



Sino-Japan Trade Statistics July 2025

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1. Summary

1. Global Economy and Merchandise Trade

The J.P.Morgan Global Manufacturing PMI posted 50.3 in June, up from 49.5 in May, a reading slightly above the neutral mark of 50.0 for the first time in three months.

The Global Manufacturing Output Index rose by 2.3 points to a four-month high of 51.3 in June, up from 49.0 in May. This was the best m-o-m gain in its level since June 2022. The rebound in worldwide production volumes was underpinned by returns to growth in China, the US and Japan. Output continued to rise in the eurozone, albeit at a slower pace, while India continued to register the fastest overall rate of expansion.

J.P.Morgan Global Manufacturing PMI™ Index Summary

Index	May-25	Jun-25	Interpretation
PMI	49.5	50.3	Improvement, from deteriorating
Output	49.0	51.3	Growth, from declining
New Orders	49.0	50.1	Growth, from declining
New Export Orders	48.0	49.3	Decline, slower rate
Future Output	60.2	60.2	Growth expected, same sentiment
Employment	49.3	49.7	Decline, slower rate
Input Prices	53.8	54.7	Inflation, faster rate
Output Prices	51.9	52.5	Inflation, faster rate

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

Manufacturing PMI

Country	May-25	Jun-25
Japan	49.4	50.1
Korea	47.7	48.7
India	57.6	58.4
Vietnam	49.8	48.9
Indonesia	47.4	46.9
Malaysia	48.8	49.3
Thailand	51.2	51.7
ASEAN	49.2	48.6
United States	52.0	52.9
Eurozone	49.4	49.5

Data Source from S&P Global.

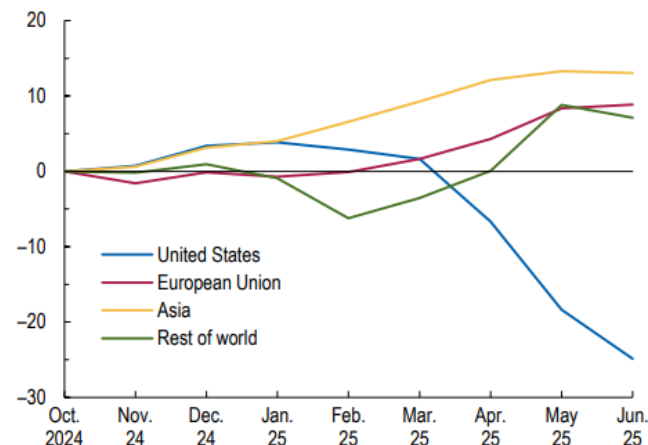
1. Summary

The latest World Economic Outlook Update released by IMF on July 29th forecasted global growth at 3.0 percent for 2025 and 3.1 percent in 2026. The forecast for 2025 is 0.2 percentage point higher than that of the April 2025 World Economic Outlook (WEO) and 0.1 percentage point higher for 2026. This reflects stronger-than-expected front-loading in anticipation of higher tariffs; lower average effective US tariff rates than announced in April; an improvement in financial conditions, including due to a weaker US dollar; and fiscal expansion in some major jurisdictions. Global headline inflation is expected to fall to 4.2 percent in 2025 and 3.6 percent in 2026, a path similar to the one projected in April.

The report also pointed out that China's real GDP growth, at an annualized rate of 6 percent, exceeded expectations. This was mainly driven by exports, with declining sales to the United States more than offset by strong sales to the Rest of the world (Figure 2).

Japan's economy contracted by an annualized 0.2 percent, as soft private consumption and weak net exports weighed on growth while strong private investment helped cushion the decline.

Figure 2. China's Cumulative Export Growth by Destination (Percent)



Sources: General Administration of Customs, China; Haver Analytics; and IMF staff calculations.

Note: Growth rates are calculated using three-month moving averages of seasonally adjusted goods exports, which are valued on free-on-board basis. Asia does not include Oceania.

1. Summary

The report also wrote that global trade grew robustly in the first quarter, but high-frequency indicators point to an unwinding of front-loading in the second quarter.

Table 1 Overview of the World Economic Outlook Projections

	2024	Year over Year			
		Projections		Difference from January 2025 WEO Projections	
		2025	2026	2025	2026
World Output	3.3	3.0	3.1	0.2	0.1
Advanced Economies	1.8	1.5	1.6	0.1	0.1
United State	2.8	1.9	2.0	0.1	0.3
Euro Area	0.9	1.0	1.2	0.2	0.0
Japan	0.2	0.7	0.5	0.1	-0.1
EMDE	4.3	4.1	4.0	0.4	0.1
China	5.0	4.8	4.2	0.8	0.2
India	6.5	6.4	6.4	0.2	0.1
Russia	4.3	0.9	1.0	-0.6	0.1
Brazil	3.4	2.3	2.1	0.3	0.1
Mexico	1.4	0.2	1.4	0.5	0.0

Remark: EMDE indicates Emerging Market and Developing Economies.

