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China alt-data trackers chartpack (Series 57)

Exports still the bright spot, oil supply recovery limited

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April domestic activity weakness tilted 2Q growth risks to the downside. Incoming May data have been mixed, with trade beating expectations but credit demand remaining soft. May–June data will be key to recalibrating 2Q growth momentum. While we await May domestic hard-activity indicators, we update our alt-data trackers (vs. our last update) and our key takeaways are below.

- **Exports**: Port tracking shows departing container (+8.9%) and bulk (+10.8) shipping deadweight tonnage both increased m/m nsa mtd in June. Annual growth held up further. In aggregate, departing shipments deadweight tonnage (excluding tankers) rose 17.9%oya mtd in June (vs. 7.7% in May), suggesting volume growth is picking-up alongside recent price gains. Oil tanker arrivals remained subdued mtd in June, at a similar level to May.
- CCFI to USEC, USWC rose 6.5%, 9.1%, respectively, compared to two weeks ago; CCFI to the Persian Gulf/Red Sea route increased by another 8.6%.
- China's domestic and int'l flight cancelation rate remained elevated.
- **Production**: Processed crude oil production contraction may have deepened in May, with further decline in June (vs -5.8%oya in April) as petroleum asphalt plants' operating rates declined further. Auto IP growth may have improved modestly in May, with a slowdown in June (vs -2.6%oya in Apr). Steel IP contraction may have deepened in May but may narrow in June (vs -1.7%oya in Apr). Coke oven plants ticked down mtd in June.
- **Fiscal**: Government bond issuance moderated to 616bn yuan in June mtd (vs. 1140bn yuan in May). CGB issuance slipped to 164bn yuan while special LGB issuance picked up only modestly to 212bn yuan. Absent a month-end jump, fiscal delivery will remain less front-loaded by June. If domestic demand weakness persists, we expect an acceleration in government bond issuance and fund deployment in 3Q.
- **Monetary**: PBOC net injected 410bn yuan of liquidity via pledged OMO in June mtd, while it withdrew 300bn yuan via outright OMO. A cut could become more likely in 2H if growth headwinds intensify and outweigh inflation risks.
- **Auto sales** remained a drag on retail sales. Passenger car retail sales fell 22%oya in May, partially on lower per-car trade-in subsidies and purchase tax exemptions, and higher fuel costs. NEV sales fell a narrower 7.5%. In the first week of June, passenger car sales fell 23%oya and NEV sales fell 14%.
- **Housing**: Home sales in both new and secondary home markets outperformed the same period last year in June mtd, with some momentum easing lately. Uncertainty remains over whether this marks a housing market bottoming-out.
- **Inflation**: Gasoline, diesel and LPG prices continued to moderate in the first ten days of June, while LNG prices ticked up mildly. Coal prices rose further to the highest level in nearly 20 months, also on summer seasonal demand. Some petrochemical products moderated from recent peaks, while sulfuric acid stayed elevated. Agricultural food prices fell 0.1%oya in June mtd, narrowing the drag on headline CPI. Pork wholesale prices contraction remained elevated, as overcapacity in the industry prolongs.

See page 11 for analyst certification and important disclosures.

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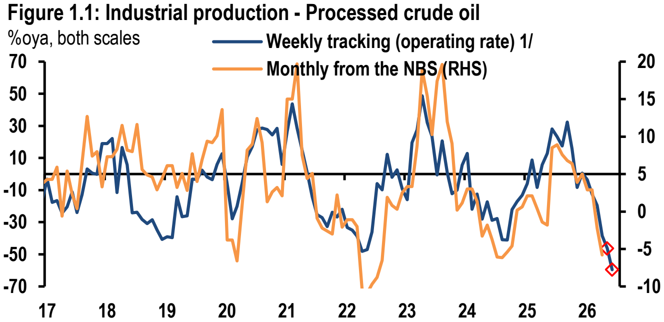
1. Mapping: High-frequency trackers --> official activity

Regarding the mapping efforts from high-frequency data to monthly official activity tracking:

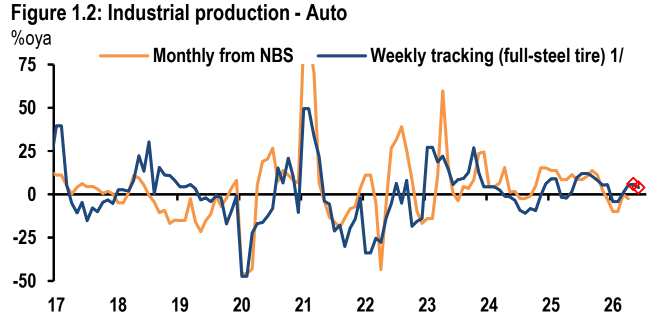
- Operating rates for petroleum asphalt plants suggest **processed crude oil production** contraction may have deepened in May, with further decline in June (vs -5.8%oya in April).
- Operating rates for tire plants suggest **auto IP** growth may have improved modestly in May, followed by slowdown in June (vs -2.6%oya in Apr).
- Operating rates for steel rebar suggest that **steel IP** contraction may have deepened in May but may narrow in June (vs -1.7%oya in Apr).
- **Housing transactions** for 30 major cities gained 4.0%oya mtd in June (vs -1.4% in May).
- **Port tracking** shows that departing container and bulk shipping deadweight tonnage both increased m/m nsa, mtd in June. Over-year-ago growth mtd also improved. In aggregate, departing shipments deadweight tonnage (excluding tankers) rose 17.9%oya mtd in June (vs. 7.7% in May).

Figure 1.1: Industrial production - Processed crude oil



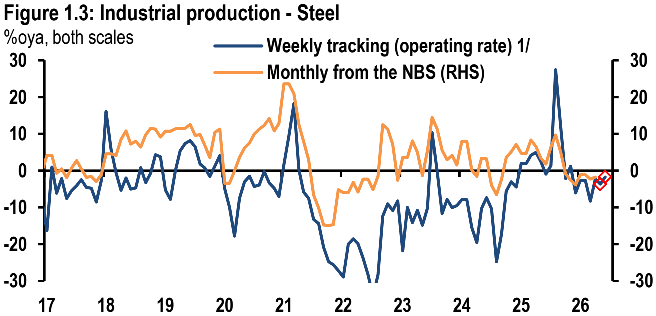
Source: CEIC, Wind, J.P. Morgan; 1/ Latest for June 2026.

