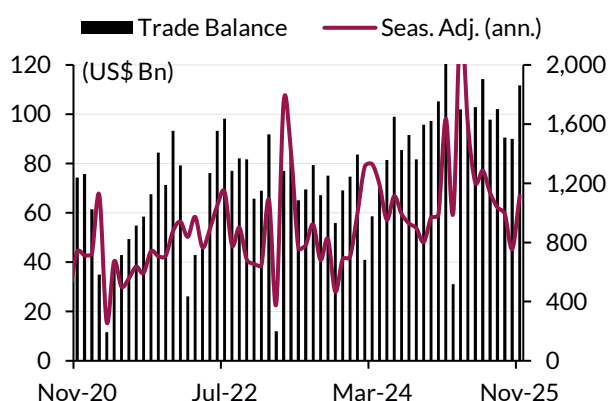


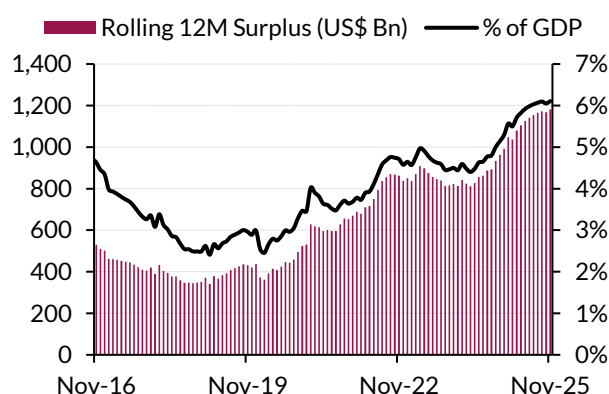
Economic Research | China Trade

China's rising trade surplus risks tensions with EU and ASEAN

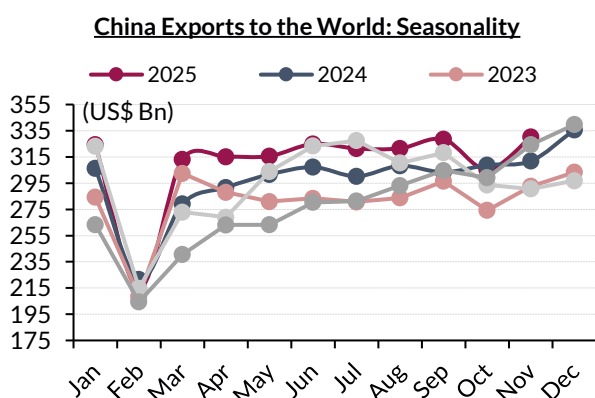
- In Nov 2025, China's trade surplus rose to US\$112Bn (+14B YoY; Fig 1; exports +6% YoY, imports +2%), reversing the weakness in Oct as expected ([link](#)). Surplus growth (13%) likely saw spillover from Oct. 12M sum is stable at US\$1.2Tn (6.1% of GDP, Fig 2).
- China's trade surplus fell YoY with the US but rose with ASEAN and the EU (Fig 6). By category, while surplus shrank in textiles and consumer goods, it grew sharply in autos and equipment. Auto exports are >7M over 12M (~9% of global demand, Fig 8, 10). Energy deficit fell YoY (lower oil prices; Fig 13); metals deficit rose (strong iron ore imports offset rise in steel exports Fig 15, 16).
- China's rising trade surplus, driven by higher value-add goods reduces the urgency to tackle weak domestic demand ([link](#)). It is also less dependent on a deal with the US as direct exports are down 29% YoY despite a trade truce in effect (Fig 9). On the other hand, growing exports to ASEAN and EU, and use of HK as a conduit (Fig 5) risks elevating trade [tensions](#) with others.

