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### Top News - Oil

#### **Saudi Arabia's crude oil exports in July hit almost one-year low**

Saudi Arabia's crude oil exports in July fell to their lowest level in nearly a year, data from the Joint Organizations Data Initiative (JODI) showed on Thursday.

The country's oil exports stood at 5.741 million barrels per day (bpd) in July, their lowest level since August 2023.

Saudi Arabia is world's largest exporter of crude.

OPEC+ oil producers earlier this month agreed to delay a planned production increase for October and November and said they could further pause or reverse the hikes if needed.

Saudi's crude exports in July fell by about 5.1% from June's exports of 6.047 million bpd.

At the same time, Saudi's production rose to 8.941 million bpd from 8.830 million bpd.

However, Saudi refineries' crude throughput fell by 0.026 million bpd to 2.397 million bpd, the data showed, while direct crude burning increased by 211,000 bpd to 769,000 bpd.

Riyadh and other members of OPEC provide monthly export figures to JODI which publishes them on its website.

Saudi cut its October price for flagship Arab light crude to Asia to the lowest level in nearly three years on concerns of weak demand in the region.

This month, both the Organization of Petroleum Exporting Countries (OPEC) and the International Energy Agency (IEA) lowered their 2024 oil demand growth forecasts.

Concerns about Chinese demand have weighed on the outlook. China's oil refinery output in August fell 6.2% from a year earlier, official data showed, declining for the fifth month.

#### **China issues 9 mln tons of new fuel export quotas for 2024, commodities consultancies say**

China has released new oil export quotas for the rest of 2024, comprising 8 million metric tons of clean refined fuel and 1 million tons of marine fuel, two Chinese commodities consultancies said on Friday.

The latest batch brings the total export allowance so far this year to 54 million tons, including 45 million tons released under the first two allotments, and little changed from last year's annual total of 53.99 million tons.

However, the new allowance volumes for this third batch were lower compared with last year's third batch of 15 million tons, which comprised of 12 million tons for light transportation fuels and 3 million tons for marine bunker. China's product export quotas are closely watched by the industry as they impact supply and refiners' margins in the region.

For refined fuels such as gasoline, diesel and jet fuel, state-owned oil majors such as Sinopec, CNPC and CNOOC were given 6.38 million tons of export allowances, or around 80% of the total volumes, according to JLC, one of the commodities consultancies. China's Ministry of Commerce did not respond to Reuters' request for comment.

### Top News - Agriculture

#### **IGC trims global wheat, corn production forecasts**

The International Grains Council (IGC) has trimmed its forecast for 2024/25 global wheat production with a downward revision for the European Union largely offset by an improved outlook for Australia.

The intergovernmental body, in its monthly update on Thursday, anticipated global wheat production in 2024/25 at 798 million metric tons, down 1 million from its previous forecast although marginally above the prior season's 795 million. The European Union's wheat crop was downwardly revised to 122.4 million from 124.8 million previously and well below the prior season's 133.1 million. Earlier this month, Strategie Grains lowered its forecast for soft wheat production in the EU to its lowest in 12 years as harvest results confirmed the severe effects of months of heavy rain in France and other parts of the trading bloc.

Australia's wheat crop was, however, upwardly revised to 31.8 million tons from 30.1 million forecast last month.

The IGC is now in line with an Australian government forecast issued earlier this month with the outlook improved by rains in cropping regions.

The intergovernmental body also lowered its 2024/25 world corn crop outlook by 2 million tons to 1.224 billion tons with the EU again the most significant downward revision. EU corn production was cut to 59.8 million tons, down from a previous forecast of 61.4 million while the U.S. crop was upwardly revised to 385.7 million from 384.7 million. The IGC kept its forecast for global soybean output in 2024/25 at 419 million tons.

#### **Trader Wilmar cuts its estimate for Brazil sugar output**

Singapore-based commodities trader Wilmar cut its projection for Brazil's centre-south sugar production to a range between 38.8 million and 40.8 million metric tons on Thursday from its initial estimate of 42 million tons. Wilmar said it had revised its projection due to the

drought and farmland fires that have hurt production in Brazil.

**WHY IT'S IMPORTANT**

Brazil is the world's largest producer and exporter of sugar, accounting for around 70% of the global export market for the sweetener. Wilmar is one of the largest traders of agricultural commodities, including sugar, having a large book of clients particularly in Asia.

