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Top News - Oil

China issues extra crude oil import quota to independent refineries, sources say
China has issued an additional crude oil import quota of at least 5.84 million metric tons (116,800 barrels per day) to independent refiners for cargoes arriving by end-2024 and in early 2025, people familiar with the situation.
The quotas are likely to lift China's crude imports heading into next year, after purchases rebounded in November, driven by sharp price cuts for shipments from Iraq and Saudi Arabia.
Refiners, including Hengli Petrochemical and some independents in eastern Shandong province, also known as teapots, have been notified that they will receive additional quota volumes for 2024, they said.
Of these, an estimated 3.84 million tons (76,800 bpd) were given to Shandong-based teapots, while Hengli received 2 million tons, the sources said.
These quotas are expected to be utilized by the end of this year, according to traders. It was not immediately clear if the new quota counts as volumes for 2024 or 2025.
The sources declined to be named as they are not authorized to speak to the media. China's Ministry of Commerce, which regulates crude oil imports quota, did not immediately respond to a fax for comment by Reuters.
Some teapots, hit by poor profit margins caused by weak demand this year, had been lamenting about insufficient quota which constrained their imports of feedstock for production.
The operation rates among teapots ramped up in the past three weeks as maintenance came to an end, and their margins improved thanks to rising production of gasoline and diesel, local consultancy Oilchem said on Friday.
China has set the import quota for crude oil at 243 million tons for non state-owned firms in 2024 and raised it to 257 million tons for 2025.
"The additional quotas will stir up some interest in prompt cargoes, particularly Iranian oil, which remains in the trading cycle for December arrivals," said Xu Muyu, a senior analyst at Kpler.
Prices of Iranian oil to China rose to multi-year highs this month as lower exports drove up prices amid concerns that Middle East tensions may disrupt supply.

Kazakhstan to produce 88.4 mln tons of oil this year
Kazakhstan will produce 88.4 million metric tons of oil this year, Energy Minister Almasadam Satkaliyev said.
Satkaliyev said the figure, a reduction from an original plan to produce more than 90 million tons, reflected maintenance breaks at large oilfields and Kazakhstan's OPEC+ commitments.
Kazakhstan will export 68.8 million tons of oil this year, he told parliament, including 55.4 million tons via the Caspian Pipeline Consortium, 8.6 million tons via the Atyrau-Samara Pipeline, 3.6 million tons via the Caspian Sea and 1.1 million tons via a pipeline to China.

Top News - Agriculture

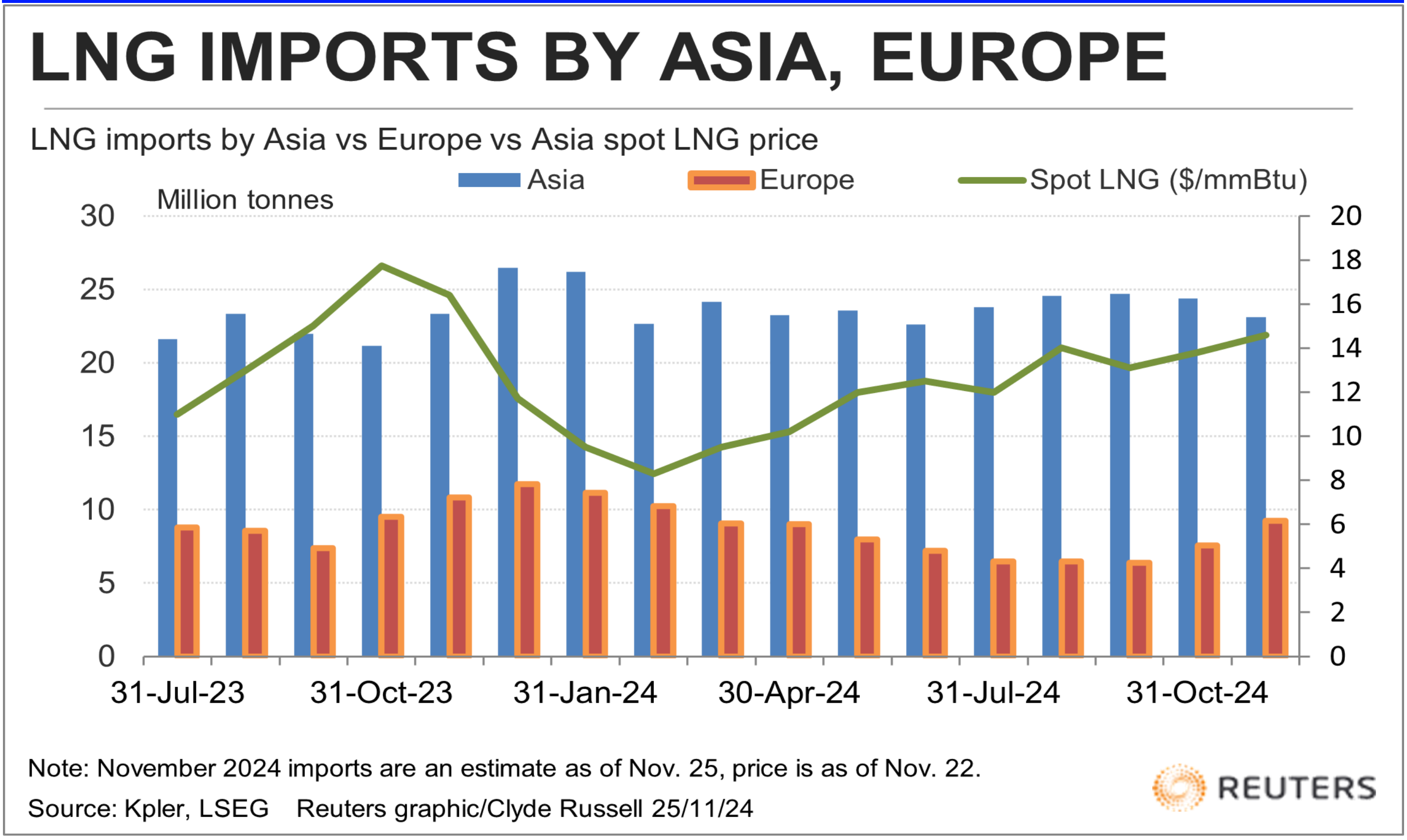
COLUMN-Funds preserve bullish CBOT corn bets but snub soybeans and wheat -Braun
Speculators this month established their first bullish Chicago corn stance in over a year, and those views held last week despite weakness across U.S. grain and oilseed markets.
CBOT corn futures fell fractionally in the week ended Nov. 19, though money managers increased their net long to 114,628 futures and options contracts from 109,989 a week earlier to fortify their most bullish corn position since February 2023.
However, it was not exactly a vote of confidence as the move consisted of both longs and shorts exiting the market, and it was the first time in five weeks that funds reduced gross corn longs.
U.S. corn demand remains relatively strong, but traders have been weighing improved weather outlooks for South America and a potentially larger 2025 harvest for rival corn exporter Ukraine.
Corn futures drifted slightly lower between Wednesday and Friday, but CBOT soybeans slid 1.5%, reaching one-month lows on Friday.
Beans had eased more than 1% in the week ended Nov. 19, and money managers increased their net short to 67,701 soybean futures and options contracts from 54,536 in the prior week, driven by an influx of gross

