China Technology

Retail soft due partly to touch comp; NEV export surging

Industry Update

Retail yoy contraction in May on subsidy fade and high base; tier-1 city existing home prices continue to rebound; high-tech manufacturing drives electricity use; and NEV exports up over 100% yoy.

Retail growth turned negative: In May, total retail sales fell -0.6% yoy, -0.8ppt vs April, the first yoy contraction since late 2022 due to high base last year. Categories tied to national subsidies and big-ticket durables stayed weak. Auto sales fell -16.1% yoy, -0.8ppt vs April, while excluding autos, retail sales rose 1.1% yoy. Home appliances/home electronics/video/audio dropped -15.6% yoy, -0.5ppt vs April, while property-related categories remained subdued (furniture -8.7% yoy; building materials -13.6% yoy). Online penetration continued to rise, with online physical sales up 2.6% yoy, +2.4ppt vs April. Meanwhile, online service retail sales showed resilience, up 7.6% yoy in Jan-May.

China Industry Data Deck - 2026.05.pdf

Tier-1 cities continued to support stabilization in the property market: In existing home market, tier-1 cities posted three consecutive months of mom price increases in May. Specifically, prices rose 0.4% mom (Shanghai/Shenzhen 0.6% mom, Beijing/Guangzhou 0.1% mom), and the yoy decline narrowed 1ppt to -5.8% yoy. In Beijing, online-signed existing home transactions increased 10% yoy to 16k units, the highest May level in five years. Strong momentum in Shanghai also supported premiums at land auctions. In new home market, tier-1 cities prices rose 0.2% mom. Available new home projects in tier-1 cities rose marginally by 1.3% mom, reflecting developers' cautious launch strategy with no large-scale supply push. Meanwhile, Shenzhen and Guangzhou's easing policies in late April lifted transaction volumes and helped stabilize prices.

NEV exports sustained solid momentum: In May, total NEV sales reached 1.5mn units, improving +c.5ppt to 14% yoy. Exports remained the key growth driver, up 110% yoy, contributing ~30% of total NEV sales, while domestic sales fell -4% yoy. NEV penetration rate further improved to 57% in May, up from 53% in April.

Electricity consumption stayed strong on high-tech build-out: In May, electricity consumption increased 6.9% yoy, +0.9ppt vs April. High-tech and advanced equipment manufacturing accelerated +2ppt to 12% yoy. Meanwhile, internet and data services accelerated +2ppt to 45% yoy, while battery charging and swapping held strong at 60% yoy.

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A- and H-share volume improved: In May, SHCOMP trading volume rose 56% yoy, +29ppt vs April. HSI trading volume dropped -5% yoy, +31ppt vs April. For 2026 YTD, HSI price was down -11% and SHCOMP was up 2%.

How we measure/define a trend: We measure a trend by how much the current month's yoy growth or decline rate has changed compared to the prior month. For example, total retail sales were down -0.6% yoy in May and up 0.2% in April; the -0.8ppt rate decrease indicates a downward trend in this case.