Figure 1.2: Industrial production - Auto



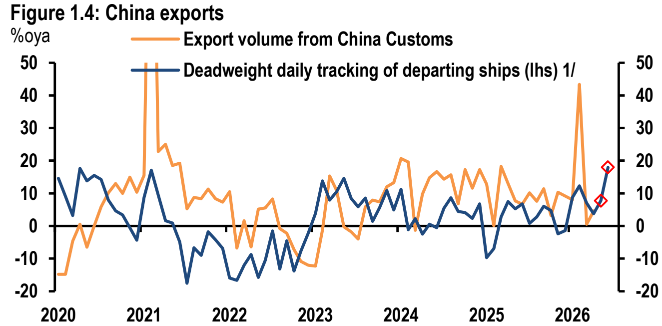
Source: CEIC, Wind, J.P. Morgan; 1/ Latest for June 2026.

Figure 1.3: Industrial production - Steel



Source: CEIC, Wind, J.P. Morgan; 1/ Latest for June 2026.

Figure 1.4: China exports



Source: Elane Shipping, China Customs, J.P. Morgan; 1/ Latest for June 2026, excl. tankers

2. Trade

China's outbound container costs rose further across major routes. By destination, CCFI to USEC, USWC rose 6.5%, 9.1%, respectively, compared to two weeks ago; CCFI to the Persian Gulf/Red Sea route increased by another 8.6%. Baltic Dry Index ticked down after several weeks of increases since April. US-bound shipping edged up 0.4%oya or rose 7.1%m/m nsa mtd in June (vs 27.8%oya or 2.9%m/m nsa in May).

- **Container ships** usually carry consumer goods, as well as some machinery equipment and electronics. Departing container ships' deadweight tonnage rose 5.0%oya or 8.9%m/m nsa mtd in June. Arriving container ships' deadweight tonnage fell 1.3%oya or up 5.7%m/m nsa.

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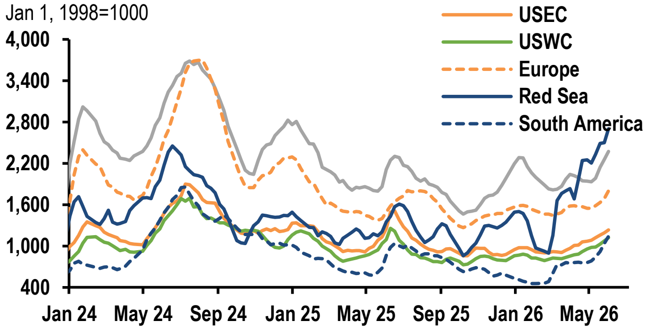
- **Bulk carriers** transport unpackaged bulk cargo for grain, coal, iron ore, steel, etc., in their cargo holds. Departing bulk ships' deadweight tonnage rose 21.7%oya mtd (or 10.8%m/m nsa), while arriving bulk ships' deadweight tonnage rose 24.3%oya or 8.8%m/m nsa.
- **Oil tanker** arrivals remained subdued mtd in June, at a similar level to May.

China's domestic and international flight cancelation rates remained elevated mtd in June at above 25% and 20%, respectively, partly due to still high jet fuel costs and airfares. Flight execution edged lower in June.

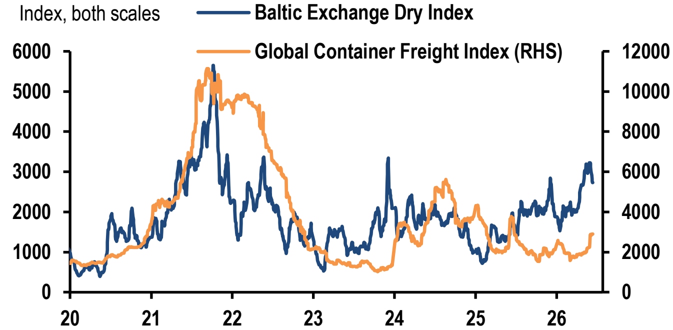
China's soybean imports increased in May, following seasonal trend. Purchases from the US have been rising. The Ministry of Commerce confirmed the agreement with the US to purchase 200 Boeing aircraft, as well as engines and spare parts. The White House statement said China would purchase at least US$17bn US agricultural products annually from 2026 to 2028.

Figure 2.1: China containerized freight index
Jan 1, 1998=1000



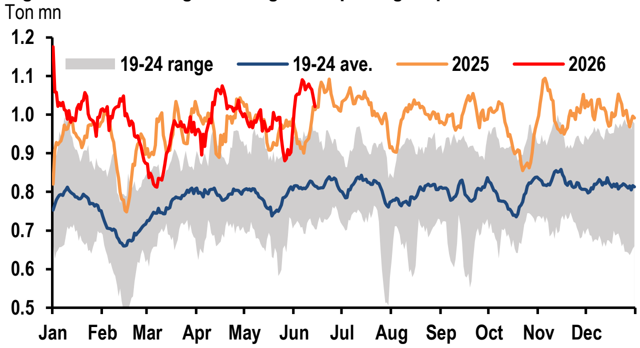
Source: Wind, J.P. Morgan

Figure 2.2: BEISL freight index
Index, both scales



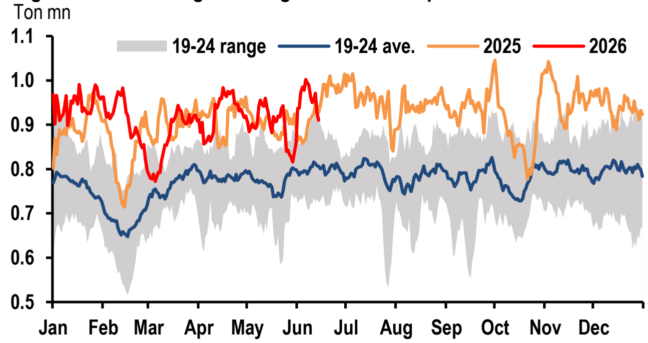
Source: Baltic Exchange Information Services Limited, J.P. Morgan

Figure 2.3: Deadweight tonnage of departing ships - Container
Ton mn



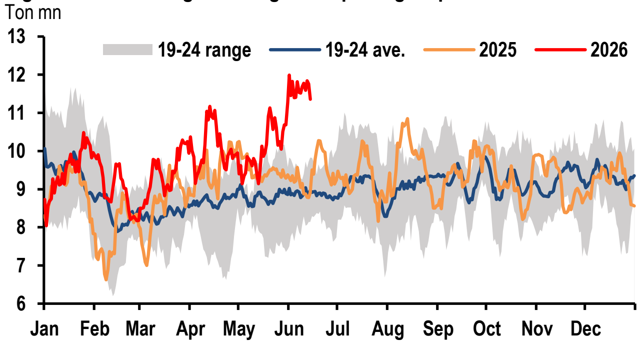
Source: Elane Shipping Statistics, J.P. Morgan.