1. Summary

2. China's Macro Economy

In China, the PMI in July slid to 49.3%, 0.4 percentage point lower than the same in June. The Production Index and the New Order Index decreased 0.5 and 0.8 percentage point m-o-m to 50.5 and 49.4 respectively. The New Export Order Index dropped 0.6 percentage points m-o-m to 47.1% while Import Index was same as the last month at 47.8%.

The major export commodities volume fluctuated individually. However, all the value's growth rates were smaller than the volume's which indicated that all the unit prices decreased y-o-y. The major import commodities volume continuously decreased except copper concentrate, pulp and machine tools. However, new energy vehicle export kept strong trend with aggregated growth rate 75% in the first half of 2025. It is quite surprised to us because both USA and Europe took the anti-dumping measurement to new energy vehicles from China. The domestic and export sales of excavators and loaders also increased, especially domestic sales volume went upward sharply, indicating the continuous investment.

In June, the China steel industry PMI was 50.5, an increase of 4.6 points m-o-m, ending two consecutive months of decline and returning to the expansion range. The sub index changes show that both steel demand and production have rebounded by macro policies, and steel and raw material prices have rebounded significantly.

1. Summary

As per the data from Ministry of Transport, Chinese international port throughput and container throughput increased 1.8% and 6.9% respectively until the end of June. It indicated the international merchandise trade of China was still stable.

3. Japan's Macro Economy

The headline S&P Global Japan Manufacturing PMI dropped from 50.1 in June to 48.9 in July under the neutral level, signal a renewed deterioration in the health of the sector. Though only marginal, it marked the twelfth time in the past 13 months that operating conditions have weakened.

A key factor pushing the headline PMI below the neutral 50.0 level was a fresh fall in manufacturing output in July. Production has now fallen in ten of the past eleven months, with the latest reduction the most pronounced since March. Panel members frequently mentioned cutting output due to lower inflows of new business.

Manufacturing firms in Japan generally expected output to rise from current levels over the next year. Furthermore, the degree of positive sentiment was the best recorded in six months. There were hopes that improved demand conditions and reduced trade-related uncertainty will support growth over the next 12 months.

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1.4 Sino-Japan Merchandise Trade

Regarding Sino-Japanese merchandise trade, the trade amount of June in USD announced by the GACC increased by 8.70% y-o-y in June which was the highest growth rate in 2025. The aggregated trade amount indicated plus 2.43% in the first half of 2025.

The same data released in JPY by the Japanese Ministry of Finance increased by 0.81% y-o-y in June. Though the aggregated growth rate is gradually dropping, it was still 3.16% until the end of June.

Overall, Sino-Japan trade has remained stable against significant uncertainty of the global trade. Meanwhile, the eastbound container freight index of Sino-Japan route in the end of July kept almost same as June's while the westbound container freight index only dropped 1.44% in the end of July m-o-m.

However, the conventional market between China and Japan was still sluggish. In June, 101,620 tons of steel were exported from China to Japan, with a cumulative 644,875 tons in the first half of 2025 and only increased 5.75% y-o-y. In the same month, 214,934 tons of steel were exported from Japan to China, with a cumulative 1,186,785 tons in 2025, a y-o-y decrease of 17.8%. The total bilateral steel trade volume in terms of weight decreased 12%, in which most part of cargoes were carried by conventional vessels.

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However, the inquiries for conventional transport between China and Japan increased recently, including steel structures and equipment goods for eastbound, as well as project cargo and second-hand papermaking equipment for westbound. In particular, BESS (battery energy storage system) have become an increasingly hot topic. According to the new regulations of IMO 2026, the ordinary general cargo ships will be difficult to load the BESS, and MPP vessel's regular liner services will become an option.

2. Appendix

2.1 GDP Statistics

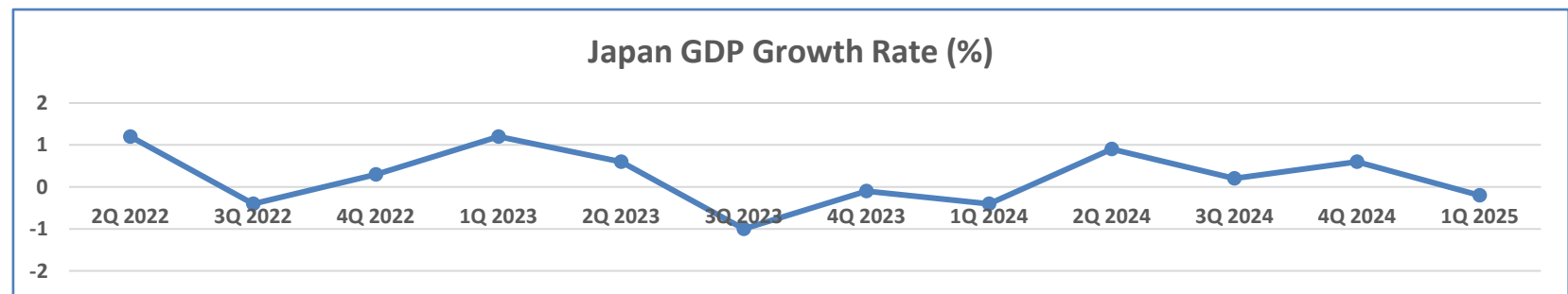
Indicator	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025
China GDP Growth Rate (%)	4.0	3.0	4.7	6.5	5.0	5.3	5.3	4.7	4.6	5.4	5.4	5.2

