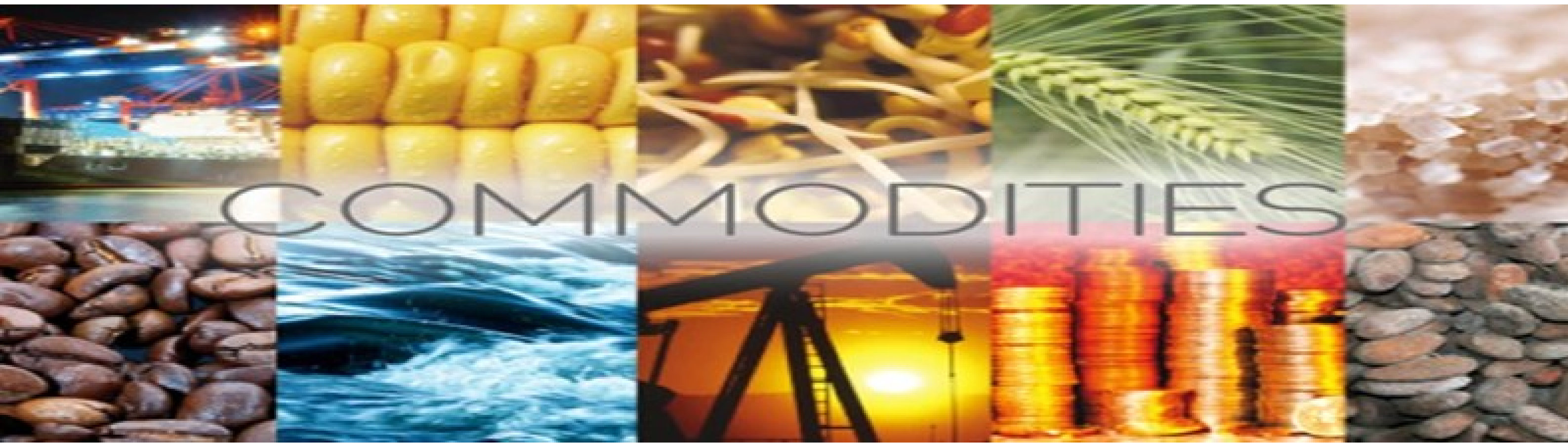
ITALIAN TRADE AGENCY

ITA Beijing Office

NEWSLETTER

COMMODITIES
20 - 26 July 2026



China's Urea Market Remains Oversupplied
China's urea output increased 8.9% year on year in the first half of 2026, outpacing 6.5% demand growth and keeping supply abundant. Enterprise and port inventories continued to rise despite exports. With new production capacity coming online and agricultural demand remaining seasonally weak, the market is expected to maintain a weak and volatile trend. **(Futures Daily)**

China's Listed Mining Companies Post Strong H1 Earnings
China's listed mining companies reported strong first-half earnings, supported by higher production and rising prices for major minerals including copper, gold and silver. Leading producers with self-owned mines outperformed processors, benefiting from stronger margins. Industry analysts expect continued support from energy transition, digital economy demand and ongoing capacity expansion by major mining companies. **(Shanghai Securities News)**

Copper Market Fundamentals Remain Strong
China's copper market remained supported by solid fundamentals, with domestic inventories continuing to decline despite seasonal weakness in property and home appliance demand. Supply risks persisted as adverse weather and operational disruptions affected Chilean copper mines. Chile's mining exports rose 20.4% year on year in the first half of 2026, while copper exports increased 11.5%, highlighting continued supply uncertainty. **(Futures Daily)**

China's Major Steelmakers Report Lower Daily Output in Early July
According to the China Iron and Steel Association, major steelmakers produced 20.22 million tonnes of crude steel in early July, averaging 2.022 million tonnes per day, down 0.1% from late June. Daily pig iron output fell 1.8% to 1.865 million tonnes, while finished steel production declined 15.2% to 1.882 million tonnes, reflecting weaker production activity. **(China Iron and Steel Association)**

China's Lithium Miners Forecast Stronger H1 Earnings as Lithium Prices Recover
China's major lithium miners expect significantly stronger first-half earnings, supported by recovering lithium prices and improved sales. Industry analysts expect the global lithium market to remain broadly balanced in 2026, with supply at about 2.05 million tonnes and demand at 2.10 million tonnes, keeping lithium carbonate prices relatively firm despite continued market volatility. **(Securities Daily)**