Sino-Japan Trade Report
September 2025

Released on October 8th., 2025

Outline

1. Summary

2. Appendix I

2.1 GDP

2.2 PMI

3. Appendix II

Sino-Japan Merchandise Trade Statistics

1. Summary

1.1 Global Economy and Merchandise Trade

The J.P.Morgan Global Manufacturing PMI rose to 50.9 in August, from 49.7 in July, to signal a slight improvement in operating conditions.

Production increased for the second time in the past three months in August, with the rate of expansion accelerating to a 14-month high. However, the outlook for the global manufacturing sector remained relatively downbeat in August. Although business optimism edged higher, the overall degree of positive sentiment remained below its long-run survey average for the seventeenth successive month.

J.P.Morgan Global Manufacturing PMI™ Index Summary

Index	Jul-25	Aug-25	Interpretation
PMI	49.7	50.9	Improvement, from deteriorating
Output	49.7	51.7	Growth, from contracting
New Orders	49.8	50.9	Growth, from contracting
New Export Orders	48.2	48.7	Decline, slower rate
Future Output	58.9	59.7	Growth expected, improved sentiment
Employment	49.4	50.2	Growth, from declining
Input Prices	54.6	55.2	Inflation, faster rate
Output Prices	52.3	52.6	Inflation, faster rate

Remark: sa, 50 = no change over previous month, *50 = no change over next 12 months

Manufacturing PMI

Country	Jul-25	Aug-25
Japan	48.9	49.7
Korea	48.0	48.3
India	59.1	59.3
Vietnam	52.4	50.4
Indonesia	49.2	51.5
Malaysia	49.7	49.9
Thailand	51.9	52.7
ASEAN	50.1	51.0
United States	49.8	53.0
Eurozone	49.8	50.7

Data Source from S&P Global.

1. Summary

World Bank released its latest economic outlook report for the East Asia and Pacific region on Tuesday (October 7), revising its forecast for China's economic growth this year to 4.8%. The report issued in April of this year had predicted GDP growth of 4.0% for both this year and next year. The bank also slightly adjusted its forecast for China's economic growth next year to 4.2%.

The report indicated that the slowdown in China's economic growth was due to decelerating export growth, reduced fiscal stimulus measures driven by rising public debt, and persistent structural deceleration.

In July this year, the IMF also revised its forecast, predicting that China would achieve a 4.8% growth rate for the year, which was 0.8 percentage points higher than the previous projection of 4.0% in April.

World Bank reported that the economic growth rate in East Asia and the Pacific region would be expected to reach 4.4% in 2025, an increase of 0.2 percentage points y-o-y, and 4.5% in 2026, with the previous forecast remaining unchanged.

World Bank attributed the weakening economic growth to the intensified trade barriers, uncertainty in global economic policies, and the overall slowdown in global economic growth.

1. Summary

Table 01. GDP growth forecast

	2024	Oct 2025 forecast 2025	Oct 2025 forecast 2026	Apr 2025 Forecast 2025	Apr 2025 Forecast 2026
East Asia & Pacific	5.0	4.8	4.3	4.0	4.1
East Asia & Pacific (excluding China)	4.8	4.4	4.5	4.2	4.5
Pacific Island Countries	3.3	2.7	2.8	2.6	2.7
China	5.0	4.8	4.2	4.0	4
Indonesia	5.0	4.8	4.8	4.7	4.8
Thailand	2.5	2.0	1.8	1.6	1.8
Malaysia	5.1	4.1	4.1	3.9	4.3
Phillipines	5.7	5.3	5.4	5.3	5.4
Vietnam	7.1	6.6	6.1	5.8	6.1

Remark: Percent growth of GDP at market prices. Values for 2024 for the small island economies refer to estimated data.
Data Source: World Bank

1.2 China's Macro Economy

In China, the PMI in September climbed to 49.8%, 0.4 percentage point higher than the same in August. The Production Index and the New Order Index increased 1.1 and 0.2 percentage point m-o-m to 51.9 and 49.7 respectively. The New Export Order Index went upward 0.6 percentage points m-o-m to 47.8% while Import Index became 48.1%, 0.1 percentage points higher than August's. Overall, the manufacturing industry's prosperity

1. Summary

continues to improve.

