

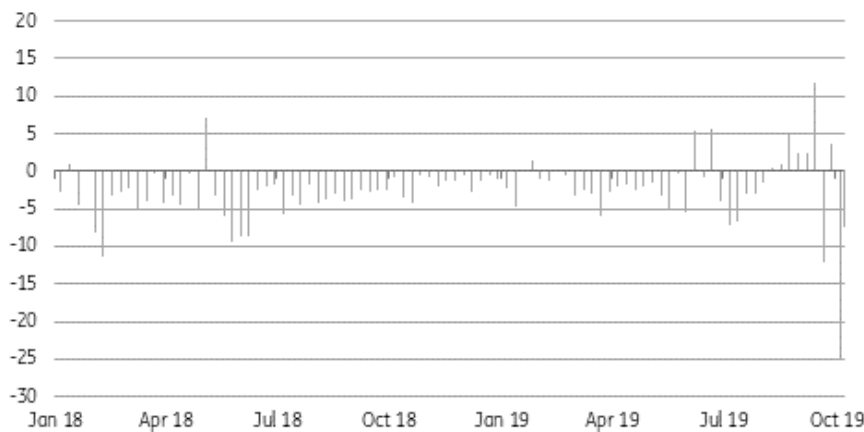
The Commodities Feed: Nickel stocks decline

Your daily roundup of commodity news and ING views



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

LME nickel weekly stock change (k tonnes)



Source: Bloomberg, ING Research

Energy

US crude oil inventories & data releases: While hope of fruitful trade talks provided support to the oil market yesterday, looking ahead all attention will be on US inventory numbers later today and tomorrow. The API is scheduled to release its weekly inventory report later today, and the market is expecting that US crude oil inventories increased by 1.95MMbbls over the last week. This will be followed by the weekly EIA report on Wednesday.

Other important data releases this week for the oil market include the EIA's Short Term Energy Outlook, which will come out today, followed by the OPEC monthly oil market report on Thursday, and then finally on Friday, the IEA will release its monthly market report. The market will likely focus on demand estimates from OPEC and the IEA, to see whether there have been further downward revisions in demand growth. Whilst the OPEC report will also provide Saudi production estimates for September- the month of the attacks on Saudi oil infrastructure.

Metals

Nickel stocks: As LME nickel stocks fall further, demand for physical delivery of the metal also grows with fears of short supply. LME nickel stocks declined by 7.4kt yesterday- the second biggest one-day withdrawal on record, and resulting in almost 32kt of nickel being withdrawn over the past week. Current LME nickel inventories stand at 126kt, which is a seven-year low, while another 75.4kt is earmarked for withdrawal in the coming days. Most of the withdrawals were seen in Asia, where Indonesia is a major supplier of the metal. Tsingshan Holding, a large stainless steel producer was reportedly taking delivery of the metal. Meanwhile, with SHFE nickel inventory standing at 22kt, it is marginally above this year's lows of around 9kt; however, that is still significantly lower than the peaks of more than 112kt in 2016.

Agriculture

US crop conditions: The USDA's weekly crop progress report continues to show a weaker crop outlook and slow harvesting for the current season. In its latest report, the USDA rated 53% of the current soybean crop in good-to-excellent condition compared to 55% a week ago and 68% at the same stage last year. Some 14% of the current crop has been harvested to date, compared to 31% last year and the five-year average of 34%. Similarly for corn, crop conditions worsened last week, with the agency rating 56% of the corn crop to be in good-to-excellent condition, compared to 57% in the previous week and 68% a year ago. 15% of the current crop was reported to be harvested to date, compared to last year's 33% and the five-year average of 27%. Looking ahead, the USDA is scheduled to release its monthly WASDE report on Thursday, and the market will be watching it closely for any revisions to US grain supply estimates.

Daily price update

	Current	% DoD	ch	%YTD	ch		Current	% DoD	ch	%YTD	ch
ICE Brent (US\$/bbl)	58.35	1.11	8.46			Spot Gold (US\$/oz)	1,493.5	-0.74	16.45		
NYMEX WTI (US\$/bbl)	52.75	-0.11	16.16			Spot Silver (US\$/oz)	17.4	-0.62	12.54		
ICE Gasoil (US\$/t)	589	1.55	15.27			LME Copper (US\$/t)	5,722	1.40	-4.07		
NYMEX HO (Usc/g)	190	0.46	13.24			LME Aluminium (US\$/t)	1,746	1.57	-5.42		
Eurobob (US\$/t)	566	0.07	18.09			LME Zinc (US\$/t)	2,289	-0.48	-7.22		
NYMEX RBOB (Usc/g)	157	-0.25	18.56			LME Nickel (US\$/t)	17,725	-0.37	65.81		
NYMEX NG (US\$/mmbtu)	2.30	-2.08	-21.67								
TTF Natural Gas (EUR/MWh)	15.51	-1.66	-29.46			CBOT Corn (Usc/bu)	387	0.58	3.20		
						CBOT Wheat (Usc/bu)	489	-0.25	-2.78		
API2 Coal (US\$/t)	64	1.43	-25.45			CBOT Soybeans (Usc/bu)	915	-0.11	3.71		
Newcastle Coal (US\$/t)	70	3.11	-31.41			ICE No.11 Sugar (Usc/lb)	12.52	-1.88	4.07		
SGX TSI Coking Coal (US\$/t)	153	0.02	-27.83			ICE Arabica (Usc/lb)	97	-2.02	-4.76		
SGX Iron Ore 62% (US\$/t)	88.60	0.18	27.54			ICE London Cocoa (GBP/t)	1,922	-1.74	8.83		

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.