Figure 2.4: Deadweight tonnage of arrived ships - Container
Ton mn



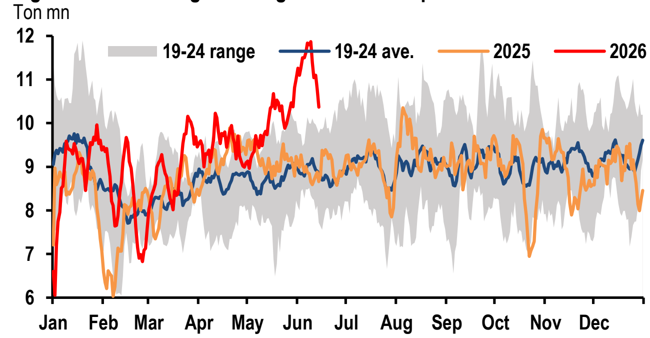
Source: Elane Shipping Statistics, J.P. Morgan.

Figure 2.5: Deadweight tonnage of departing ships - Bulk
Ton mn



Source: Elane Shipping Statistics, J.P. Morgan.

Figure 2.6: Deadweight tonnage of arrived ships - Bulk
Ton mn



Source: Elane Shipping Statistics, J.P. Morgan.

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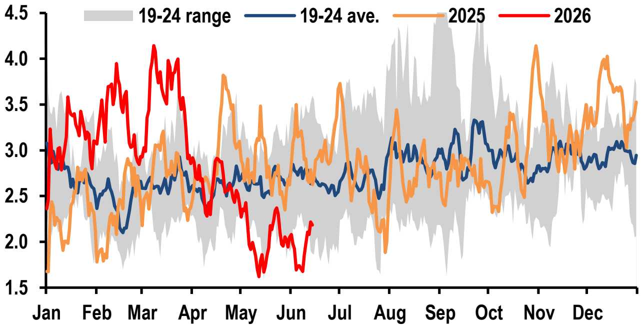
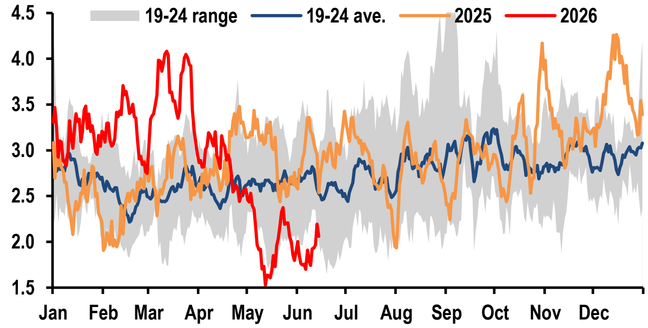
Figure 2.7: Deadweight tonnage of arrived ships - Oil Tanker
Ton mn



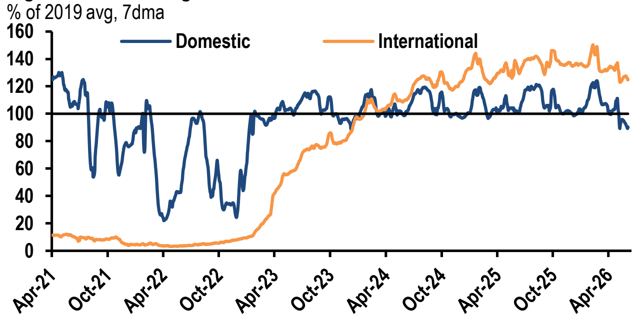
Source: Elane Shipping Statistics, J.P. Morgan.

Figure 2.8: Deadweight tonnage of departing ships - Oil Tanker
Ton mn



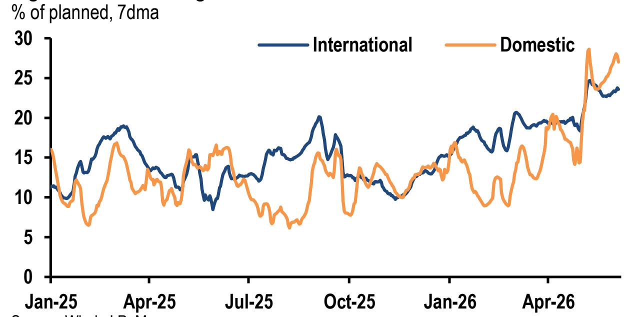
Source: Elane Shipping Statistics, J.P. Morgan.

Figure 2.9: China flight execution
% of 2019 avg, 7dma



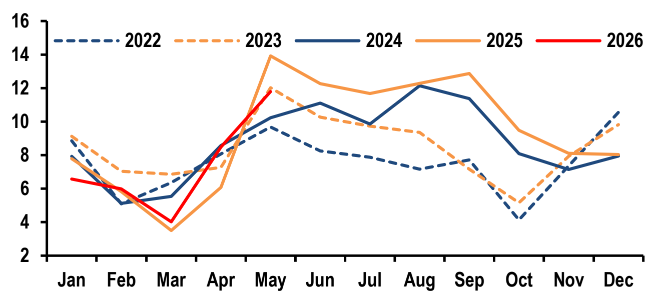
Source: Wind, J.P. Morgan

Figure 2.10: China flight cancellation rate
% of planned, 7dma



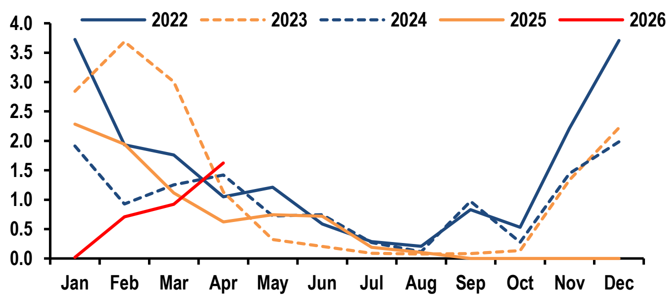
Source: Wind, J.P. Morgan

Figure 2.11: China imports of soybeans from world
Ton mn



Source: CEIC, J.P. Morgan

Figure 2.12: China imports of soybeans from US
USD bn



Source: CEIC, J.P. Morgan

3. Sales and production

- **Auto sales:** According to CPCA, passenger car retail sales fell 22%oya in May, partially on lower per-car trade-in subsidies and purchase tax exemptions, and higher fuel costs. NEV sales fell a narrower 7.5%. This suggests auto sales have remained as a drag on headline retail sales in May. In the first week of June, the CPCA reported passenger car sales down 23%oya and NEV sales down 14%.
- **Operating rates** of petroleum asphalt plants continued to fall, departing from typical seasonality, due to oil supply disruptions. Operating rates for steel rebar held steady mtd in June, while all-steel tire and semi-steel tires declined modestly. Coke oven plants ticked down mtd in June.