Exhibit 1 - China's trade surplus at US\$ 112Bn in Nov 2025 (+\$14 Bn YoY)


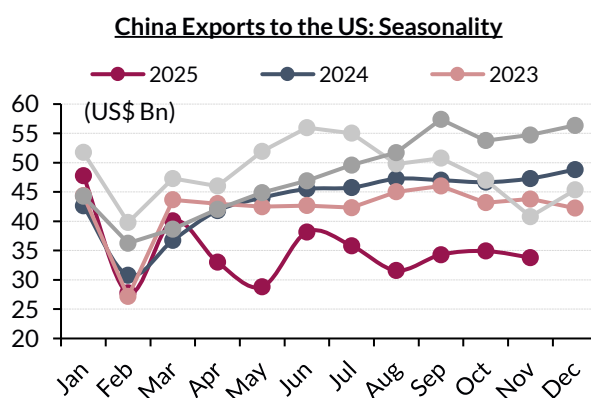
Source: General Administration of Customs (GAC); Axis Bank Research

Exhibit 2 - 12M rolling surplus remains stable at 6.1% of GDP


Source: General Administration of Customs (GAC); Axis Bank Research

Exhibit 3 - China's exports to the world rose 6% YoY


Source: General Administration of Customs (GAC); Axis Bank Research

Exhibit 4 - Exports to the US (-29% YoY) below trend


Source: General Administration of Customs (GAC); Axis Bank Research

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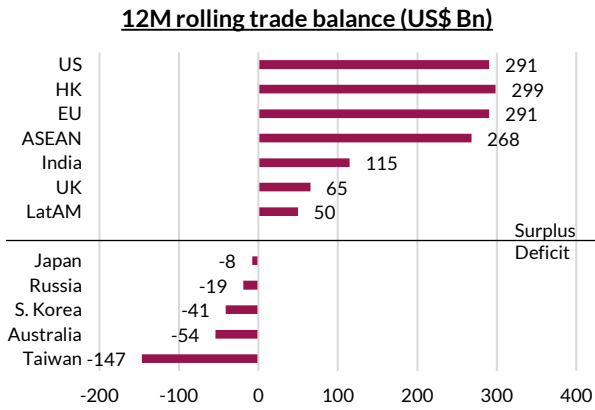
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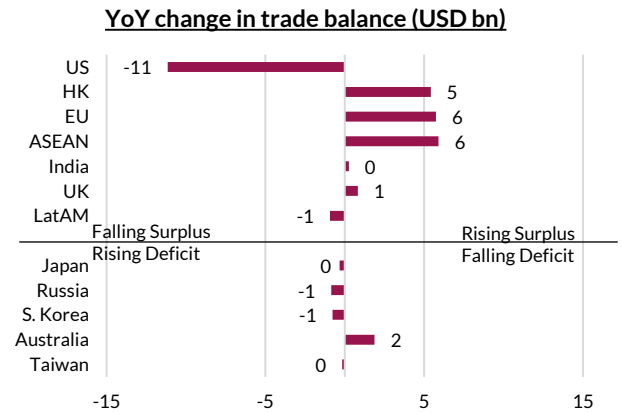
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Exhibit 5 - Large surpluses with US/EU and ASEAN; deficits with Rest of Asia and Russia



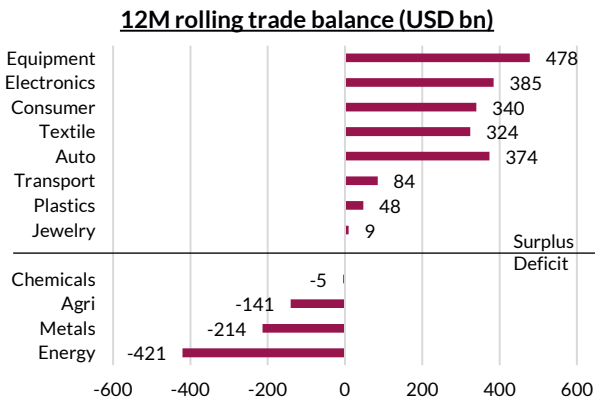
Source: GAC, Axis Bank Research

Exhibit 6 - YoY surpluses fell sharply with the US, rose with ASEAN and EU; deficits (ex-Aus) rose modestly



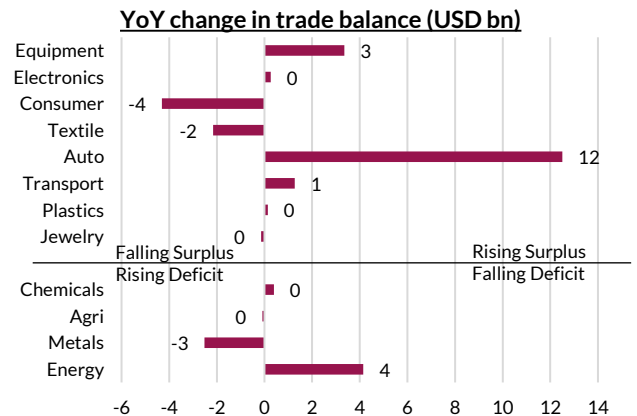
Source: GAC, Axis Bank Research

Exhibit 7 - Large surpluses in manufactured goods; deficits in energy, agriculture, chemicals and metals