**CONTEXT**

\* Brazil is facing its worst drought in history, according to

government data. The excessive dryness caused widespread fires, worsened air quality, reduced Amazon river levels to historical lows and cut crops of sugar, coffee and orange, among others.

\* There are concerns about the impact to the new grain season as farmers await rains to plant soy and corn.

**KEY QUOTES**

Wilmar said that even if climate conditions improve in October, damage is already done to the current sugar crop. "We will make a further release in 15 days after deeper analysis of the fields," it said.

**Top News - Metals**

**Biden administration nears approval for ioneer's Nevada lithium mine**

The Biden administration on Thursday published a key environmental report for ioneer's Rhyolite Ridge lithium mine in Nevada, the last step needed before approving what would become one of the largest U.S. sources of the electric vehicle battery metal.

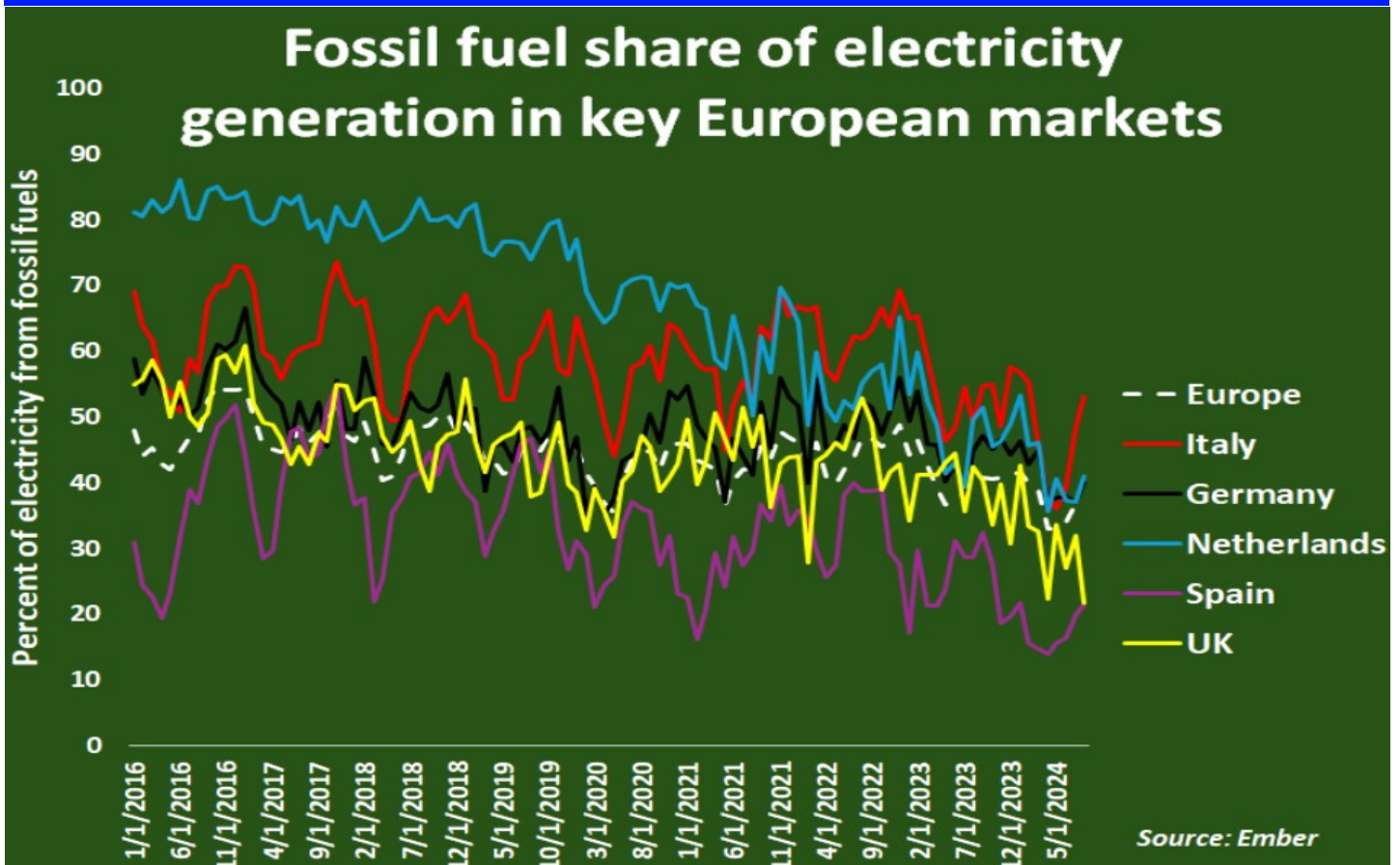
The move comes after a review process of more than six years and as part of Washington's ongoing efforts to boost domestic critical minerals production and offset China's market dominance. If approved, the mine would be the first lithium project permitted by Biden officials.