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



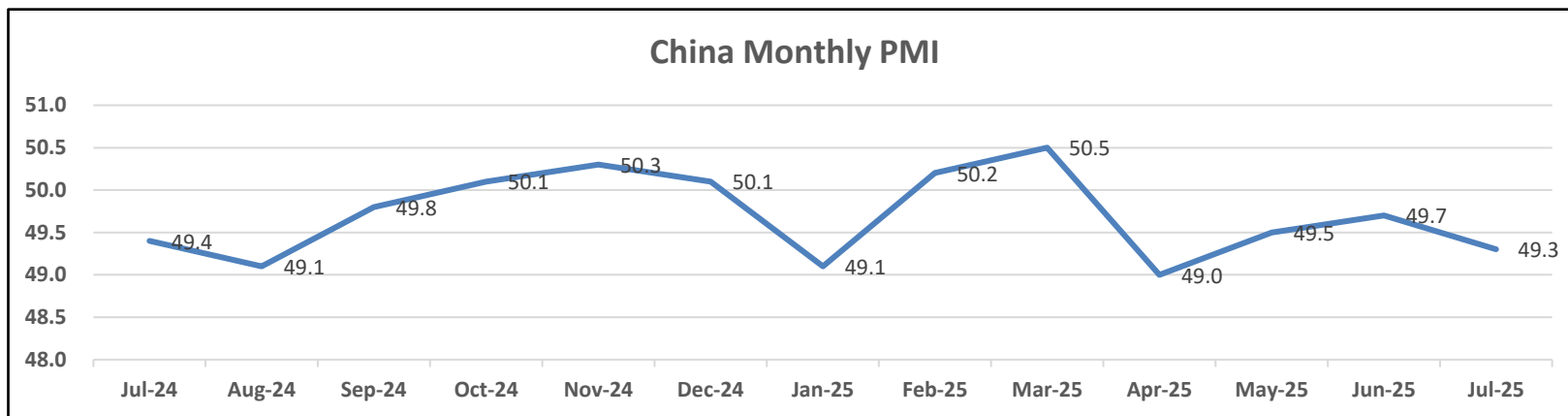
Indicator	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025
Japan GDP Growth Rate (%)	1.2	-0.4	0.3	1.2	0.6	-1.0	-0.1	-0.4	0.9	0.2	0.6	-0.2

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

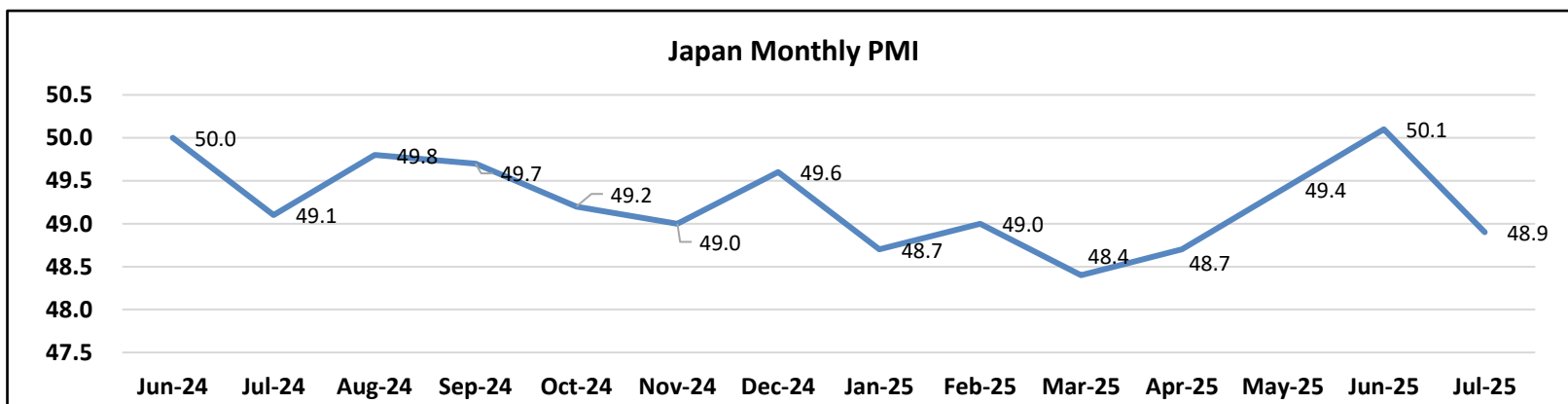


2. Appendix

2.2 Monthly PMI



Data Source: National Bureau of Statistics, China



Data Source: S & P Global Manufacturing PMI

**End of
Sino-Japan Trade Report
July 2025**