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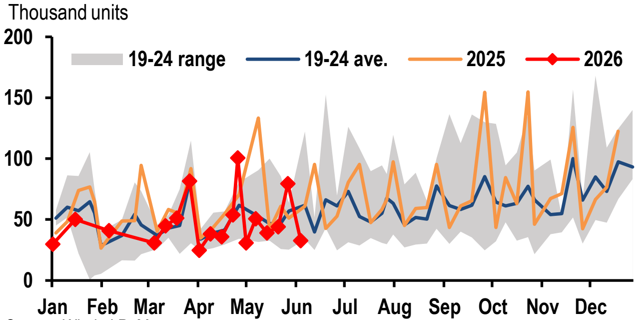
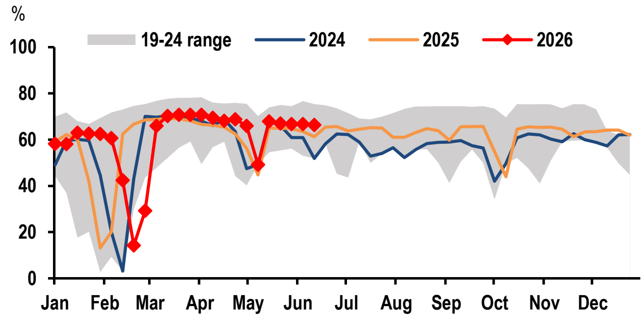
Figure 3.1: Weekly auto retail sales



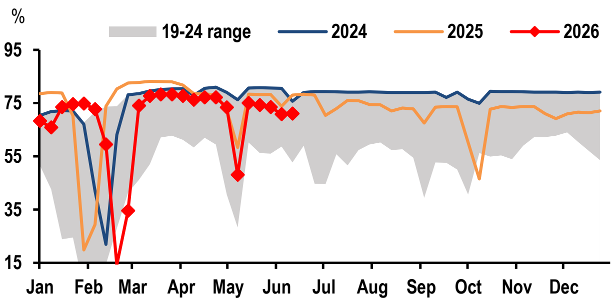
Source: Wind, J.P. Morgan

Figure 3.2: Operating rate for all-steel tire



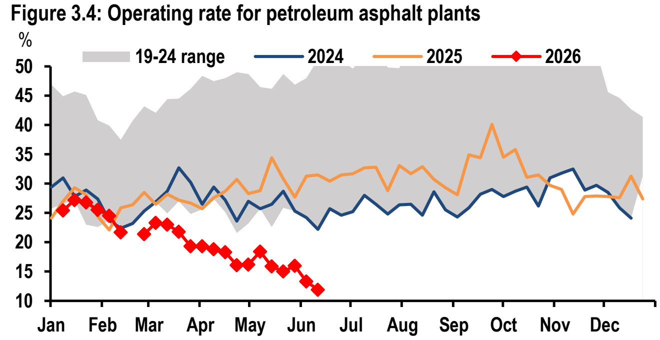
Source: Wind, J.P. Morgan

Figure 3.3: Operating rate for semi-steel tire



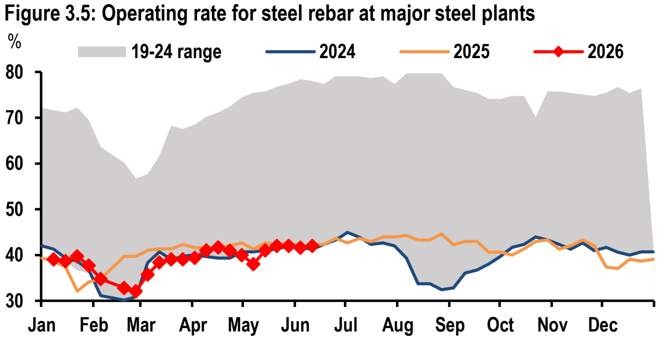
Source: Wind, J.P. Morgan

Figure 3.4: Operating rate for petroleum asphalt plants



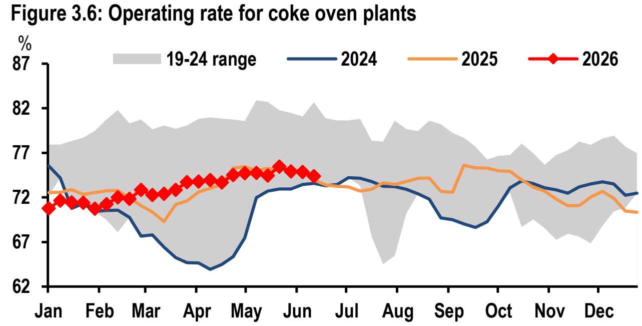
Source: Wind, J.P. Morgan

Figure 3.5: Operating rate for steel rebar at major steel plants



Source: Wind, J.P. Morgan

Figure 3.6: Operating rate for coke oven plants



Source: Wind, J.P. Morgan

4. Policy: Government bond issuance and liquidity operations

Government bond issuance moderated to 616bn yuan in June mtd (including scheduled issuance in the coming week, vs. 1140bn yuan in May). Absent a month-end jump, fiscal delivery will remain less front-loaded by June. If domestic demand weakness persists, we expect an acceleration in government bond issuance and fund deployment in 3Q.

- **CGB issuance** slowed sharply to 164bn yuan in June mtd (including scheduled issuance for the coming week) from 708bn yuan in May. Ytd issuance reached 37.9% of annual issuance target, trailing last year's 50.8% pace. In further breakdown, **special CGB issuance recorded 119bn yuan in June mtd (vs. 249bn yuan in May).**
- **Special LGB** issuance picked up modestly to 236bn yuan in June mtd (vs.161bn yuan in May), but was less than half the size of one year ago. Year-to-date issuance stood at 39.3% of the annual target, erasing the 1Q outperformance and now lagging last year's pace of 47.0%.
- **General LGB** issuance slowed to 14bn yuan; **refinancing LGB** reached 203bn yuan.

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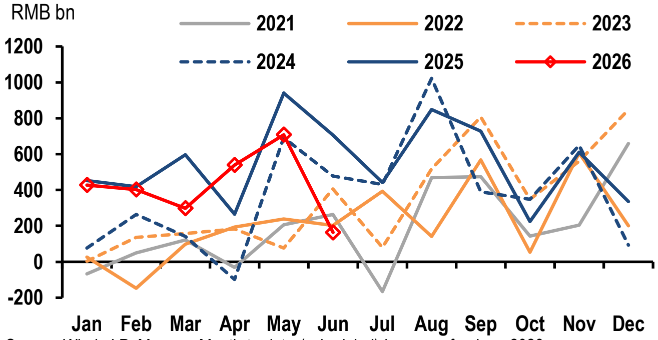
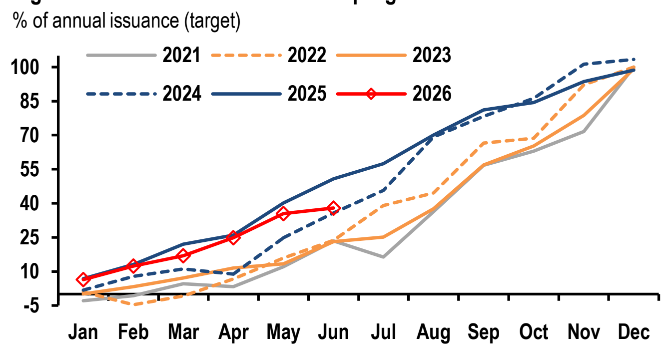
- PBOC net injected 410bn yuan of liquidity via pledged OMO in June mtd, while withdrawing 300bn yuan via outright OMO. The surprisingly soft April activity data and downside risks to 2Q GDP should keep a rate cut on the table. A cut could become more likely in 2H if growth headwinds intensify and outweigh inflation risks, although a 10bp move would likely be more of a policy signal than a meaningful easing impulse.

