ITALIAN TRADE AGENCY

ITA Beijing Office

NEWSLETTER

COMMODITIES
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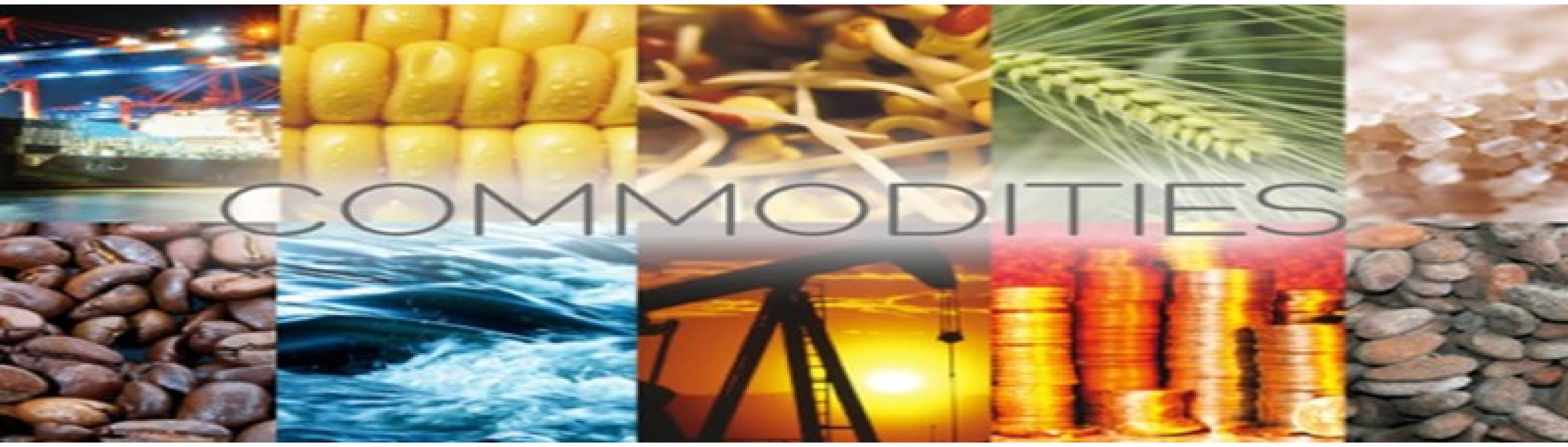

Iron Ore Market Faces Limited Downside in China
China's iron ore market remained under pressure from weak steel demand and ample inventories, while downside risks were cushioned by tighter short-term supply, improving steel mill margins and stabilizing hot metal output at 2.32–2.35 million tonnes. Rising freight costs also lifted import costs, helping support domestic iron ore prices. **(Futures Daily)**

Sulfur Prices Surge as China's Supply Chain Sees Diverging Performance
China's sulfur prices have climbed over 140% since the beginning of 2026 and more than 269% yoy, boosting profits for upstream producers and traders while increasing cost pressure on fertilizer, titanium dioxide and lithium battery material manufacturers. Tight global supply, shrinking inventories and rising demand from chemical and new energy industries have widened performance gaps across the sulfur value chain. **(Securities Daily)**

China's Gold Demand Falls 41% in Q2 Despite Resilient Investment
China's total gold demand fell 41% year on year to 155 tonnes in the second quarter, marking the weakest second-quarter performance since 2022, according to the World Gold Council. However, first-half investment demand rose, with bar and coin purchases reaching a record 314 tonnes, while the People's Bank of China extended its gold-buying streak to 20 consecutive months. **(Xinhua Finance)**

Copper Market Supported by Tight Supply and Falling Inventories
China's copper market remains supported by tightening supply and falling inventories. Copper concentrate treatment charges have dropped to a record -150 USD per tonne, while domestic refined copper inventories have fallen to about 125,000 tonnes, roughly 80% below this year's peak of 589,000 tonnes. Tight supply and low inventories continue to underpin the copper market despite lingering macroeconomic uncertainties. **(Futures Daily)**

China's Steel Imports Down 11.3% in First Half of 2026
China exported 54.87 million tonnes of steel in the first half of 2026, down 5.6% year on year, while average export prices edged up 0.3% to USD 701.1 per tonne. Steel imports fell 11.3% to 2.70 million tonnes, with the average import price rising 5.3% to USD 1,796.4 per tonne, according to the China Iron and Steel Association. **(100PPI)**