The U.S. Bureau of Land Management (BLM) published a final environmental impact statement that sets in motion a review period of at least 30 days before a record of decision - essentially a mine's permit - can be issued. The BLM also published an opinion on how a rare flower at the mine site can best be protected.

Shares of ioneer jumped more than 12% in New York trading.

The proposed mine, roughly 225 miles (362 km) north of Las Vegas, contains enough lithium to power roughly 370,000 EVs each year. Ford Motor and a joint venture between Toyota and Panasonic have agreed to buy

**Chart of the Day**



lithium from the mine.

The U.S. Geological Survey has labeled lithium a critical mineral vital for the U.S. economy and national security. As part of a push to boost domestic production, the U.S. Department of Energy last year said it would lend ioneer up to \$700 million to develop the mine, although the company would need to first obtain its permit.

#### ENDANGERED FLOWER

The site is also home to the Tiehm's buckwheat flower, which is found nowhere else on the planet and was declared an endangered species in 2022.

The Center for Biological Diversity (CBD) and some other conservation groups thus opposes ioneer's project, making it a lightning rod in the debate over whether biodiversity matters more than the fight against climate change.

The BLM said on Thursday that it worked with the U.S. Fish and Wildlife Service and the company to craft "significant protections for the plant," including changing mine design plans and propagation efforts that included construction of a greenhouse and hiring of botanists. "We're steadfast in our commitment to be responsible stewards of our public lands as we deliver the promise of a clean energy economy," said BLM Director Tracy Stone-Manning.

The CBD said it was disappointed that Washington "continues to subvert public engagement on this mine by ... failing to back up any of its assertions."

Final details of the environmental analysis will be released in the Federal Register on Friday.

"We've been fighting to save this endangered little wildflower for over five years and we're not backing down," said the CBD's Patrick Donnelly.

The 30-day review process for the environmental report is a routine part of the federal permitting process.

Bernard Rowe, ioneer's CEO, said the report reflects the company's willingness to work with the government to protect the flower and develop a domestic source of lithium.

"It's a testament to the approach that we took, and that

was one of engagement, addressing the sensitive issues, seeing if we can come up with solutions. And we've done that," Rowe told Reuters.

The death of more than 17,000 flowers near the mine site in 2020 sparked allegations of a "premeditated" attack.

Australia-based ioneer denied harming the flowers. The government later blamed thirsty squirrels.

South Africa's Sibanye Stillwater agreed in 2021 to buy half of the project for \$490 million, but only when permits are obtained.

#### Swiss August gold exports show no supplies to China, for first time in 3-1/2 years

China, the world's largest gold consumer, refrained from gold imports from Switzerland in August, for the first time since January 2021, customs data from the world's biggest bullion refining and transit hub showed on Thursday.

The supplies from Switzerland to China completely dried up in August, after a steady decline in June-July, as rising spot gold prices kept Asian retail buyers at bay.

"These figures came at little surprise, given exports to Greater China had already weakened in July amid slowing demand," said Junlu Liang, senior analyst at consultancy Metals Focus.

"The fact that local gold prices on the Shanghai Gold Exchange switched to a discount to the London price in August also undermined incentives for importing gold into China."

In the absence of shipments to China and low supplies to Hong Kong, Swiss August total gold exports fell to the lowest since June.

However, deliveries to India, the world's second-largest gold consumer and a major importer, rose 38% month-on-month in August as the country reduced the state gold import tax to the lowest in 11 years in July.

"While Chinese demand is notably softer at these higher prices, India has been picking up the slack," said Nicky Shiels, head of metals strategy at MKS PAMP SA.

Spot gold prices hit a record high of \$2,599.92 per troy ounce on Wednesday.

