

Commodities daily

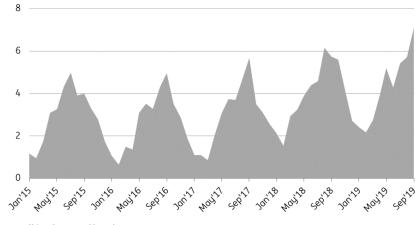
# The Commodities Feed: China nickel ore imports rise

Your daily roundup of commodity news and ING views



Nickel's poor performance in 2023 has been driven by a supply surge from Indonesia

China nickel ore imports (m tonnes)



## Energy

**Price strength & draws:** The oil market is set to end the week strong, with ICE Brent remaining above US\$61/bbl, having settled at US\$59.42/bb last Friday. The key driver was the surprise draw reported by the EIA in oil and product inventories, which amounted to a little over 10MMbbls. While adding to this was disruptions in the North Sea, with the Buzzard oilfield under repair once again this week, whilst the Forties Pipeline System was temporarily shut due to a power outage.

Meanwhile moving on from the oil market and to the tanker market, the US is allowing companies 60 days to wind down ongoing transactions with Cosco Shipping Tanker (Dalian) Co Ltd. Earlier announced sanctions on a number of Chinese shipping companies for allegedly transporting Iranian crude oil, sent the tanker market rallying earlier in the month. Although since then, rates have come off, and this latest development might provide a bit further downside to rates.

**Refined product stocks:** Latest data from Insights Global shows that refined product inventories in the ARA region declined by 210kt over the week to total 5.46mt. The key declines were seen in gasoline and gasoil, with falls of 135kt and 119kt respectively. Meanwhile, Bloomberg ship tracking data shows that over October we have seen a recovery in product flows from the Middle East to Europe, following the Saudi attacks in September. So far this month 2.02mt have arrived in Europe, which already exceeds the 1.71mt that arrived in September.

### Metals

**China nickel ore imports:** Data from China Customs shows that Chinese nickel imports picked-up further in September due to concerns over future supplies from Indonesia and the Philippines. Total ore imports reached 7.1mt (+24% MoM) in September, the highest monthly import volume seen since January 2014. Supplies from Indonesia also jumped to a five- year high ahead of the planned import ban to 2.5mt in September compared to 1.6mt in August. Meanwhile imports from the Philippines rose to 4.4mt (+10% MoM) for the month.

## Agriculture

**IGC forecasts:** The International Grains Council has once again revised lower its estimates for global soybean ending stocks to 32mt for 2019/20- the lowest in six years, and compares to its earlier estimate of 38mt. The decline is a result of falling US output. Global soybean output over 2019/20 is estimated to fall by 18mt YoY to 341mt.

**China soybean imports:** Latest customs data from China shows that soybean imports from the US totalled 1.73mt in September- the highest monthly number since April, and compares to 1.68mt in August, and just 132kt in September last year. Meanwhile flows from Brazil fell from 6.68mt in August to 4.8mt in September. Moving forward, with US supply coming to the market, and China providing a number of tariff waivers to for US soybeans, we would expect US flows to pick up in the coming months.

#### Daily price update

	Current	% DoD ch	%YTD ch		Current	% DoD ch	%YTD cl
ICE Brent (US\$/bbl)	61.67	0.82	14.63	Spot Gold (US\$/oz)	1,504.0	0.79	17.2
NYMEX WTI (US\$/bbl)	56.23	0.46	23.83	Spot Silver (US\$/oz)	17.8	1.46	14.94
ICE Gasoil (US\$/t)	599	1.40	17.28	LME Copper (US\$/t)	5,880	-0.02	-1.42
NYMEX HO (Usc/g)	199	1.12	18.18	LME Aluminium (US\$/t)	1,724	-0.35	-6.61
Eurobob (US\$/t)	568	0.15	18.45	LME Zinc (US\$/t)	2,491	0.93	0.97
NYMEX RBOB (Usc/g)	166	0.68	25.65	LME Nickel (US\$/t)	16,860	1.63	57.72
NYMEX NG (US\$/mmbtu)	2.32	1.49	-21.22				
TTF Natural Gas (EUR/MWh)	15.66	1.56	-28.78	CBOT Corn (Usc/bu)	387	-0.26	3.13
				CBOT Wheat (Usc/bu)	516	-0.91	2.53
API2 Coal (US\$/t)	61	0.41	-27.98	CBOT Soybeans (Usc/bu)	933	-0.05	5.75
Newcastle Coal (US\$/t)	68	-0.52	-33.43	ICE No.11 Sugar (Usc/lb)	12.30	1.23	2.24
SGX TSI Coking Coal (US\$/t)	147	-0.67	-30.58	ICE Arabica (USc/lb)	96	-1.33	-5.30
SGX Iron Ore 62% (US\$/t)	84.63	0.59	21.82	ICE London Cocoa (GBP/t)	1,927	1.74	9.12

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 www.ing.com.