 44.33 million tonnes.
- On a year-on-year basis, however, last month's volumes came in 6.78 percent lower than the same period in 2024.
- Russian coal arrivals amounted to 4.86 million tonnes in August, showing a 3.4 percent increase compared with the previous year, yet falling 14.3 percent from the July level.
- Coal shipments from Australia followed the downward trend, with arrivals slipping 7.0 percent compared with August 2024.
- From January through August, China imported 299.94 million tonnes of coal, reflecting a 12.2 percent year-on-year contraction.
- Utilities turned to imports as domestic coal output slipped 3.0 percent year-on-year in August to 390.5 million tonnes. Higher production in the first half meant total output over the first eight months still rose 3.0 percent to 3.17 billion tonnes.

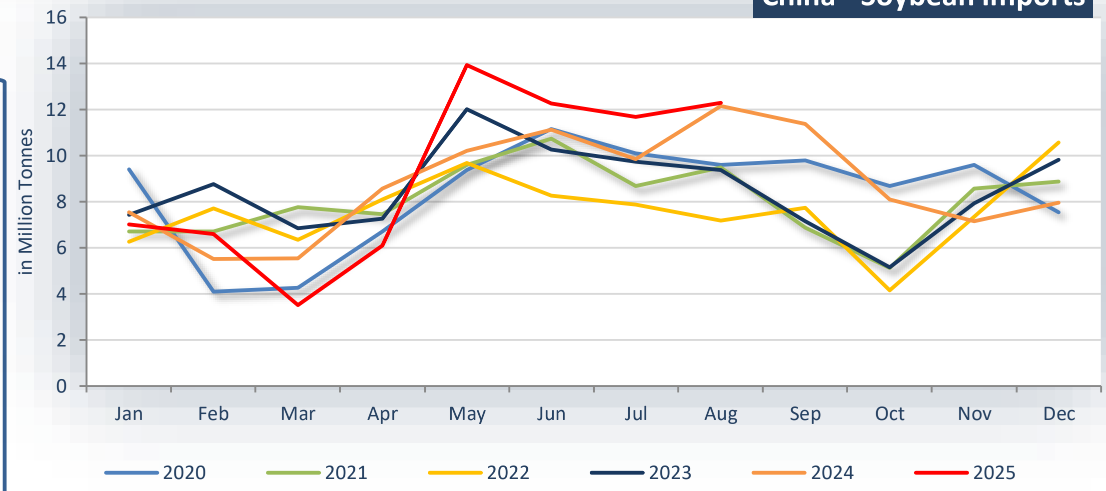


Source: GAC, Doric Research

Source: NBS, Doric Research

- China's soybean imports reached a record high for August at 12.28 million tonnes, marking a 1.2 percent increase from the same period last year.
- The rise was driven by strategic stockpiling and efforts to curb reliance on U.S. supplies, with Brazilian shipments advancing 2.4 percent year-on-year.
- From January to August, the cumulative import volume of soybeans in China reached 73.31 million tonnes, an increase of 4.0 percent compared to the same period in 2024.