Figure 4.1: China CGB net issuance



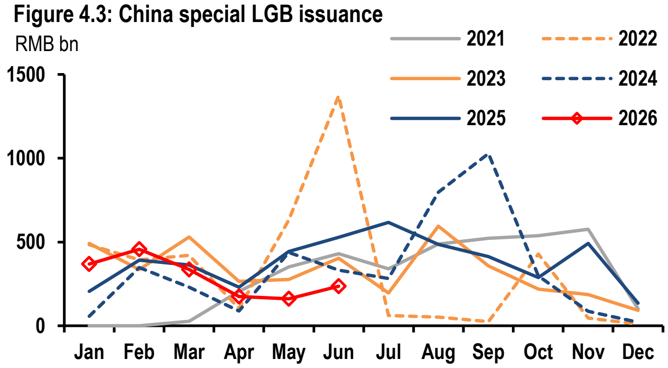
Source: Wind, J.P. Morgan. Month-to-date (scheduled) issuance for June 2026.

Figure 4.2: China CGB net issuance progress



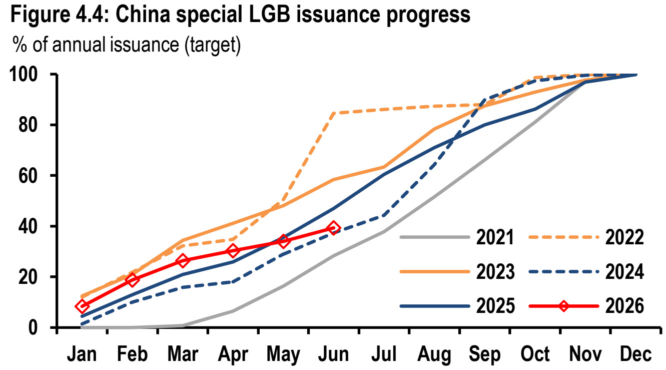
Source: Wind, J.P. Morgan. Month-to-date (scheduled) issuance for June 2026.

Figure 4.3: China special LGB issuance



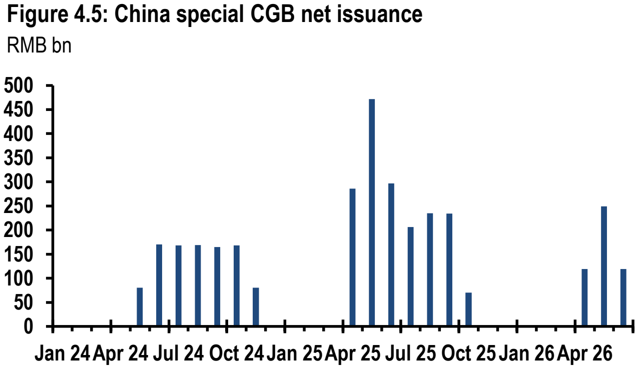
Source: Wind, J.P. Morgan. Month-to-date (scheduled) issuance for June 2026.

Figure 4.4: China special LGB issuance progress



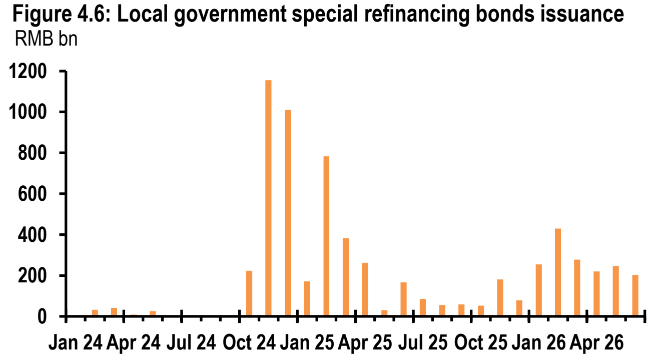
Source: Wind, J.P. Morgan. Month-to-date (scheduled) issuance for June 2026.

Figure 4.5: China special CGB net issuance



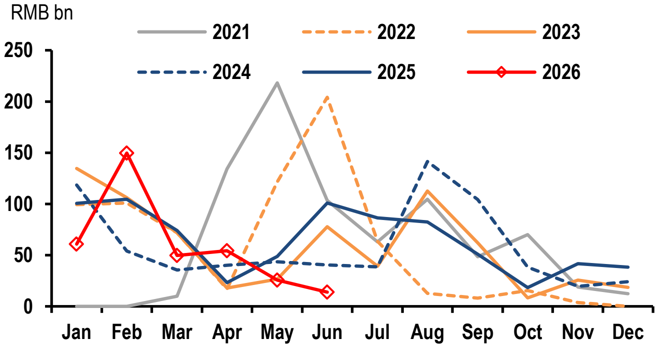
Source: Wind, J.P. Morgan; Month-to-date (scheduled) issuance for June 2026.

Figure 4.6: Local government special refinancing bonds issuance



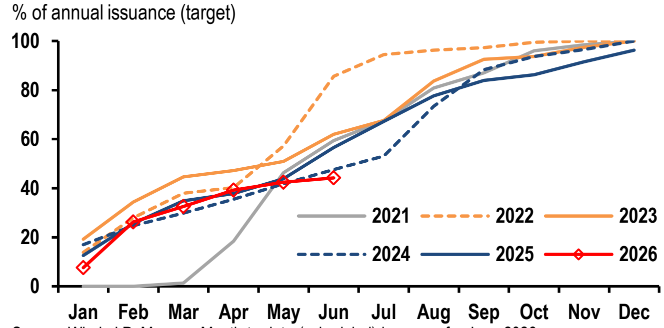
Source: Wind, J.P. Morgan; Month-to-date (scheduled) issuance for June 2026.

