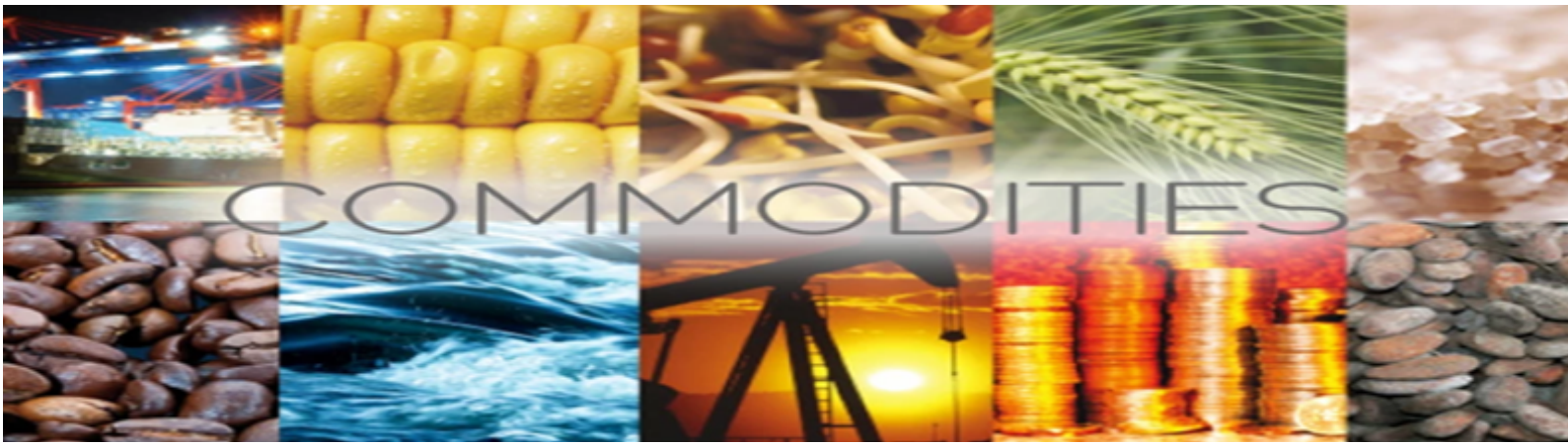
ITALIAN TRADE AGENCY

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NEWSLETTER

COMMODITIES
26 October – 1 November 2026



China's Ethylene Glycol Inventories Expected to Rise Amid Supply Growth
China's ethylene glycol supply is set to increase as imports recover and new capacity comes online in the fourth quarter. September output rose 12% month-on-month to 1.75 million tonnes, while East China social inventories climbed 62,000 tonnes week-on-week to 165,000 tonnes by October 19. Polyester operating rates remain high, but weaker demand growth may limit consumption. **(Futures Daily)**

China's Lithium Producers Face Diverging Signals as Prices Weaken
China's major lithium producers reported strong nine-month profits, but third-quarter earnings fell quarter-on-quarter as lithium carbonate prices declined. Futures prices have dropped over 40% since September, with spot prices at 98,400 yuan per tonne (about $13,600). Despite rising production, inventories remain tight, while battery demand growth slows and future supply expansion clouds the outlook. **(Shanghai Securities News)**

China's Soda Ash Market Faces Persistent Supply Pressure
China's soda ash inventories fell to 1.54 million tonnes after production cuts and maintenance, but supply pressures remain. Rising coal prices have increased production costs, while weak demand from float and photovoltaic glass limits price recovery. With temporary shutdowns unlikely to eliminate capacity and expansion expected next year, a sustained market reversal remains distant. **(Futures Daily)**

China's Tire Industry Faces Margin Pressure from Rising Raw Material Costs
More than 80 Chinese tire makers have issued over 100 price-increase notices since September, generally raising prices by 2%–5%. However, natural and synthetic rubber and carbon black costs are rising faster than selling prices. Weak demand, high channel inventories and intensifying competition continue to constrain profit recovery. **(Shanghai Securities News)**

China's Glass Market Remains Under Pressure from Weak Demand and High Inventories
China's flat glass market remains subdued as weak construction demand and high inventories offset cost support. Float glass capacity is expected to recover from late October, adding around 60,000 tonnes of monthly output. However, persistent industry losses are raising expectations of furnace shutdowns, which could curb supply and support prices if implemented. **(Futures Daily)**