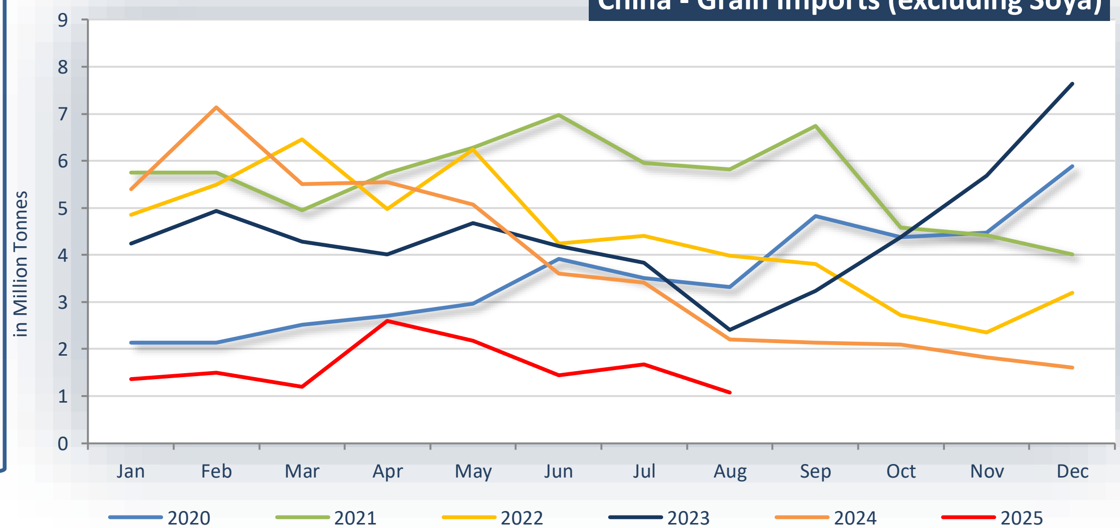
China - Soybean Imports



Source: GAC, Doric Research

- In contrast with soybean record arrivals, China's grain imports plummeted significantly by 50.9 percent year-on-year to just 1.08 million tonnes.
- Specifically, China imported an extremely low amount of corn in August, totaling just 40.0 thousand tonnes, a substantial 90.5 percent decrease compared to August 2024.
- In line with corn arrivals, wheat inbound shipments reached 230.0 thousand tonnes last month, or 44.8 percent lower than in August 2024.

China - Grain Imports (excluding Soya)

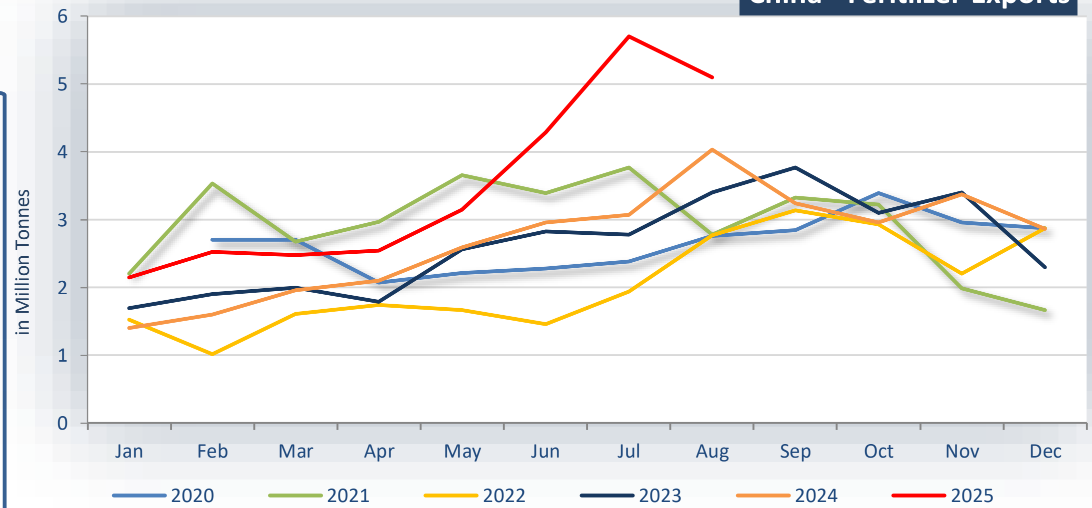


Source : GAC, Doric Research

- China's fertilizer exports surged 26.2 percent year-on-year in August to 5.1 million tonnes, though volumes were down sharply from July.
- Over January-August, fertilizer shipments remained elevated at 27.92 million tonnes, up 41.6 percent year-on-year.
- Mid-August saw the Ministry of Commerce expand export quotas for urea and phosphate by over 3.0 million tonnes, reversing earlier curbs.