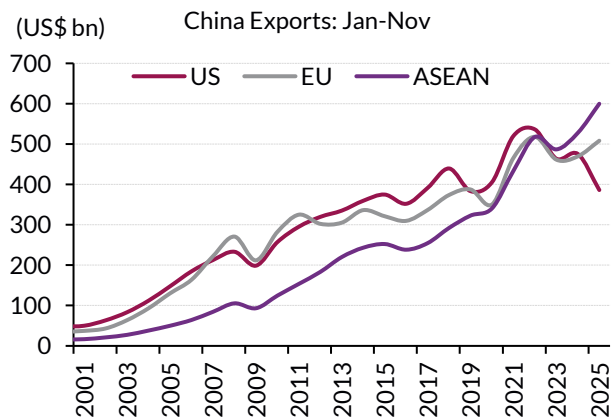
Source: GAC, Axis Bank Research

Exhibit 8 - YoY surpluses rose sharply in autos, fell in consumer goods and textiles; energy deficit fell again



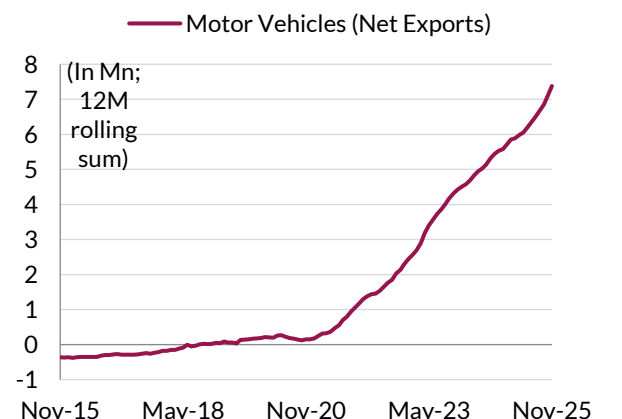
Source: GAC, Axis Bank Research

Exhibit 9 - China's direct exports to the US now well below EU/ASEAN

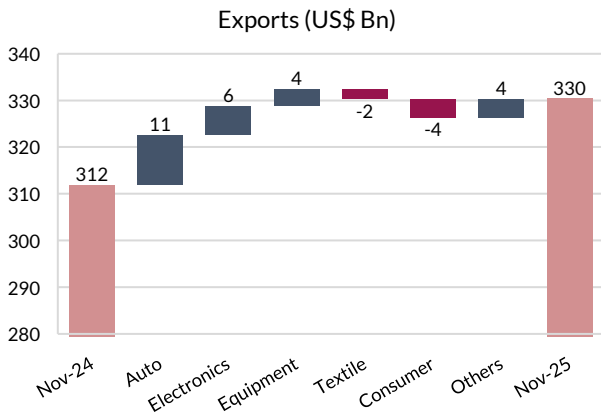


Source: GAC, Axis Bank Research

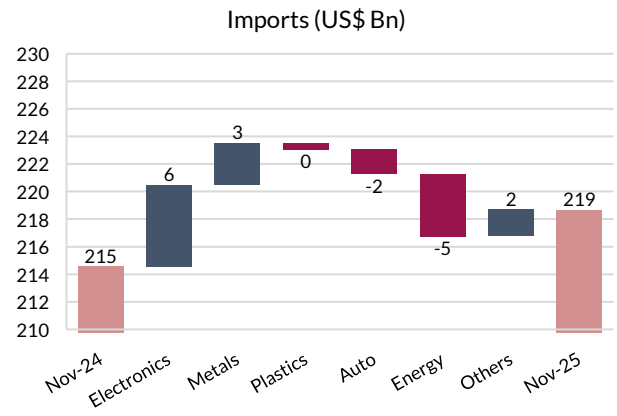
Exhibit 10 - Net exports of motor vehicles are now over 7M: imports falling sharply as exports gather pace