Figure 4.7: General LGB new issuance



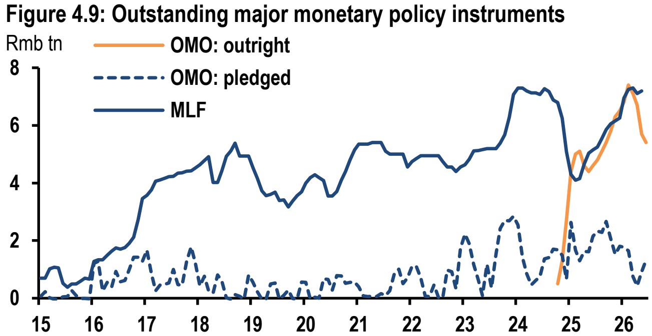
Source: Wind, J.P. Morgan. Month-to-date (scheduled) issuance for June 2026.

Figure 4.8: General LGB new issuance progress



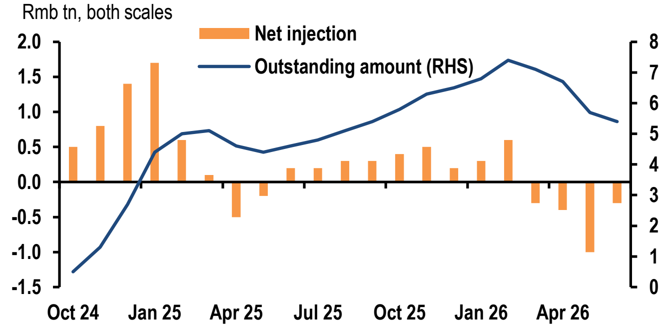
Source: Wind, J.P. Morgan. Month-to-date (scheduled) issuance for June 2026.

Figure 4.9: Outstanding major monetary policy instruments



Source: PBOC, J.P. Morgan

Figure 4.10: Outright OMO operation



Source: PBOC, J.P. Morgan

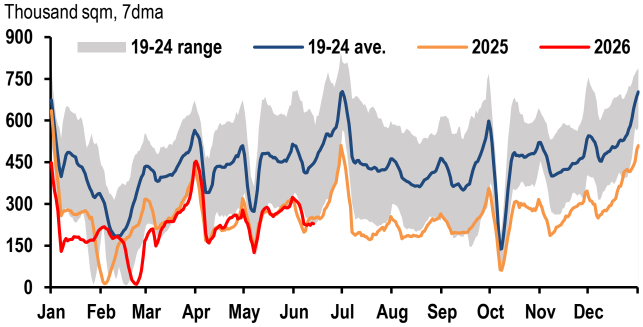
5. Housing

Home sales in both new and secondary home markets outperformed the same period last year in June mtd, with some momentum easing lately.

- 30 major cities' **new home sales** were 4% higher than the same period last year in June mtd, an improvement from May's 1.4%oya decline—assuming mtd daily average pace holds through month-end. Major cities' **secondary home sales** improved further, rising 24.5%oya in June mtd (vs. 18.0% in May), mainly on a low base.
- Centaline's **sales manager confidence index** inched up in early June, while the secondary home asking price index edged down.

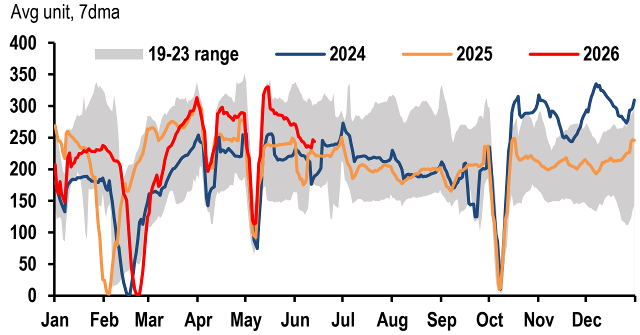
Land sales value edged down again in early June after a brief uptick in end-May, still at a subdued level. The sales premium rate spiked to a recent high, likely affected by a few auction cases.

Figure 5.1: Housing transactions by sqm in 30 major cities



Source: Wind, J.P. Morgan

Figure 5.2: Major cities' secondary housing transactions



Source: Wind, J.P. Morgan

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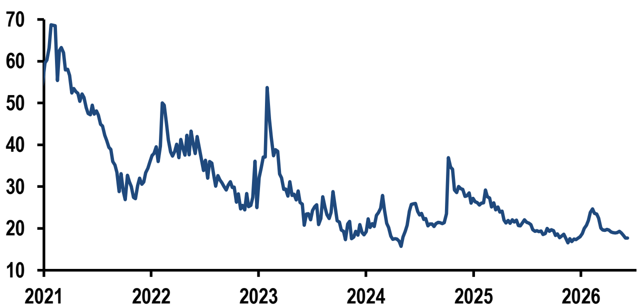
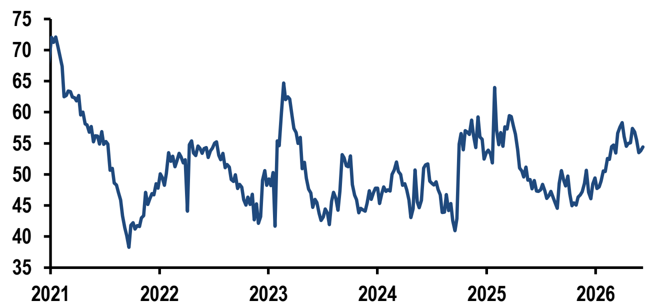
Figure 5.3: Centaline tier-1 cities' secondary asking price index



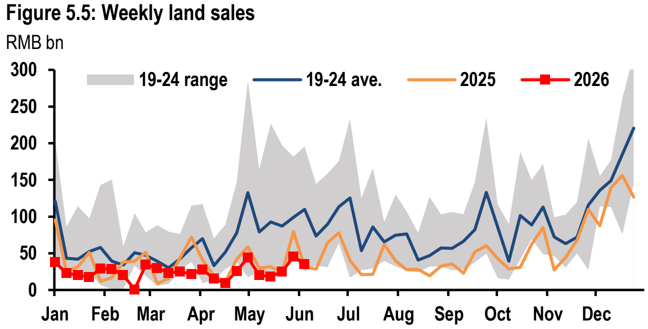
Source: Wind, J.P. Morgan. Note: Simple average for 4 tier-1 cities.

Figure 5.4: Centaline sales manager index



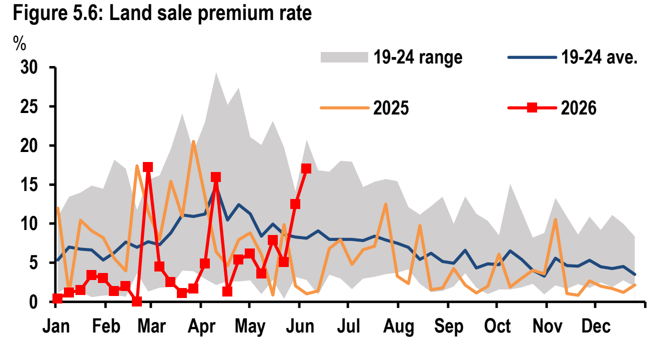
Source: Wind, J.P. Morgan. Note: Simple average for Shanghai, Shenzhen and Guangzhou.

