

## **PM Datanote: Exports, China, November**

**In one line: China's export growth weakens amid slowing global demand**

**-China: Exports rose 6.7% y/y in November, after climbing 12.7% in October. Consensus was 8.7%.**

China's exports slowed to 6.7% y/y in November, down from 12.7% in October and below market

expectations of 8.7%. The slowdown in November's export growth was largely driven by declining shipments to Latin America, Russia, and the EU. On a seasonally adjusted basis, total exports slowed to 0.1% q/q SA in November, compared to 2.1% three months ago in August. Export momentum also weakened on a monthly basis, contracting by -0.9% m/m SA, following a temporary surge of 3.0% in October.

Looking more closely at geographical

details, exports to Latin America slowed to 11.0% y/y in November from 22.9% a month earlier, contributing 0.8pp to the overall headline—0.8pp less than in October. Shipments to Russia fell by -2.5% in November, following a sharp rise of 26.7% in October, shaving 0.1pp off headline growth—0.9pp less than a month ago. Exports to the EU also grew at a much slower pace of 7.2% in November compared to 12.7% in October, contributing just 0.9pp to total exports, 0.8pp less than the previous

month. Exports to G7 countries, which include some EU member states, slowed to 7.4% from 9.9%, with their contribution to overall growth falling by 0.9pp to 2.0pp. Shipments to the UK and Canada turned negative, with the two markets contributing 0.5pp less in November compared to October. Exports to the US slowed marginally, by 0.1pp, to 8.0% y/y in November, lifting overall headline growth by 1.2pp—0.1pp less than last month. On a seasonally adjusted basis, quarterly US export growth

slowed to 1.2% q/q SA in November, from 1.9% three months ago in August. The bright spot remained ASEAN, with shipments to the region staying resilient at 14.9%, contributing 2.4pp to the headline.

By key commodities, exports of mechanical and electrical products slowed significantly to 7.9% y/y in November, down from 13.7% in October. This broad category contributed 4.7pp to overall export growth—3.6pp less than in October.

Within this, shipments of cars (including parts) and ship vessels contracted by -0.7%, compared to a rise of 9.0% in October. These two items detracted 0.1pp from export growth, a 0.7pp deterioration compared to the previous month. Exports of white goods, computers, and mobile phones—the traditional trio—also grew at a slower pace of 8.0% versus 9.5% previously, contributing 1.1pp to the overall headline. Exports of high-tech products slowed to 6.4% from 9.1%,

adding 1.7pp to total growth—0.8pp less than in October. The slowdown was broad-based in November, with low-tech exports, such as garments and toys, also weakening to 2.7% in November from 8.6% in October, contributing just 0.6pp to headline growth—1.3pp less than the previous month.

Overall, China's export momentum weakened in November, even ahead of the festive season, with seasonally adjusted data pointing

to more subdued external demand. In developed markets, demand from the EU was softer in November, with shipment growth to France and Germany slowing. Exports to non-traditional markets, including Latin America, Africa, and BRICS, also grew at a slower pace. While annual export growth to the US remained relatively healthy, the seasonally adjusted quarterly growth rate slowed compared to three months ago, suggesting that the perception of front-loading demand may not



be as clear-cut as widely assumed. Looking ahead, with the incoming Trump administration likely to impose punitive trade tariffs on Chinese imports, China will face increasing challenges in leveraging external demand to offset domestic demand deficiencies in 2025. Indeed, the latest Politburo statement highlighted the growing external risks, particularly in trade, and emphasised the need to strengthen the "internal circulation" of the economy, with a greater role for consumption in driving growth.

# Contributions to export growth, pp

