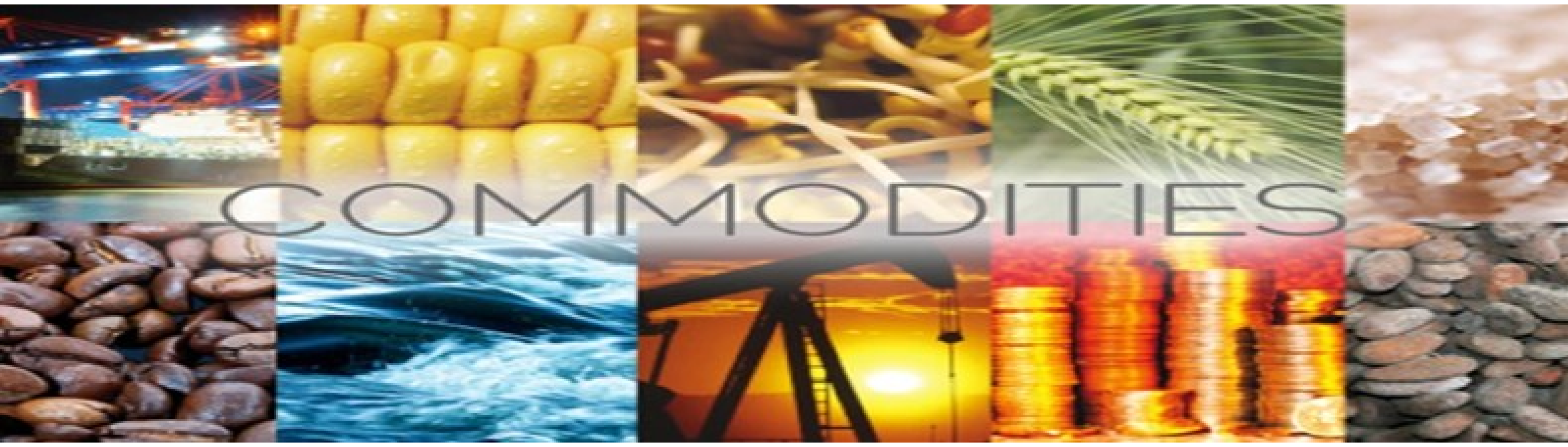
ITALIAN TRADE AGENCY

ITA Beijing Office

NEWSLETTER

COMMODITIES
27 July – 2 August 2026



China's Offshore Soybean Spot Trade Gains Momentum on Policy Support
China's offshore soybean spot trade has expanded rapidly following policy reforms introduced since 2023. Annual trading volume exceeded 14 million tonnes by early July 2026, a record high. New bonded trading models and expanded warehouse networks have improved trade flexibility, reduced logistics costs, and strengthened the resilience and efficiency of China's grain supply chain. **(Futures Daily)**

China's Sugar Imports Rise 9.6% in First Half of 2026
China imported 1.14 million tonnes of sugar in the first half of 2026, up 9.6% year on year, with average monthly imports reaching 190,000 tonnes. June imports totaled 280,000 tonnes, down 34.2% from a year earlier. Although cumulative imports increased, stronger domestic sugar production of nearly 13 million tonnes in the 2025/26 season is expected to ease supply conditions and continue putting downward pressure on domestic sugar prices. **(Finance.sina)**

China's Formic Acid Prices Drop 13% Amid Weak Seasonal Demand
China's formic acid prices fell 13% to 2,000 yuan ($279) per tonne as of July 20, following weaker seasonal demand and rising inventories. Downstream buyers remained cautious, prompting producers to cut prices to reduce stock and boost sales. Market analysts expect prices to remain under pressure in the near term until demand recovers and inventories decline. **(100PPI)**

China's Iron Ore Market Faces Downward Pressure Amid Global Supply Growth
China's iron ore market is expected to remain under pressure as expanding global supply outpaces domestic demand. Rising output from major miners including BHP, FMG and Vale, together with new shipments from Guinea's Simandou project, is adding to supply. At the same time, China's pig iron production has peaked, and steel demand remains weak, limiting iron ore price gains in the second half of 2026. **(Futures Daily)**

China's Coal Output and Sales Decline in Early July
China's coal production and sales both declined in early July due to stricter safety inspections, mine maintenance and rainfall. Demand weakened as hydropower output increased and steel consumption slowed. Power plant coal inventories exceeded 220 million tonnes, while imported high-grade Australian thermal coal became cheaper than comparable domestic supplies, ending the previous price inversion. **(Securities Times)**