The major export commodities volume fluctuated individually. Steel products unit price dropped about 10% while vehicle's average unit price decreased about 6% though the vehicle's export volume increased 13.7%, especially the new energy vehicle's export increased more than 80%. Fertilizer kept strong demand and unit price climbed about 8.5%. Meanwhile, the construction machinery domestic and export sales remarked stable growth.

In September, the PMI for the steel industry dropped to 47.7%, 2.1 percentage points lower m-o-m, indicating the weak demand in the traditional peak season. Demand dropped, production slowed down, and inventory increased while cost pressures remained persistently high. It is expected that demand will rebound in October after long holiday, leading to increased steel production and potentially ending price fluctuations after raising the steel price.

As per the data from Ministry of Transport, Chinese international port throughput and container throughput increased 2.7% and 6.3% respectively until the end of August. It indicated the scale of China's international merchandise trade was still stable. However, the throughput of Liaoning Province, including Dalian and Yingkou decreased which reflected the sluggish economy in Northeast China.

1. Summary

1.3 Japan's Macro Economy

The headline S&P Global Japan Manufacturing PMI fell from 49.7 in August to 48.5 in September. Manufacturing sector conditions across Japan deteriorated at a quicker pace. Factory output fell at the quickest pace in six months amid a steeper decline in overall new work, while companies raised their staffing levels at a much slower pace. At the same time, business confidence around the year-ahead slipped to the lowest in five months.

New export orders also decreased again at the end of the third quarter. The rate of contraction eased from August's 17-month record. The latest drop in export sales was partly linked to lower demand across China and the impact of US tariffs.

The official statistics of Machinery Orders indicated that the total amount of orders in July fell 4.2 percent after 0.3 percent increase in June. Private demand increased 3.7 percent in July. Though the government expense reduced by 11.9 percent in June, the Ministry of Defense and other government expense increased by 21.3% in July. Meanwhile, external demand decreased by 8.4% in July due to decrease in ships and engines though electronic equipment, communication machinery, machine tools and so on increased.

Order Statistics from Japan Machine Tool Builders' Association told us that Vietnam remarked 152.3% while India recorded 133.3% growth rate y-o-y in 2025. Meanwhile, the top ten export destination countries keep comparatively stable.

1. Summary

1.4 Sino-Japan Merchandise Trade

Regarding Sino-Japanese merchandise trade, the trade amount of July in USD announced by the GACC increased by 8.90% y-o-y in August which was the second highest growth rate in 2025. The aggregated trade amount indicated plus 4.15% which is the highest growth rate in 2025.

The same data released in JPY by the Japanese Ministry of Finance increased by 0.92% y-o-y in August while the aggregated growth rate was still 1.95% in 2025.

Overall, Sino-Japan trade has remained stable against significant dropping in the Trans-Pacific route. The eastbound container freight index of Sino-Japan route in the end of September only climbed 1 % while the westbound container freight index kept almost same in the end of August m-o-m.

Meanwhile, the conventional market between China and Japan was still sluggish. In August, 106,535 tons of steel were exported from China to Japan, with a cumulative 892.386 tons in 2025 and increased 9.91% y-o-y. In the same month, 198,396 tons of steel were exported from Japan to China, with a cumulative 1,580,270 tons in 2025, a y-o-y decrease of 14.89 %. The total bilateral steel trade volume in terms of weight decreased 7.35%. However, the westbound cargo volume is 77% higher than the same of the eastbound.

1. Summary

Bess (battery energy storage system), namely battery container is still the hot topics of conventional transport due to many freight inquiries to Japanese local ports.