## Top News - Carbon & Power

### China monthly economic reports understate power output as small-scale renewables surge

Surging small-scale renewables generation is helping China address growing power demand and slashing the role of coal in the country's power mix, but Beijing's widely followed monthly data reports omit output from the fast-growing sector.

Data from the National Bureau of Statistics (NBS), which publishes monthly bulletins on key economic indicators, only surveys industrial firms with at least 20 million yuan of annual revenue from their main operations.

For the renewables sector, that has resulted in the NBS leaving out a significant chunk of generation from small-

scale sources powering residences, offices and industries, making it more difficult to gain insights into China's economy.

The data is also masking some of the progress by the world's top greenhouse gas emitter in reducing the share of coal in electricity generation.

"Well-structured monthly reporting on energy and electricity data will be key for China to track progress against its carbon goals," said Lauri Myllyvirta, senior fellow at the Asia Society Policy Institute.

The NBS data shows China's power generation grew 6.4% in the first half of 2024. However, data from London-based energy think tank Ember, which calculates output

from small-scale renewable energy using data from China's National Energy Administration, shows electricity output grew 7.3%.

The NBS provides monthly updates and has archives with uniform reporting patterns starting in the late 1980s. But NEA, China's energy regulator, does not provide a public schedule before disclosing data. It also stopped reporting information on utilisation rates in June, making periodically tracking generation from renewables difficult. NEA did not respond to requests seeking comment and the NBS declined to comment beyond noting it surveys firms of a "designated size".

When analysts and investors "are looking at the total generation number and it is grossly underreported, especially the growth, then they are getting a skewed picture of what is happening in the economy," Myllyvirta said.

The discrepancy is mainly due to growth in additions of distributed solar over the last three years in China, with smaller installations growing at nearly twice the rate of large utility-scale solar farms - the main driver of renewable capacity additions in China in the previous decade.

Distributed solar, which includes rooftop panels, describes small installations supplying power near where it will be used.

Ember data shows the share of wind and solar in China's

power output to be 20.3% during the first half of 2024, much higher than the NBS figure of 15%.

NBS places the share of fossil fuels in the country's power generation at 67.8%, compared with Ember's estimate of 62.3% based on NEA data. "China NBS's generation data for wind and especially solar only capture some of the generation, whereas their capacity figures show the full picture," said Xuyang Dong, China energy policy analyst at Sydney-based think tank Climate Energy Finance.

#### ADB approves \$500 mln loan for Indonesia's energy transition efforts

The Asian Development Bank (ADB) said it has approved a \$500 million policy-based loan to Indonesia to fund a program designed to help its energy transition efforts. Resource-rich Indonesia, which is aiming for net-zero carbon emissions by 2060, has been trying to reduce the use of coal with financial support from the G7's Just Energy Transition Partnership (JETP).

Highlighting Indonesia's reliance on coal, the ADB said in a statement the program "focuses on establishing a robust policy and regulatory framework for clean energy transition, strengthening sector governance and financial sustainability".

"Indonesia is at a critical juncture in its energy transition journey," said Jiro Tominaga, ADB's country director for Indonesia, adding the loan supported Jakarta's efforts "to

### MARKET MONITOR as of 06:45 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	\$71.80 / bbl	-0.21%	0.21%
NYMEX RBOB Gasoline	\$2.02 / gallon	-0.44%	-4.13%
ICE Gas Oil	\$666.00 / tonne	-0.49%	-11.29%
NYMEX Natural Gas	\$2.36 / mmBtu	0.47%	-6.17%
Spot Gold	\$2,600.08 / ounce	0.53%	26.06%
TRPC coal API 2 / Dec, 24	\$115 / tonne	0.22%	18.56%
Carbon ECX EUA	€63.68 / tonne	1.37%	-20.77%
Dutch gas day-ahead (Pre. close)	€32.63 / Mwh	-6.77%	2.45%
CBOT Corn	\$4.25 / bushel	0.24%	-12.14%
CBOT Wheat	\$5.89 / bushel	0.64%	-7.94%
Malaysia Palm Oil (3M)	RM3,925 / tonne	1.26%	5.48%
Index	Close 19 Sep	Change	YTD
Thomson Reuters/Jefferies CRB	335.03	0.86%	11.16%
Rogers International	26.81	0.79%	1.84%
U.S. Stocks - Dow	42,025.19	1.26%	11.50%
U.S. Dollar Index	100.51	-0.11%	-0.81%
U.S. Bond Index (DJ)	453.01	0.23%	5.18%

accelerate its shift towards sustainable and clean energy".

