

Sino-Japan Trade Report

November 2025

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1. Summary

1.1 Global Economy and Merchandise Trade

The J.P.Morgan Global Manufacturing PMI ® rose to 50.8 in October, up a pip from 50.7 in September and just shy of August's 14-month high of 50.9.

The rate of expansion in manufacturing production remained modest in October. The Asia (excluding China and Japan) region and the US remained among the brighter growth spots. In the former, the average rate of output expansion hit a 14-month high, with India, Thailand and Vietnam among the stronger performers. Growth in the US and the euro area also gathered pace, while the UK returned to expansion after an 11-month sequence of contraction. Growth slowed in China, while Japan and Brazil were among the nations to register downturns.

October data signaled a further modest increase in new business in the global manufacturing sector. The trend in international trade remained negative, however, with new export orders contracting for the seventh successive month and at a quicker pace than in September.

The latest developing Asia's growth forecasts released by Asian Development Outlook September 2025 are

Manufacturing PMI

| Country | Sep-25 | Oct-25 |
|---------------|--------|--------|
| China | 49.0 | 49.2 |
| Japan | 48.5 | 48.2 |
| Korea | 50.7 | 49.4 |
| India | 57.7 | 59.2 |
| Vietnam | 50.4 | 54.5 |
| Indonesia | 50.4 | 51.2 |
| Malaysia | 49.8 | 49.5 |
| Thailand | 54.6 | 56.6 |
| ASEAN | 51.6 | 52.7 |
| United States | 52.0 | 52.5 |
| Eurozone | 49.8 | 50.0 |

Data Source from S&P Global.

1. Summary

trimmed to 4.8% in 2025 and 4.5% in 2026, down by 0.1 and 0.2 percentage points from April. The revisions reflect downgrades for India, hit by steep tariff hikes, and Southeast Asia, driven by a worse and more uncertain global environment. In contrast, China's growth forecasts are unchanged, with policy support and export diversification expected to cushion tariff and property market challenges.

The region's 2025 inflation forecast is revised down to 1.7%, from 2.3% in April. For 2026, inflation is expected to edge higher to 2.1%, albeit marginally slower than April's forecast of 2.2%, partly due to normalization of food prices.



1. Summary

1.2 China's Macro Economy

In China, the PMI in November rose to 49.2%, 0.2 percentage point higher m-o-m. The Output Index and the New Order Index climbed 0.3 and 0.4 percentage point m-o-m to 50.0 and 49.2 respectively. The New Export Order Index went up 1.7 percentage points m-o-m to 47.6% while Import Index became 47.0%, 0.2 percentage points higher than the same of October. Both supply and demand increased comparatively. The Index of Business Expectation is 53.1% in November, 0.3 percentage points higher m-o-m, which remained in the expansion range, indicating the optimistic expectations for business development.

The major export commodities volume fluctuated individually. Fertilizer kept strong demand and unit price climbed about 10%. Meanwhile, the construction machinery domestic and export sales remarked stable growth. The sensitive steel products export growth rate has been gone down to 6.6%, the lowest level in 2025.

In November, PMI of the steel Industry was 48.0%, 1.2 percentage points lower m-o-m. The sub-indices indicate that steel demand has slightly rebounded, but steel mill production has slowed down, inventory has been digested. It is the general slack season's characteristics. The steel demand is expected to remain stable with a slight decrease in December while steel mill production will moderately reduce.

1. Summary

As per the data from Ministry of Transport, China's international port throughput and container throughput increased 3.7% and 6.4% respectively until the end of October. It indicated the scale of China's international merchandise trade was still stable. However, the port throughput of Dalian decreased 7.0 percent y-o-y while its international throughput also dropped 5.5% which indicates the weak demand in Northeast China.

1.3 Japan's Macro Economy

S&P Global Japan Manufacturing PMI rose from 48.2 in October to 48.7 in November, to signal a deterioration in the health of the sector for the fifth month in a row. That said, the rate of decline was the slowest seen since August and only mild.

Annabel Fiddes, Economics Associate Director at S&P Global Market Intelligence pointed out "The latest PMI data showed that Japan's manufacturing sector continued to struggle with weak demand conditions in November, with firms signalling another solid decline in overall new business" and "Encouragingly, production fell at a slower and only marginal rate, which coincided with improved optimism around the year-ahead. Overall, business confidence rose to the highest level since the start of the year. Upbeat projections also supported a further rise in employment, as a number of firms anticipated a recovery in market demand over the course of 2026".