FIGURE 1. China Industry Data Overview and Details in Attached PDF

	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Dec Δ yoy	Jan Δ yoy	Feb Δ yoy	Mar Δ yoy	Apr Δ yoy	May Δ yoy
New home sales volume (mn sqm)	58.9	86.1	48.6	48.7	69.8	52.1	55.5	74.8	77.4		82.7	48.5	51.6						
Δ yoy	-2%	-3%	0.2%	-2.6%	-1.7%	-8.2%	1.0%	0.7%	1.9%		5.7%	1.2%	-2.6%	↑	↑		↑	↑	↓
New home sales price index, Δ yoy (70-City)	0.4%	0.4%	0.3%	0.4%	0.3%	0.1%	-0.2%	-0.2%	-0.3%	-0.2%	-0.1%	-0.1%	0.1%	↓	↓	↓	↓	↓	↑
Tier-1, Δ yoy	0.4%	0.3%	0.3%	0.2%	0.2%	-0.1%	-0.4%	-0.5%	-0.4%	-0.1%	0.0%	0.1%	0.4%	↓	↓	↓	→	↑	↑
Tier-2, Δ yoy	0.4%	0.5%	0.2%	0.4%	0.3%	0.1%	-0.2%	-0.3%	-0.4%	-0.2%	-0.2%	0.0%	0.1%	↓	↓	↓	↓	→	↑
Tier-3 or below, Δ yoy	0.5%	0.3%	0.4%	0.5%	0.3%	0.0%	-0.1%	-0.2%	-0.2%	-0.1%	0.0%	-0.1%	-0.1%	↓	↓	↓	→	↓	↓
Existing home listing volume index	57.6	56.5	55.6	55.0	60.2	50.3	50.0	47.9	93.0		47.7	46.9	46.3						
Δ yoy	-7%	-4%	-6%	3%	6%	-20%	4%	0%	5%		-0.9%	11.1%	3.3%	→	↑		↓	↑	↑
Existing home sales price index, Δ yoy (70-City)	0.5%	0.2%	0.2%	0.4%	0.3%	-0.2%	-0.3%	-0.4%	-0.1%	-0.1%	0.0%	0.1%	0.3%	↓	↓	↓	→	↑	↑
Tier-1, Δ yoy	0.5%	-0.3%	-0.4%	-0.1%	0.3%	-1.2%	-1.4%	-1.2%	-0.6%	0.0%	0.2%	0.6%	1.0%	↓	↓	→	↑	↑	↑
Tier-2, Δ yoy	0.4%	0.3%	0.2%	0.4%	0.2%	-0.2%	-0.4%	-0.4%	-0.2%	0.0%	0.0%	0.3%	0.2%	↓	↓	→	→	↑	↑
Tier-3 or below, Δ yoy	0.5%	0.2%	0.3%	0.4%	0.3%	0.0%	-0.1%	-0.2%	-0.1%	-0.2%	-0.1%	0.1%	0.1%	↓	↓	↓	↓	↑	↑
SHCOMP stock index trading volume (tn)	0.8	0.8	1.3	1.3	1.4	1.1	1.1	1.2	2.3		1.5	1.2	1.2	↑	↑	↑	↑	↓	↑
Hang seng index trading volume (bn)	66.9	79.2	78.7	69.0	78.4	63.4	58.9	53.9	118.3		84.5	58.2	63.3	↑	↑	↓	↑	↓	↑
Total retail sales (RMB bn)	4,133	4,229	3,878	3,967	4,197	4,629	4,390	4,514	8,608		4,162	3,725	4,109						
Δ yoy	1.3%	-1.6%	-1.1%	-0.3%	-0.4%	-0.1%	-1.6%	-0.4%	1.9%		-1.1%	-1.5%	-0.8%	↓	↑		↓	↓	↓
Online physical goods sales (RMB bn)	1,061	1,131	960	1,017	1,056	1,246	1,421	1,273	2,081		1,080	957	1,153						
yoy	8.2%	4.7%	8.3%	7.1%	7.3%	4.9%	1.5%	0.8%	10.3%		2.5%	0.2%	2.6%						
Δ yoy	2.1%	-3.5%	3.6%	-1.2%	0.2%	-2.4%	-3.3%	-0.7%	9.5%		-7.8%	-2.3%	2.4%	↓	↑		↓	↓	↑
Postal package volume (bn)	17.3	16.9	16.4	16.2	16.9	17.6	18.1	18.2	30.5		17.2	16.8	18.3						
Δ yoy	-1.9%	-1.4%	-0.7%	-2.8%	0.4%	-4.8%	-2.9%	-2.7%	4.8%		-3.6%	-0.3%	2.5%	↓	↑		↓	↓	↑
Restaurant sales (RMB bn)	457.9	470.7	450.4	449.6	450.9	519.9	605.7	573.8	1026.4		435.9	426.0	460.5						
Δ yoy	0.7%	-5.0%	0.2%	1.0%	-1.2%	2.9%	-0.6%	-1.0%	2.6%		-1.9%	-0.7%	-1.6%	↓	↑		↓	↓	↓
Home appliances/home electronics/video/audio sales (RMB bn)	114.2	147.5	97.8	86.1	90.4	89.1	100.0	97.1	157.2		93.8	77.6	93.8						
Δ yoy	14.2%	-20.6%	-3.7%	-14.4%	-11.0%	-17.9%	-4.8%	0.7%	22.0%		-8.3%	-10.1%	-0.5%	↑	↑		↓	↓	↓
Electricity consumption (bn kWh)	809.6	867.0	1022.6	1015.4	888.6	857.2	835.6	908.0	1654.6		859.5	820.5	867.1						
Δ yoy	-0.3%	1.0%	3.2%	-3.6%	-0.5%	5.9%	-4.2%	-3.2%	3.1%		-4.0%	3.9%	0.9%	↓	↑		↓	↑	↑
Total vehicle sales (mn units)	2.69	2.90	2.59	2.86	3.23	3.32	3.43	3.27	4.15		2.90	2.53	2.63						
Δ yoy	1.3%	2.7%	0.8%	1.8%	-1.6%	-6.0%	-5.4%	-9.6%	-2.6%		8.3%	-1.9%	0.3%	↓	↓		↑	↓	↑
Total NEV sales (mn units)	1.31	1.33	1.26	1.40	1.60	1.72	1.82	1.71	1.71		1.25	1.34	1.50						
Δ yoy	-7.4%	-10.2%	0.7%	-0.5%	-2.2%	-4.7%	0.6%	-13.4%	-14.0%		8.1%	8.4%	4.8%	↓	↓		↑	↑	↑
Flight passenger volume	63.7	61.2	71.8	75.4	62.7	67.8	60.2	60.6	131.3		66.6	61.2	59.1						
Δ yoy	-0.7%	-3.9%	-0.4%	-0.6%	1.3%	1.2%	0.8%	-0.2%	-2.5%		8.2%	-11.7%	-7.5%	↓	↓		↑	↓	↓

Δ = yoy of current month – yoy of previous month
Source: NBS, IDC, CAAM, CAAC, Gov.cn, National Energy Administration, Wind, Bloomberg, Barclays Research