ITALIAN TRADE AGENCY

ITA Beijing Office

NEWSLETTER

COMMODITIES
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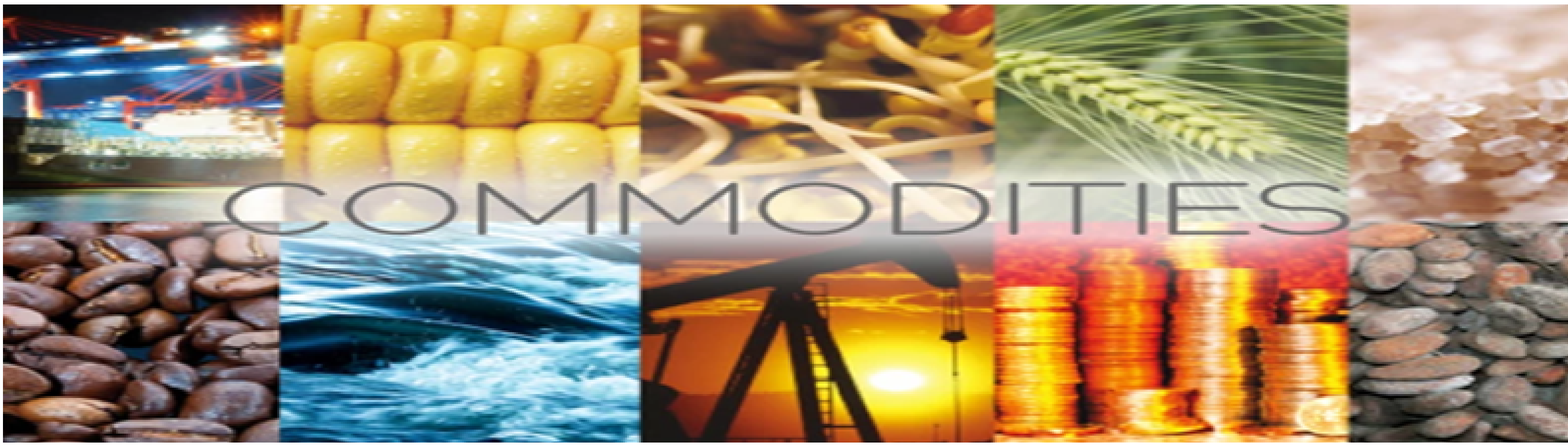

El Niño May Push Natural Rubber Prices Higher
A developing El Niño is expected to reduce natural rubber output in major producing regions across Southeast Asia, where hotter and drier weather could lower yields. Analysts estimate production may decline by 2 to 2.5 percent this year, widening supply shortages. The tighter supply-demand balance is expected to support higher natural rubber prices in the second half of 2026. (**Futures Daily**)

China's Manganese Silicon Prices Remain Under Pressure
China's manganese silicon market remained weak, with prices fluctuating at low levels amid rising output, high inventories and softer demand expectations from the steel sector. Higher coke prices have provided some cost support, but oversupply and slow inventory reduction continue to weigh on sentiment, keeping prices range-bound in the near term. (**Futures Daily**)

Chinese Battery Makers Accelerate Global Lithium Resource Expansion
China’s leading battery manufacturers are stepping up investments in global lithium resources as demand continues to grow from electric vehicles, energy storage and AI-related infrastructure. Industry analysts said energy storage has become a key driver of lithium consumption, while major producers are expanding resource portfolios to strengthen supply chain security and support long-term growth. (**Securities Daily**)

China's Crude Steel Output Rises in Early June
China’s major steel producers increased average daily crude steel output by 3.8% in early June to 2.083 million tonnes, according to industry data. However, steel inventories at key enterprises rose 6.6% from the previous period to 16.87 million tonnes, reflecting growing supply pressures despite stable demand and largely unchanged social inventories. (**Xinhua Finance**)

China's Packaging Paper Producers Launch Fresh Price Hikes
China's packaging paper producers have announced another round of price increases, raising prices by 30-50 yuan ($4-$7) per tonne for products such as corrugated medium and containerboard. The move is driven by rising waste paper costs, tight raw material supply and falling imports, while stronger export orders and e-commerce promotions have helped support demand despite the traditional off-season. (**Securities Daily**)