1. Summary

The official statistics of Machinery Orders indicated that the total order's value in September climbed 3.9 percent after 7.3 percent increase in August. Private sector reported 8.2 percent growth in September. The government expense climbed by 7.3 percent, while external demand, the biggest sector increased by 9.7% and led to total order's growth in the same month.

Order Statistics from Japan Machine Tool Builders' Association indicated 13.9% growth rate in September while the accumulated growth rate in 2025 was 8.6%. The order from Vietnam remarked 25.8% while the same from India recorded 24.0% growth rate y-o-y in 2025. Meanwhile, the top ten export destination countries keep comparatively stable. China and the United States together still occupy 60% share of the total overseas order.

1.4 Sino-Japan Merchandise Trade

Regarding Sino-Japanese merchandise trade, the trade value of October in USD announced by the GACC marked 27.4 billions with -9.2% m-o-m and 0.05% y-o-y. The aggregated trade amount indicated plus 4.48% in 2025. The same data released in JPY by the Japanese Ministry of Finance increased by 1.34% y-o-y in October while the aggregated growth rate was still 2.51% in 2025. In consideration of the Japanese yen's fluctuation from October, the gap between two countries' statistics is still accepted.

1. Summary

Overall, Sino-Japan trade has remained stable in October since diplomatic conflict impacts have a lag effect. The eastbound container freight index of Sino-Japan route in the end of November decreased 3.2% while the westbound container freight index kept almost the same m-o-m.

Meanwhile, the conventional market between China and Japan was still sluggish. In October, 99,045 tons of steel were exported from China to Japan, with a cumulative 1,118,375 tons in 2025 and increased 6.71% y-o-y. In the same month, 218,039 tons of steel were exported from Japan to China, with a cumulative 1,976,928 tons in 2025, a y-o-y decrease of 12.18%. The total bilateral steel trade volume in terms of weight decreased 6.18%. However, the westbound shipment volume keeps 76% higher than the volume of the eastbound shipment.

In general, Sino-Japan market are stable with very heavy competition. The advantage in the niche market or segmented market is the key point to secure the business as well as the business profit.

2. Appendix I

2.1 GDP

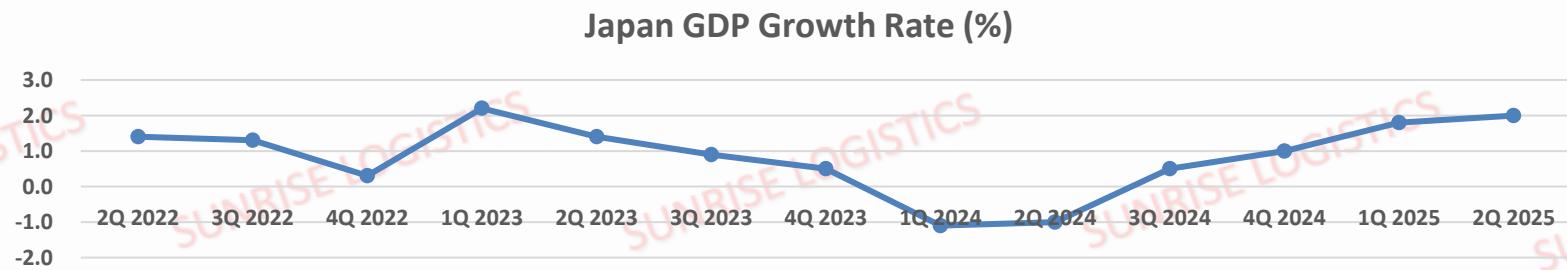
| Indicator | 4Q 2022 | 1Q 2023 | 2Q 2023 | 3Q 2023 | 4Q 2023 | 1Q 2024 | 2Q 2024 | 3Q 2024 | 4Q 2024 | 1Q 2025 | 2Q 2025 | 3Q 2025 |
|---------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| China GDP Growth Rate (%) | 3.0 | 4.7 | 6.5 | 5.0 | 5.3 | 5.3 | 4.7 | 4.6 | 5.4 | 5.4 | 5.2 | 4.8 |