Figure 5.5: Weekly land sales



Source: Wind, J.P. Morgan

Figure 5.6: Land sale premium rate

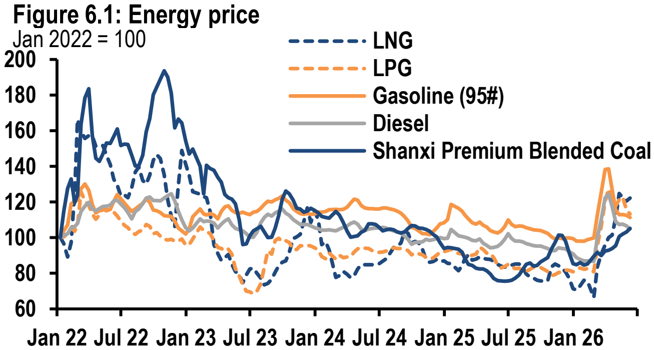


Source: Wind, J.P. Morgan

6. Inflation

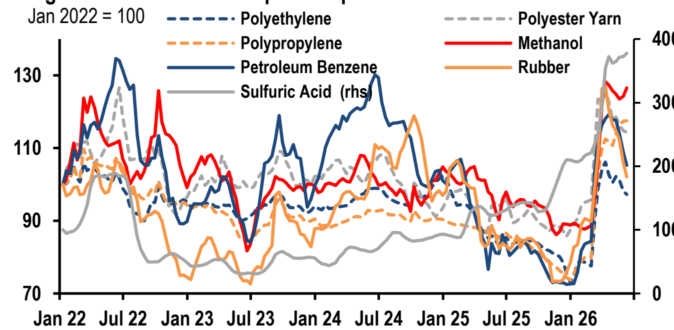
- **Gasoline, diesel and LPG prices continued to moderate in the first ten days of June, while LNG prices ticked up mildly.** Coal prices rose further, now standing at the highest level in nearly 20 months, also on summer seasonal demand.
- **Petrochemical prices were mixed, with rubber, polyester yarn, petro benzene, and polyethylene prices moderating, while methanol, polypropylene, and sulfuric acid prices edged up.**
- **Agricultural food prices fell 0.1%oya in June mtd** (vs -0.9% in May), further narrowing the drag on headline CPI. Rice, wheat and corn prices were largely stable.
- **Pork wholesale price deflation narrowed marginally to -28.2%oya in June mtd (vs -28.5%oya in May)**, as overcapacity in the industry prolongs.
- **Lithium** carbonate prices edged higher in early June, while **polysilicon** prices were largely unchanged. Copper and aluminum prices remained elevated, well above year-ago levels. Cement prices edged lower, while steel rebar prices were roughly in line with the same period last year.
- **The pass-through from global oil prices to retail gasoline prices has been partial, with muted changes despite global oil volatilities, helped by the NDRC's smoothing mechanism.**

