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China Economics | Asia Pacific

April Trade: AI Powers Through Energy Shock

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Key Takeaways

- The global super AI investment cycle was an even bigger key driver of China trading in April.
- Semis+Computers (and parts) contributed 7.3pp and 12.3pp to headline export (14%) and import (25%) growth, up from 5.2pp and 8.9pp in 1Q26.
- Exports of non-tech products hit a modest speed bump amid the global energy shock: 7.5%Y in April vs. 10.6% in 1Q26.
- China cut crude/LNG import volumes amid higher prices, mitigating the terms-of-trade hit.
- Strong PMI export orders point to market share gains, suggesting exports will stay robust in 2Q26 even if the global "pie" grows slower.

Tech and capital-intensive goods dominate exports…: Semis+Computers (and parts) exports rose 73%Y in April (50% in 1Q26), mostly driven by unit price (93%Y vs. 59% in 1Q26). Auto exports held up at 44%Y despite a higher comparison base.

…while a mechanical rebound in labor-intensive products helped: Most products in this category snapped back sharply from the depressed March readings distorted by fewer working days. This likely explains the headline beat vs. consensus (14%Y actual vs. cons. 8%).

Imports tell a similar story: Imports of Semis+Computers (and parts) rose 62%Y (46% in 1Q26) amid similar price rises. The widening tech trade deficit reflects strong domestic demand tied to the AI build-out rather than external weakness.

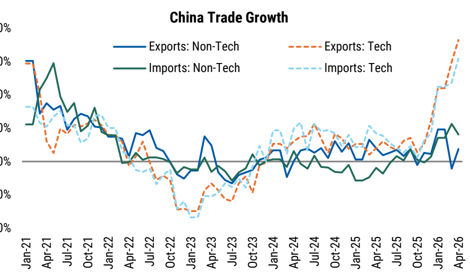
China actively managing energy import volumes: After seasonal adjustments, crude import volume contracted -13% MoM, though value rose 7% MoM. Reserves and fuel substitution provided a buffer.

Outlook: Strong PMI export orders (a diffusion index) point to market share gains, keeping exports resilient even as the global pie potentially shrinks. Lower crude and LNG import volumes mitigate the energy drag. We expect domestic manufacturing growth to sustain unless Brent enters demand-destructive territory (~$150/bbl).

Exhibit 1 : Summary Table

	Apr-26	Mar-26	Feb-26	Jan-26	1Q26	4Q25	2025
Trade Balance*, US$ bn	**85**	**51**	**91**	**122**	**264**	**314**	**1185**
Exports, US$ bn	**359**	**321**	**300**	**357**	**977**	**992**	**3771**
YoY, %	**14.1**	**2.5**	**39.6**	**10.0**	**14.7**	**3.7**	**5.4**
By destination, YoY, %							
US	*11.3*	*-26.5*	*9.7*	*-23.0*	*-16.4*	*-28.0*	*-19.8*
Japan	*4.0*	*3.3*	*22.5*	*-0.3*	*6.8*	*1.2*	*3.6*
EU	*13.4*	*8.6*	*54.9*	*10.8*	*21.0*	*9.1*	*8.5*
ASEAN	*15.2*	*6.9*	*38.7*	*22.4*	*20.2*	*10.1*	*13.4*
Hong Kong	*44.3*	*41.0*	*18.9*	*56.4*	*39.0*	*23.6*	*15.2*
Korea	*24.6*	*19.6*	*40.7*	*15.8*	*23.8*	*-3.8*	*-1.4*
Taiwan	*26.9*	*35.2*	*22.8*	*33.5*	*31.1*	*11.3*	*11.1*
Imports, US$ bn	**275**	**270**	**209**	**234**	**713**	**679**	**2586**
YoY, %	**25.3**	**27.8**	**13.9**	**25.7**	**22.7**	**3.0**	**0.0**
By product, YoY, %							
Mechanical & Electrical Products	*33.5*	*25.9*	*17.5*	*29.5*	*24.5*	*5.7*	*5.0*
Unwrought Copper & Products	*38.4*	*20.9*	*3.5*	*21.8*	*15.6*	*-6.9*	*0.0*
Steel Products	*1.3*	*2.9*	*-26.6*	*-2.8*	*-9.0*	*-10.1*	*-11.6*
Plastics in Primary Forms	*-19.4*	*-4.4*	*-30.5*	*-0.8*	*-12.3*	*-12.8*	*-9.3*
Crude Petroleum Oil	*13.2*	*-4.4*	*-8.0*	*-1.2*	*-4.6*	*-0.8*	*-8.7*
Iron Ore & Concentrates	*2.7*	*12.7*	*5.0*	*18.5*	*12.1*	*14.0*	*-8.6*

Exhibit 2 : Global AI cycle drives China trade growth



For important disclosures, refer located at the end of this report.