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



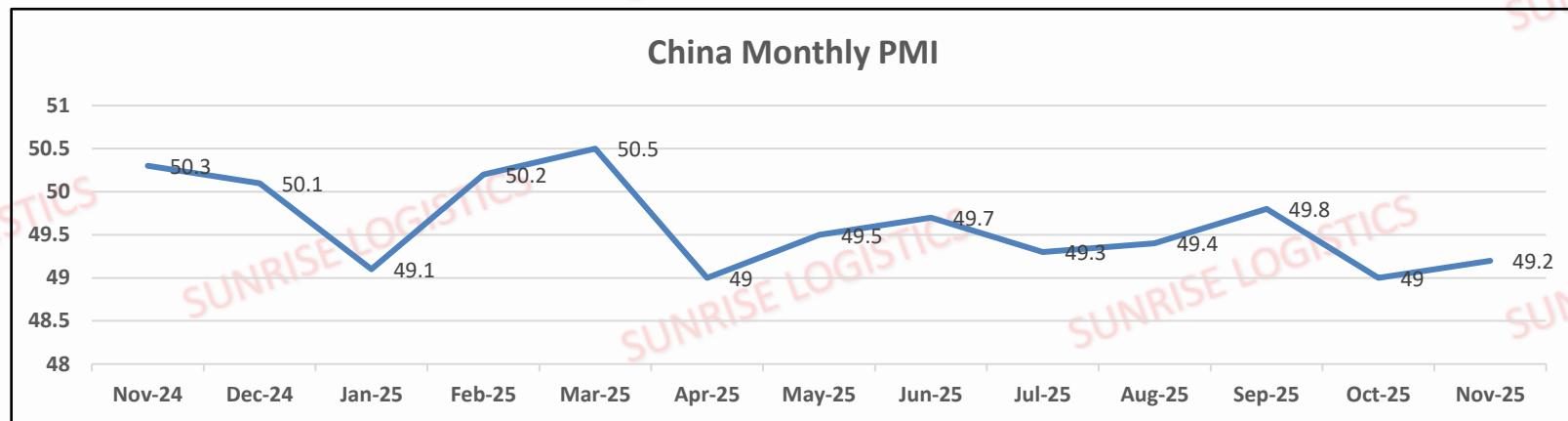
| Indicator | 4Q 2022 | 1Q 2023 | 2Q 2023 | 3Q 2023 | 4Q 2023 | 1Q 2024 | 2Q 2024 | 3Q 2024 | 4Q 2024 | 1Q 2025 | 2Q 2025 | 3Q 2025 |
|---------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Japan GDP Growth Rate (%) | 0.3 | 2.2 | 1.4 | 0.9 | 0.5 | -1.1 | -1.0 | 0.5 | 1.0 | 1.8 | 2.0 | 1.1 |

Data Source: Cabinet Office, Government of Japan (Growth Rate with year-on-year basis, Percent Change)

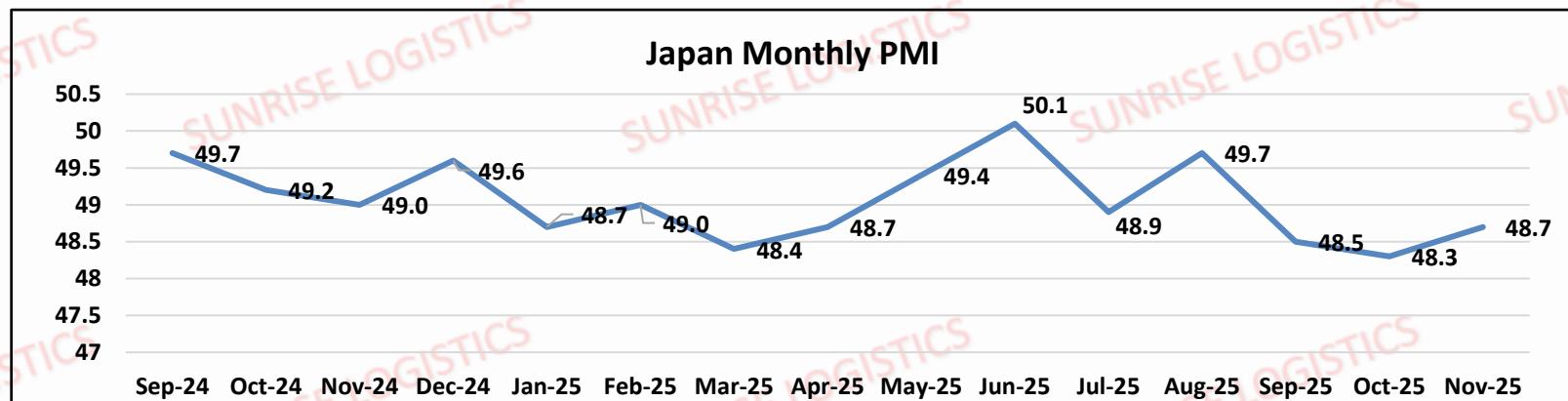


2. Appendix I

2.2 PMI



Data Source: National Bureau of Statistics, China



Data Source: S & P Global Manufacturing PMI

End of China Market Report November 2025