The ADB did not immediately respond to a request for comment when asked about specifics on how the funds would be spent.

The program includes developing a JETP-supported investment and policy plan, and improvements for scaling up renewable energy capacity, said ADB, whose co-financing partners for the program include France's development agency, Agence Française de Développement (AFD), and German state lender KfW. Funds worth \$20 billion have been pledged under a JETP plan for Indonesia to cap emissions in the power sector at 290 metric tons of carbon in 2030, but disbursement of

funds has been slow.

Asked about JETP's slow implementation, Britain's development minister Anneliese Dodds told Reuters this week that JETP is a long-term partnership that requires big changes around infrastructure.

"This is not going to happen overnight," she said. "The UK is really working to renew that approach so that together we can be focused on green growth and economic development."

Dodds added Indonesia has an opportunity to be a carbon sink for the region and that Britain intends to work with other JETP partners to accelerate efforts such as poverty alleviation and deforestation.

## Top News - Dry Freight

### China's August antimony exports jump on supply concerns

China's shipments of antimony products in August jumped from July as supply concerns fueled by Beijing's latest export limits on the critical mineral, used from fire retardants to weapons, propelled a flurry of rush stockpiling abroad.

China last month unveiled its plan to impose export limits on antimony and related elements from Sept 15, its latest move to restrict shipments of critical minerals in which it is the dominant supplier.

China accounted for 48% of global mined output of antimony, used in military applications such as ammunition, infrared missiles, nuclear weapons and night vision goggles, as well as batteries and photovoltaic equipment.

Beijing exported 4,075 metric tons of antimony related products, up by 12% from July when it posted a second straight monthly fall of 4%, customs data showed on Friday.

The United States is the top buyer, accounting for 29% of the monthly total, followed by Vietnam and Japan by 14% and 10%, respectively, the data showed.

"The number of inquiries, particularly for ingot, from Europe and the U.S. swelled after the announcement (of the export limit), all requiring shipment of cargoes before Sept. 15," said a Chinese antimony exporter, requesting anonymity as he is not authorised to speak to media.

The wave of buying further pushed up antimony prices that had already hit record highs on the back of growing demand and tight supply.

Price of antimony ingot jumped by nearly 20% from Aug. 15 to \$25,250 a metric ton on Sept 18, data from information provider Shanghai Metals Market (SMM) showed.

The August shipment, however, was 31% lower from a year before.

From Sept 15, exporters will need to secure a license for

dual-use items and technologies - those with potential military as well as civil applications, which typically takes two to three months to obtain the required license. Shipments in September are expected to fall from August, analysts at the state-backed research house Antaika said in a note last week.

In the first eight months of this year, exports totaled 29,379 tons, a fall of 11% from a year before, customs data showed.

### China soybean imports from US gain pace in August

China's soybean imports from the United States rose 70% in August from a year earlier, customs data showed on Friday, as buyers took advantage of low soybean prices. Shipments from the U.S., its second-biggest supplier, have gained pace since April, though volume remains much smaller than top producer Brazil.

China imported 202,383 metric tons of the oilseed from the U.S. last month compared with 119,105 tons a year earlier, showed data from the General Administration of Customs.

Imports from Brazil rose 12% to 10.24 million tons.

The world's biggest soybean buyer brought in a record 12.14 million tons of soybeans in August amid concern that trade tension with the U.S. could intensify and hurt soybean trade if Republican candidate Donald Trump returned as president following a November election.

The large arrivals further swelled China's soybean surplus as consumption of meat and dairy weakens in a struggling economy.

Soybean is crushed into meal for animal feed and oil for cooking.

Soybean imports from Brazil for January-August totalled 53.8 million tons, a 217% increase from the same period last year.

Arrivals from the U.S. for the same period came to 12.8 million tons, down 73% on the prior year, the data showed.

**Picture of the Day**

*A drone view shows a dry area of the Parana River, which runs through Argentina's major inland ports around Rosario, where grains ships are taking less cargo as water levels fall to near historic lows due to a major drought upstream in Brazil, in Corrientes, Argentina September 18. REUTERS/Sebastian Toba*

(Inside Commodities is compiled by Dhanya Hegade in Bengaluru)

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