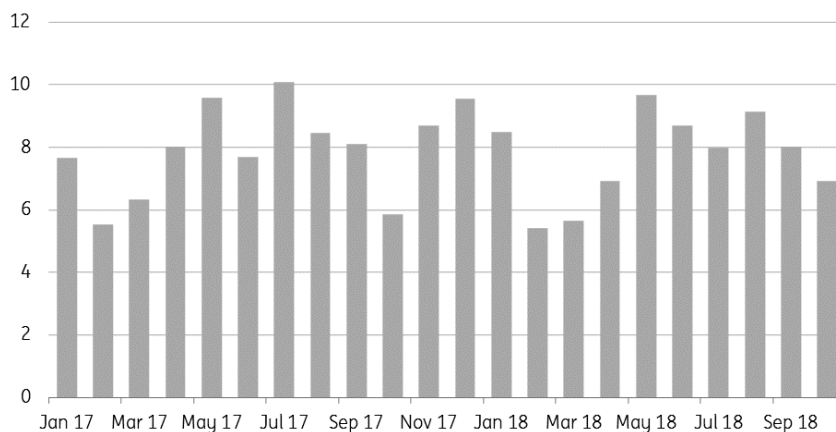


The Commodities Feed

Your daily roundup of commodities news and ING views



Chinese soybean imports (m tonnes)



Source: China Customs, Bloomberg, ING Research

Energy

Saudis pump more: The Saudi Energy Minister, Khalid Al-Falih, has said that the Kingdom is producing more than 10.7MMbbls/d so far this month, which is near to what they produced over

October. However, the minister insisted that they will not oversupply the market, shipping only where there are customer needs. The Saudi's previously said that December exports would fall by 500Mbbbls/d month-on-month, and now expect January loadings to be even lower.

ARA product inventories: The latest data from PJK International shows that product inventories in the ARA (Amsterdam, Rotterdam and Antwerp) region increased by 67k tonnes over the week to total 4.95mt. The increase was driven by a 124kt build in fuel oil stocks and a 71kt increase in gasoline inventories. This keeps gasoline inventories at the five-year high. Meanwhile, gasoil inventories saw a decline off 113kt over the week, and inventories continue to edge towards the five-year low.

Metals

Nickel under pressure: SHFE nickel fell 1.4% yesterday, and is under further pressure this morning, with trade concerns continuing to linger, whilst a softer stainless steel market has only added further pressure. On the supply side, the expected ramping up of nickel pig iron production in Indonesia has not helped sentiment. LME nickel prices have fallen almost 6% since the start of the month, and over 30% since their peak in June. The spreads also suggest little tightness in the market, with the cash/3M spread in a \$67.75/t contango.

Iron ore prices weaken: Iron ore prices have come under pressure recently, falling from a recent peak of US\$75.64/t to US\$73.40/t currently. This weakness appears to be driven by the fall we have seen in steel margins, which have fallen below CNY200/t after having been as high as CNY1,000/t prior to the summer.

Agriculture

Chinese soybean imports: The latest customs data from China shows that the country imported 6.92mt of soybeans over the month of October, down 14% month-on-month, however up 18% year-on-year. As of yet, trade tariffs on US soybeans seem to be having little impact on total Chinese soybean imports, with year-to-date imports standing at 76.93mt, down just 0.5% YoY.

Daily price update

	Current	% DoD ch	%YTD ch		Current	% DoD ch	%YTD ch
ICE Brent (US\$/bbl)	62.6	-1.39	-6.39	Comex Silver (US\$/oz)	N/A	N/A	N/A
NYMEX WTI (US\$/bbl)	N/A	N/A	N/A	LME Copper (US\$/t)	6,255	0.32	-13.69
ICE Gasoil (US\$/t)	598	-1.28	-0.33	LME Aluminium (US\$/t)	1,947	-0.36	-14.18
NYMEX HO (Usc/g)	N/A	N/A	N/A	LME Zinc (US\$/t)	2,582	0.55	-22.21
Eurobob (US\$/t)	N/A	N/A	N/A	LME Nickel (US\$/t)	10,970	-0.45	-14.03
NYMEX RBOB (Usc/g)	N/A	N/A	N/A				
NYMEX NG (US\$/mmbtu)	N/A	N/A	N/A	CBOT Corn (Usc/bu)	N/A	N/A	N/A
				CBOT Wheat (Usc/bu)	N/A	N/A	N/A
API2 Coal (US\$/t)	84	0.66	-4.11	CBOT Soybeans (Usc/bu)	N/A	N/A	N/A
NYMEX Coking Coal (US\$/t)	N/A	N/A	N/A	ICE No.11 Sugar (Usc/lb)	N/A	N/A	N/A
				ICE Arabica (Usc/lb)	N/A	N/A	N/A
				ICE London Cocoa (GBP/t)	1,551	-0.45	12.55

Source: Bloomberg, ING Research

Author

Warren Patterson

Head of Commodities Strategy

Warren.Patterson@asia.ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. (“ING”) solely for information purposes without regard to any particular user’s investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.