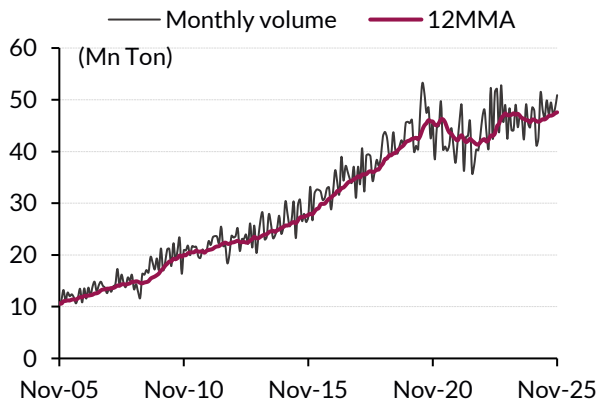
Source: GAC, Axis Bank Research

Exhibit 11 - YoY exports grew across all categories except consumer products, textiles


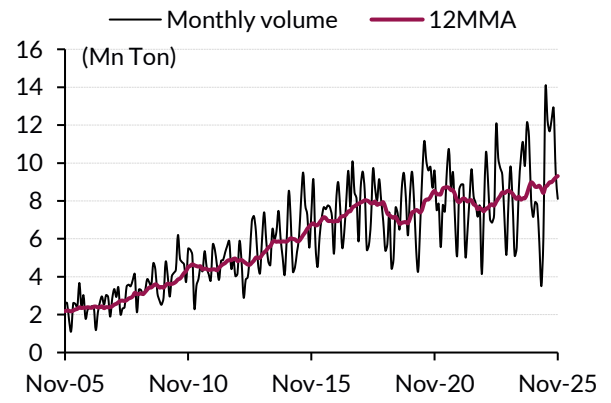
Source: GAC, Axis Bank Research

Exhibit 12 - YoY imports rose for electronics (chips) and metals, falling in energy, autos and plastics


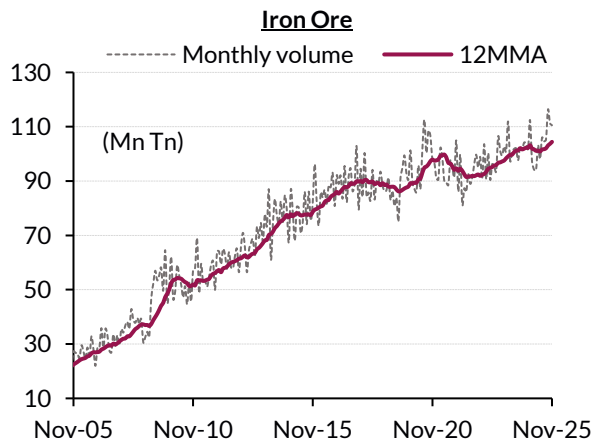
Source: GAC, Axis Bank Research

Exhibit 13 - Oil import volumes are stable; fall in import value is driven by oil price declines


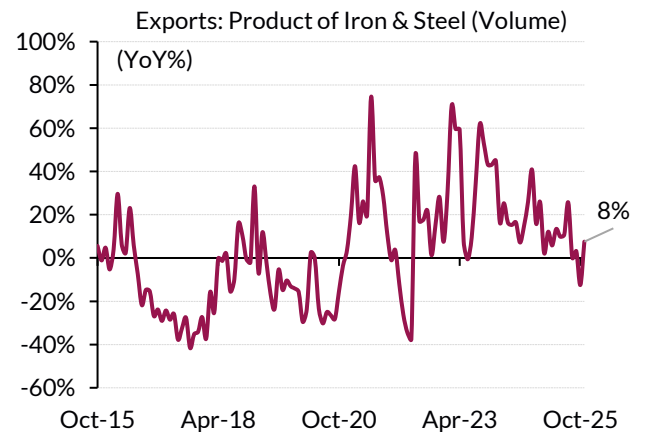
Source: GAC, Axis Bank Research

Exhibit 14 - Soybean imports return to normal trend; imports from the US have resumed after the deal


Source: GAC, Axis Bank Research

Exhibit 15 - In Nov 2025, China's iron ore imports remained elevated, up 9% YoY


Source: GAC, Axis Bank Research

Exhibit 16 - In Nov -2025, steel exports resumed growth, rising 8% YoY after contracting briefly in Oct


Source: GAC, Axis Bank Research

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