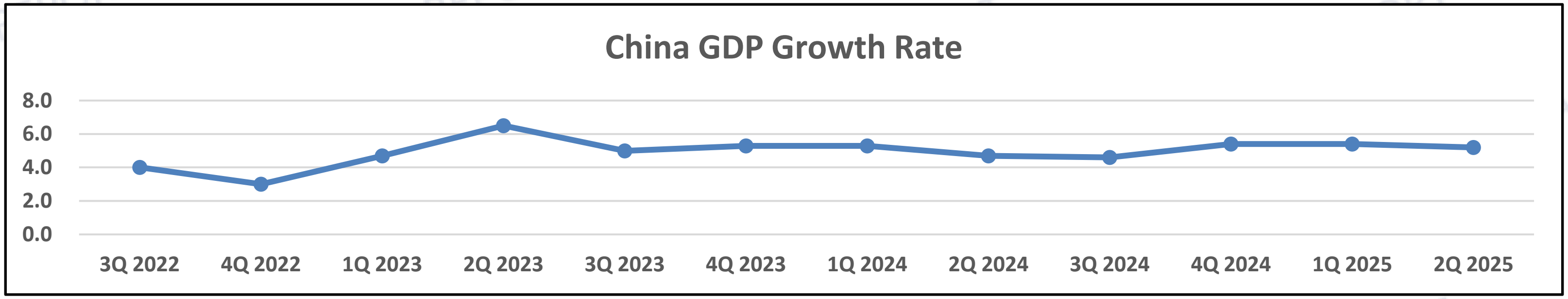
The other small shipments between Japan and China, including project cargo, was not very active in August due to Japanese summer holidays in the middle of month.

2. Appendix

2.1 GDP

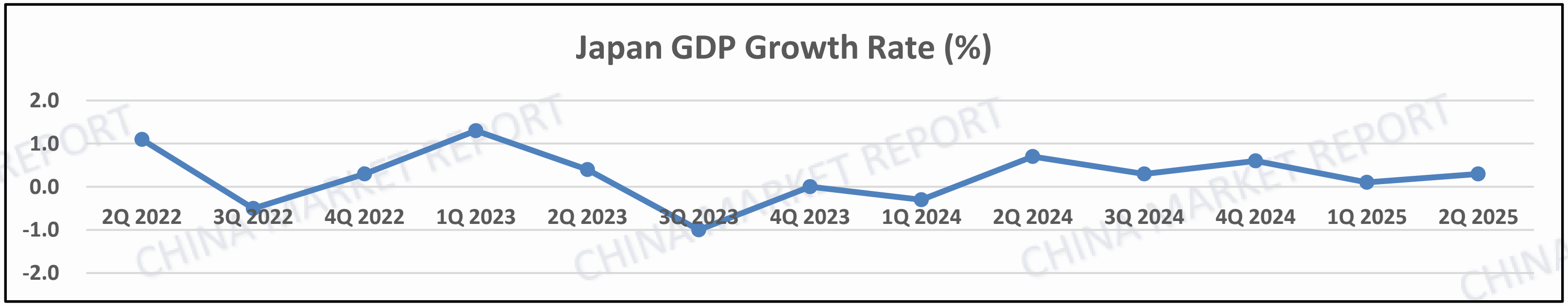
Indicator	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025
China GDP Growth Rate (%)	4.0	3.0	4.7	6.5	5.0	5.3	5.3	4.7	4.6	5.4	5.4	5.2

Data Source: National Bureau of Statistics (Growth Rate with year-on-year basis)