Figure 6.1: Energy price
Jan 2022 = 100



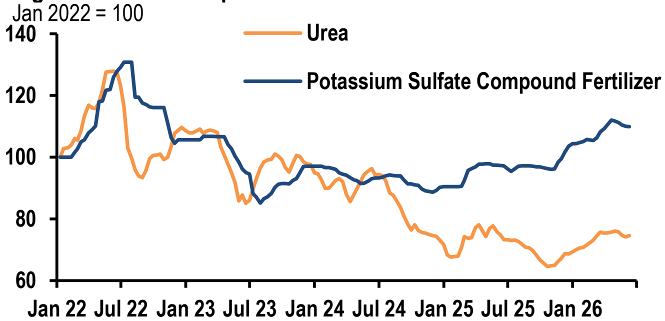
Source: NBS, J.P. Morgan

Figure 6.2: Petrochemical product price
Jan 2022 = 100



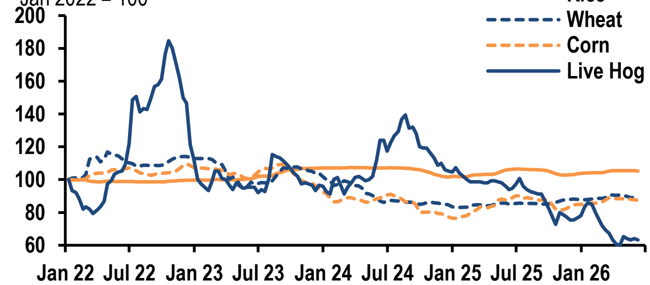
Source: NBS, J.P. Morgan

Figure 6.3: Fertilizer price
Jan 2022 = 100



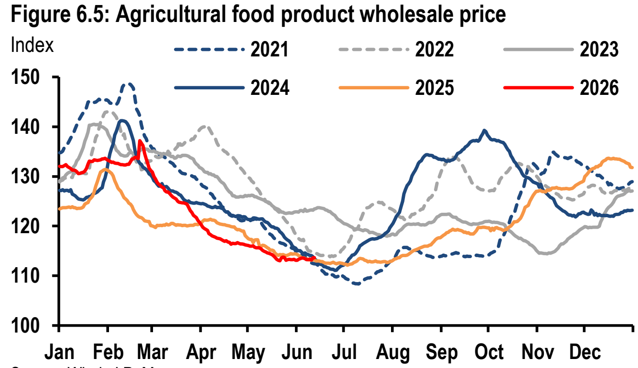
Source: NBS, J.P. Morgan

Figure 6.4: Grain and hog price
Jan 2022 = 100



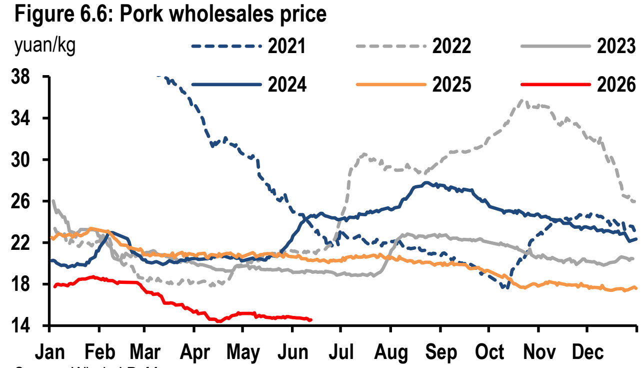
Source: NBS, J.P. Morgan

Figure 6.5: Agricultural food product wholesale price
Index



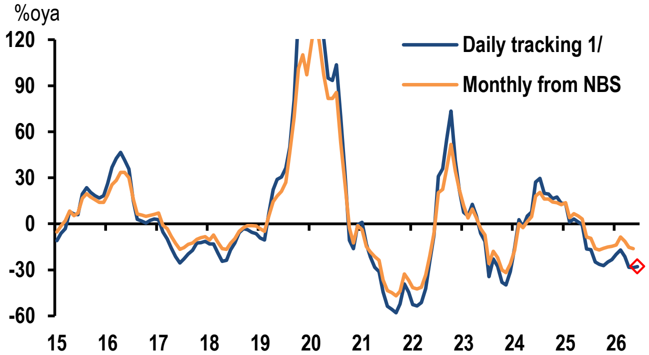
Source: Wind, J.P. Morgan

Figure 6.6: Pork wholesales price
yuan/kg



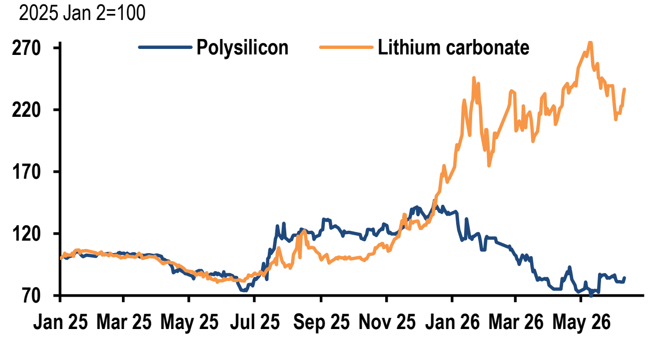
Source: Wind, J.P. Morgan

Figure 6.7: Pork wholesales price vs. NBS data
%oya



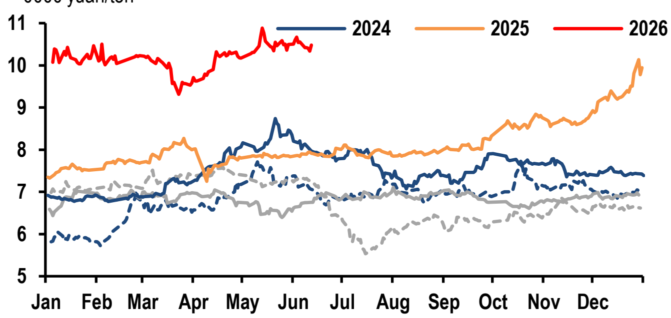
Source: NBS, Wind, J.P. Morgan. 1/ Latest for May 2026.

Figure 6.8: Commodity futures prices
2025 Jan 2=100



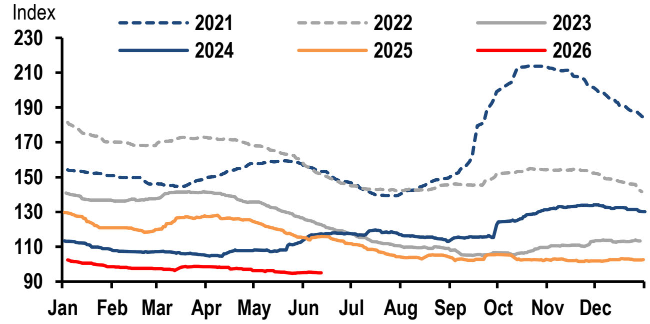
Source: Wind, J.P. Morgan

Figure 6.9: Copper price



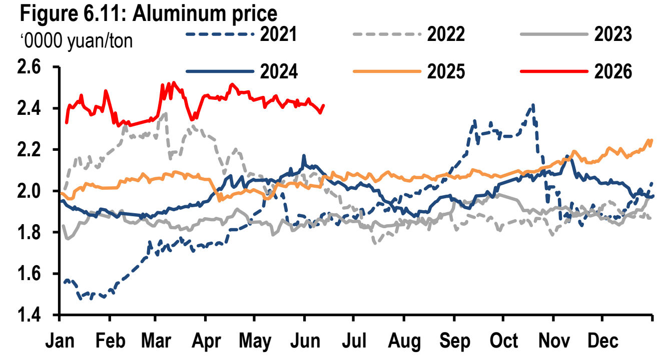
Source: Wind, J.P. Morgan

Figure 6.10: Cement price



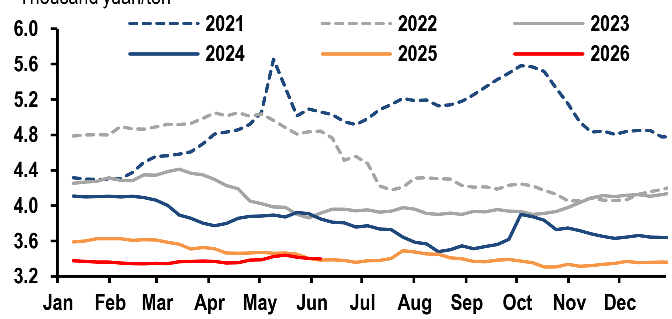
Source: Wind, J.P. Morgan

Figure 6.11: Aluminum price



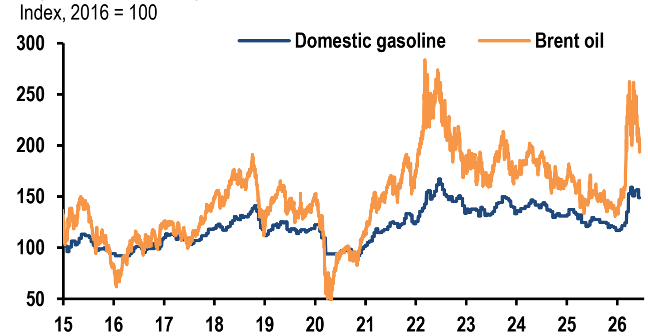
Source: Wind, J.P. Morgan

Figure 6.12: Steel rebar price



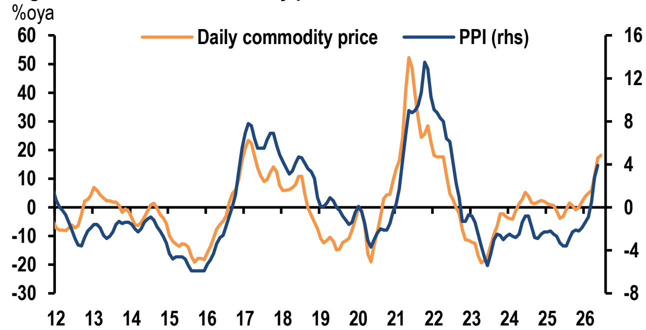
Source: Wind, J.P. Morgan

Figure 6.13: Retail gasoline price vs. Brent oil



Source: CEIC, J.P. Morgan

Figure 6.14: Global commodity price vs. China PPI



Source: Haver, J.P. Morgan

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