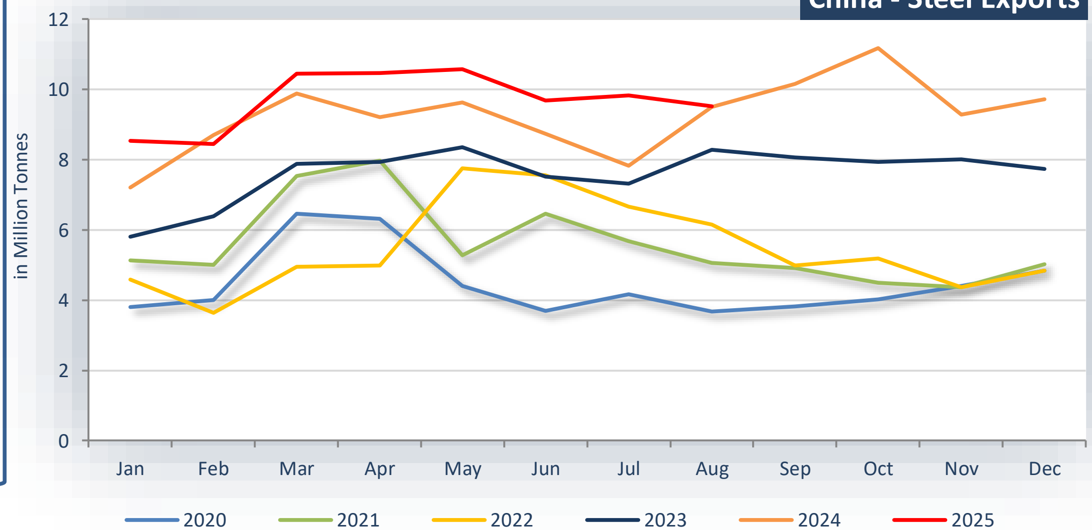
- Finished steel exports reached 9.51 million tonnes in August, down 3.3 percent month-on-month but marginally higher year-on-year by 0.1 percent.
- Cumulative steel exports for January-August climbed 10.0 percent to 77.49 million tonnes, setting a record high for the period.
- Stainless steel exports rose 7.6 percent month-on-month in August, though they registered an 8.2 percent decline compared with the previous year.

China - Feritilzer Exports



Source: GAC, Doric Research

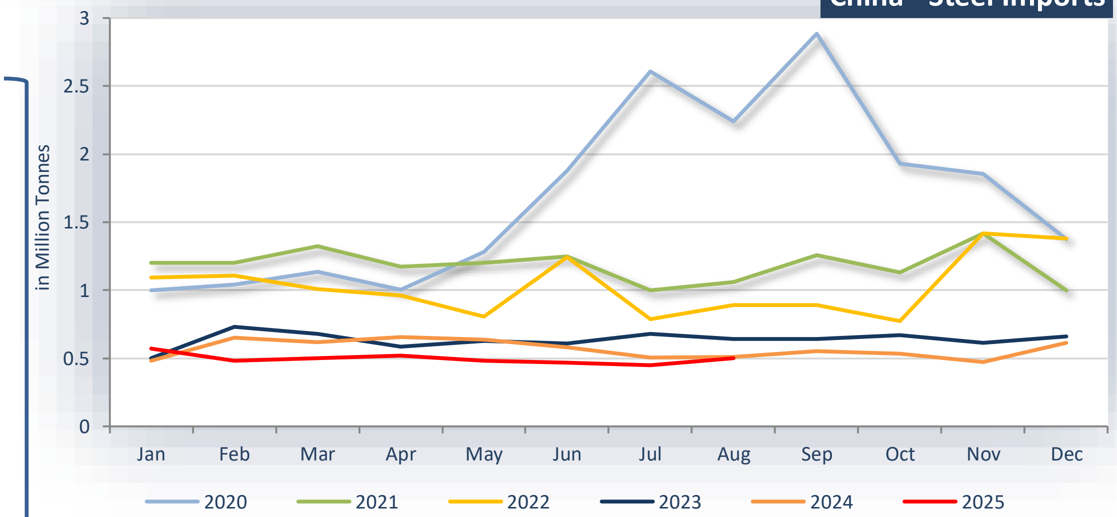
China - Steel Exports



Source: GAC, Doric Research

- China's seaborne steel arrivals remained weak in August, edging down 2.0 percent year-on-year to 0.5 million tonnes.
- Steel imports for January?August slipped 14.4 percent from the previous year to 4.0 million tonnes, extending their downward trajectory.
- Finished steel inventories climbed in August, rising 5.0 percent to 8.43 million tonnes. Crude steel output fell 0.7 percent year-on-year in August to 77.37 million tonnes, while month-on-month volumes dropped 2.9 percent, the third straight decline.

China - Steel Imports



Source: GAC, Doric Research

- Timber imports stood at 4.03 million cubic metres in August, a sharp 20.2 percent year-on-year contraction.
- Between January and August, timber and log arrivals reached 37.6 million cubic metres, down 14.9 percent.
- In contrast, China's Global Timber Index (GTI) stayed in expansionary territory at 50.8 for a fifth month running.

China - Timber/Logs Imports

Source: GAC, Doric Research

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