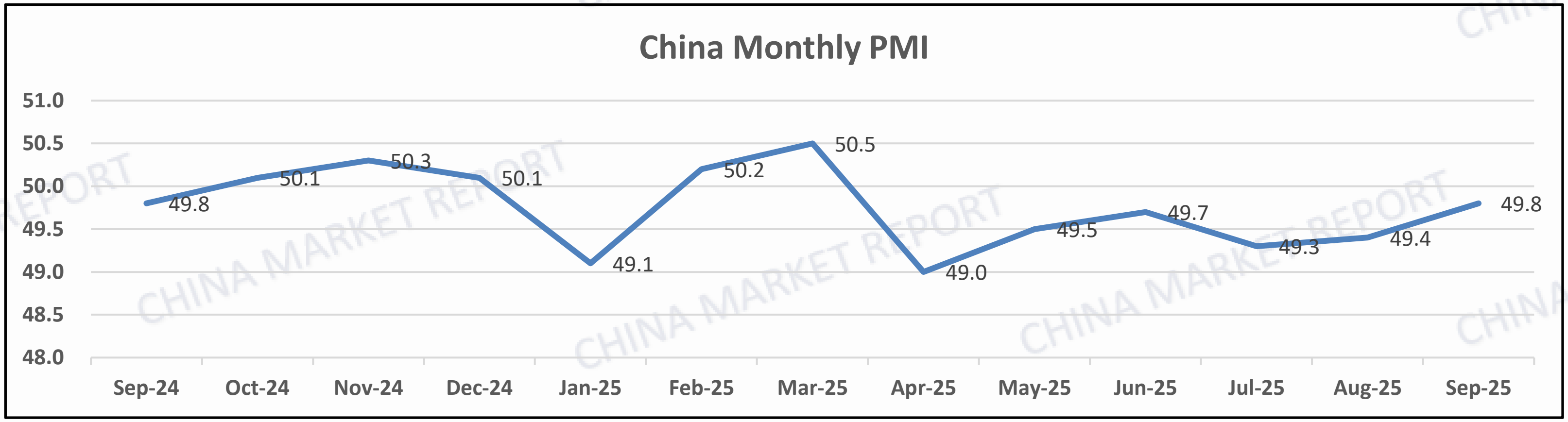
Indicator	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025
Japan GDP Growth Rate (%)	-0.5	0.3	1.3	0.4	-1.0	0.0	-0.3	0.7	0.3	0.6	0.1	0.3

Data Source: Cabinet Office, Government of Japan (Growth Rate with year-on-year basis, seasonally adjusted series)

