

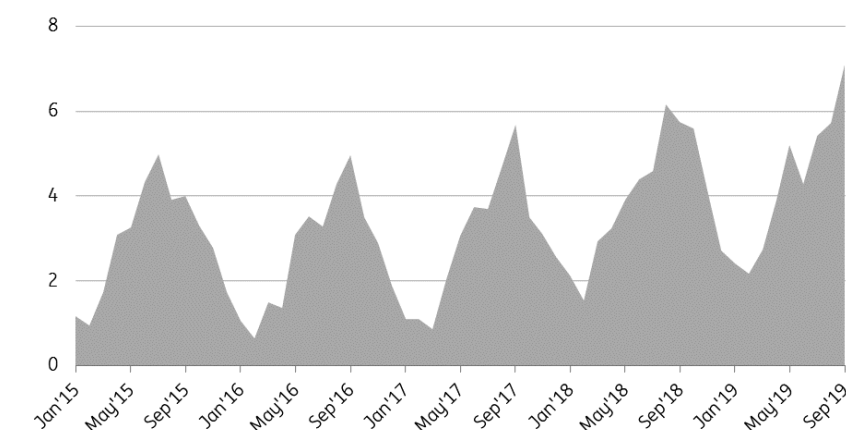
The Commodities Feed: China nickel ore imports rise

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)



Source: China Customs, Bloomberg

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 ch
ICE Brent (US\$/bbl)	61.67	0.82	14.63	Spot Gold (US\$/oz)	1,504.0	0.79	17.27
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	CBOT Corn (Usc/bu)	387	-0.26	3.13
TTF Natural Gas (EUR/MWh)	15.66	1.56	-28.78	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

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