Economics

Trade

August Growth Edges Higher Despite Consensus Miss

- China's export growth rose to 25.0% yoy in August (+1.1ppt mom), marginally below Bloomberg's consensus estimate of 25.9% yoy, supported by the Hong Kong and US markets.
- Import growth picked up to 28.2% yoy (+0.7ppt mom), below consensus forecasts of 31.0% yoy, as a broad slowdown in key commodities offset record integrated circuits imports growth of 83.6% yoy.
- The trade surplus widened to US$119.1b from July’s US$112.3b, in line with consensus’ US$119.1b. Both headline growth rates accelerated despite the misses, though import growth is now increasingly concentrated in integrated circuits.

What’s New

- **China's export growth rose to 25.0% yoy in August from 23.9% yoy in July (+1.1ppt mom),** marginally below Bloomberg's consensus estimate of 25.9% yoy. The pickup was concentrated in two markets rather than broad-based. China's export growth to Hong Kong rose to 63.7% yoy (+14.9ppt mom), remaining the fastest growing key market and consistent with its role as a transit hub. China's export growth to the US picked up to 34.4% yoy (+17.4ppt mom), though this partly reflects a lower base. Momentum eased across other key markets, with export growth to ASEAN moderating to 30.2% yoy (-8.2ppt mom), the EU slowing to 6.6% yoy (-9.4ppt mom) and Japan easing to 8.2% yoy (-5.8ppt mom).
- **China's import growth came in at 28.2% yoy in August (+0.7ppt mom),** below Bloomberg's consensus estimate of 31.0% yoy. Performance across key commodities was mixed, and their overall contribution turned less supportive. China's import growth of copper ore picked up to 28.1% yoy (+11.3ppt mom), while crude oil narrowed its decline to -4.6% yoy (+4.0ppt mom). On the other hand, China's import growth of coal eased to 33.4% yoy (-21.7ppt mom) after several months of strong growth, and iron ore turned negative at -8.1% yoy (-19.6ppt mom).
- **Integrated circuits top key trade product categories,** with import growth accelerating to 83.6% yoy (+12.5ppt mom), setting a fresh record. China's hi-tech products export growth extended its growth to 56.9% yoy (+4.2ppt mom) and mechanical and electrical products export growth was broadly unchanged at 32.8% yoy (-1.0ppt mom), both consistent with the strength in integrated circuits. On the other hand, China's motor vehicle export growth further eased to 35.7% yoy (-17.2ppt mom), while China's agricultural products import growth slowed to 5.4% yoy (-2.1ppt mom).
- **The trade surplus widened to US$119.1b from July's US$112.3b,** in line with consensus' US$119.1b. Both headline growth rates accelerated despite the misses, which reflect forecast optimism rather than a turn in the underlying trend. Import growth, however, is now increasingly concentrated in integrated circuits. With the base for comparison also turning less favourable in September, integrated circuits demand remains the key swing factor for headline import growth in 2H26.

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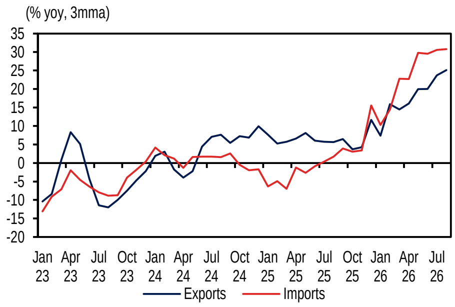
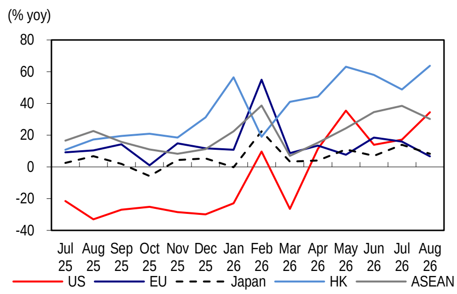
Export And Import Growth (3MMA)



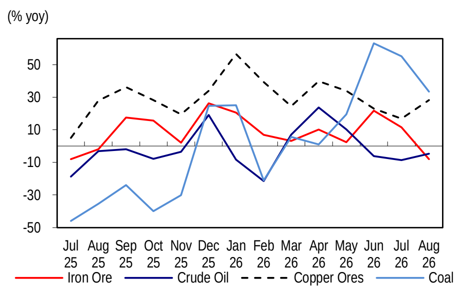
Source: Customs, CEIC, UOB Kay Hian

Exports To Key Markets



Source: Customs, CEIC, UOB Kay Hian

Imports Of Key Commodities



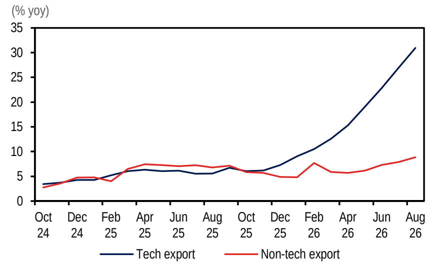
Source: Customs, CEIC, UOB Kay Hian

Exports And Imports Data

	---------------- (US$b) ----------------		-------------- yoy % chg --------------	
	Aug-26	Jul-26	Aug-26	Jul-26
Exports	401.4	397.9	25.0	23.9
Imports	282.4	285.5	28.2	27.5
Trade Surplus	119.1	112.3		
Exports to Key Markets				
US	42.5	41.9	34.4	17.0
EU	55.1	58.0	6.6	16.0
Japan	13.9	14.2	8.2	14.0
Hong Kong	44.5	40.2	63.7	48.8
ASEAN	74.4	75.6	30.2	38.4
Imports of Key Commodities				
Iron Ore	10.4	10.9	-8.1	11.5
Crude Oil	22.7	22.8	-4.6	-8.6
Copper Ore	9.4	8.8	28.1	16.8
Coal	4.2	4.4	33.4	55.1
Trade of Key Products				
Agricultural Products Imports	19.8	20.1	5.4	7.5
Integrated Circuits Imports	65.8	63.8	83.6	71.1
Motor Vehicle Exports	124.5	129.6	35.7	52.9
Hi-tech Products Exports	124.5	119.2	56.9	52.7
Mechanical & Electrical Products Exports	262.3	259.2	32.8	33.8

Source: Wind, CEIC, UOB Kay Hian

China's Tech And Non-Tech Export



Source: Customs, CEIC, UOB Kay Hian

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