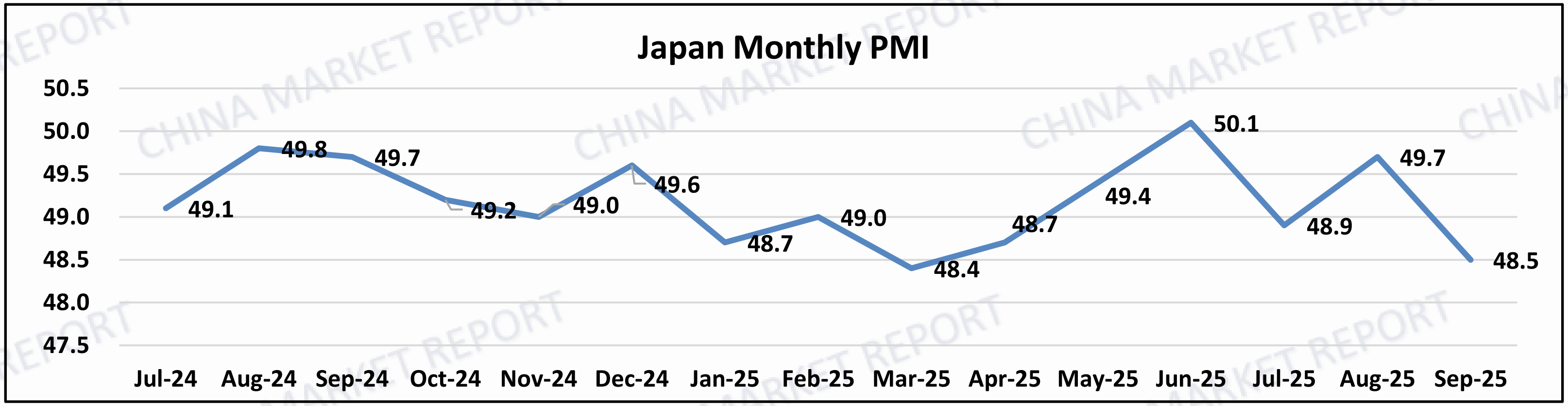


2. Appendix

2.2 PMI



Data Source: National Bureau of Statistics, China



Data Source: S & P Global Manufacturing PMI

3. Appendix II

— Sino-Japan Merchandise Trade

China's Sino-Japan Merchandise Trade Value

China-Japan	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
Export	13,910,554	13,303,219	13,076,304	13,434,613	12,476,751	12,844,294
Monthly Growth Rate	6.70%	7.77%	6.16%	6.61%	2.45%	6.74%
Import	13,514,997	14,030,805	12,498,686	13,478,914	14,924,953	14,063,147
Monthly Growth Rate	-3.10%	2.47%	-0.84%	10.86%	1.15%	10.96%
Monthly Trade Value	27,425,551	27,334,024	25,574,990	26,913,527	27,401,704	26,907,440
Monthly Growth Rate	1.67%	4.98%	2.62%	8.70%	9.95%	8.90%
2025 Trade Value	72,469,916	99,744,320	125,293,175	152,197,519	179,489,221	206,389,638
2025 Growth Rate	-0.72%	0.73%	1.15%	2.43%	3.47%	4.15%

Data 2025 Source: General Administration of Customs, PRC and in 1,000 US Dollars.

Japan's Sino-Japan Merchandise Trade Value

Japan-China5	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
Export	1,664,045	1,578,175	1,441,766	1,551,336	1,627,159	1,500,736
Growth Rate	-4.80%	-0.60%	-8.80%	-4.70%	-3.50%	-0.50%
Import	2,114,870	2,257,291	2,066,632	2,068,069	2,205,782	1,926,422
Growth Rate	15.90%	6.70%	-2.20%	5.30%	-3.90%	2.10%
Monthly Trade Value	3,778,915	3,835,466	3,508,398	3,619,405	3,832,941	3,427,158
Monthly Growth Rate	6.68%	3.59%	-5.04%	0.81%	-2.96%	0.92%
2025 Trade Value	10,832,937	14,668,403	18,176,801	21,796,206	25,629,147	29,028,481
2025 Growth Rate	6.84%	5.97%	3.65%	3.16%	2.20%	1.95%

Data Source: Trade Statistics of Japan, Ministry of Finance, Government of Japan, and in 1,000,000 JPY.

3. Appendix II

— Sino-Japan Merchandise Trade

Statistics on the Goods Related to the Breakbulk Transport in August 2025

Category/Chapter	China Customs House		Japan Customs House			
	Value (1,000 USD)	Growth Rate	Monthly Volume (Metric Ton)	Monthly Value (Million JPY)	2025 Volume (Metric Ton)	2025 Value (Million JPY)
Eastbound from China to Japan						
Total	12,844,294	6.74%	-	1,887,362	-	-
Chapter 26 Ore, Slag and Ash	78,917	-58.38%	3,424	317	36,366	3,440
Chapter 72 Steel	135,822	20.20%	106,535	17,949	892,386	145,599
Chapter 73 Steel products	303,094	0.87%	106,879	41,888	1,052,693	411,105
Chapter 84 nuclear reactors, boilers, mechanical appliances and accessories	2,263,553	17.53%	-	369,284	-	3,437,154
Chapter 85 Motor, Electrical, Audio quipment and accessories	2,935,274	14.78%	-	498,221	-	4,610,477
Westbound from Japan to China						
Total	14,063,147	10.96%	-	1,500,736	-	-
Chapter 72 Steel	227,022	-13.07%	198,396	30,310	1,580,270	252,824
Chapter 73 Steel products	129,023	-4.58%	15,619	15,864	109,374	132,611
Chapter 74 copper and products	518,117	25.89%	53,002	79,645	388,060	579,134
Chapter 84 nuclear reactors, boilers, mechanical appliances and accessories	2,838,585	7.37%	-	362,720	-	2,901,994
Chapter 85 Motor, Electrical, Audio quipment and accessories	4,731,343	33.03%	-	275,967	-	2,095,759

End of
Sino-Trade Report
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