short positions.
The world is awash with soybeans and top buyer China has not been as active as some analysts expected, particularly in the U.S. market.
Top exporter Brazil is on track for a bumper harvest, keeping pressure on the soybean complex.
Money managers have been heavy net sellers of CBOT soybean meal in the latest four weeks.
Through Nov. 19, they more than doubled their net short to 63,700 futures and options contracts from 27,631 in the week before.
That marks funds' most bearish meal view since late February 2020, which also contains their record net short of 77,112 contracts.
However, their gross meal shorts were the most plentiful on record as of last week.
From a technical standpoint, CBOT soymeal has been trading at or near oversold levels for almost a month.
In the last couple weeks, meal has held below $300 per short ton, the first such instance since mid-2020.
January CBOT soybean oil plunged nearly 7% between Wednesday and Friday as the global vegoil rally cooled.
Benchmark Malaysian palm oil futures last week posted their worst weekly losses in 19 months after having surged to two-and-a-half-year highs.
CBOT soyoil had already lost 3% in the week ended Nov. 19, and money managers cut their net long by about 19,000 contracts to 56,060 futures and options contracts.
Cheap Russian supplies continue to weigh down global wheat prices, and abundant rains in the U.S. Plains have led to an unprecedented improvement in U.S. winter wheat conditions over the last few weeks.
Money managers through Nov. 19 pushed their net short in CBOT wheat futures and options to a 12-week high of 51,546 contracts from 45,307 a week earlier.
Funds had been doubly as bearish on this date a year ago.
CBOT trading volumes could thin out later this week as U.S. markets are closed on Thursday for the Thanksgiving holiday.
Market watchers will continue to monitor crop progress in South America as well as geopolitical developments, including cooperation between Brazil and China and tensions in the Black Sea.

Thailand to provide $1.1 billion support for rice farmers

Thailand will give support of 38 billion baht ($1.1 billion) to rice farmers in an effort to boost productivity, its agriculture minister said.
Farmers will receive 1,000 baht ($29) per rai for up to 10 rai (1.6 hectares), minister Narumon Pinyosinwat told reporters, adding about 4.68 million households would benefit.
The assistance plan would be proposed to cabinet at a meeting scheduled for Friday, Narumon said.
Thailand, the world's second-biggest rice exporter, shipped out 8.37 million metric tonnes of rice in the first 10 months of the year, up 20% annually, the commerce ministry has said.
It is expected to export more than 9 million tonnes over the full year, worth $6.4 billion, the ministry said.

Chart of the Day



Top News - Metals

Thyssenkrupp: expert opinion gives positive view for steel business

An expert opinion on the financial needs of Thyssenkrupp's crisis-hit steel division has given a positive view on its ability to continue as a going concern, the parent company said on Sunday.

Thyssenkrupp said in a written response to a Reuters query that on the basis of the report, the parent company had made a financing commitment to secure the liquidity of the steel business for the next two years.

"This means that there is now clarity regarding the financing situation of the steel division," said the company in its written response, confirming a report in Der Spiegel weekly.

Thyssenkrupp has commissioned two external reports to take a deep look at the steel business's short- and long-term financial health and needs.

The first review will feed into the second report, which will be used for future decisions on the steel division and is due next year.

Earlier this month, Thyssenkrupp said it had written down the value of its steel division by another 1 billion euros ($1.04 billion), blaming the sector's worsening outlook mainly on weak demand and Asian competition.

Thyssenkrupp is pursuing a 50:50 steel joint venture with Czech billionaire Daniel Kretinsky but is seeking talks with other steelmakers in case that falls though after previous attempts to sell the division have failed in recent years.

Australia to propose tax incentives for critical minerals

The Australian government will introduce legislation to implement production tax incentives for renewable hydrogen and critical minerals to help boost investment in the sector, which could play a major role in energy transition plans. The proposed law will set up a tax incentive worth 10% of relevant processing and refining costs for 31 critical minerals from the fiscal year ending June 2028 to the 2039-40 fiscal year, for up to 10 years per project, the government said.

For renewable hydrogen, the planned legislation will establish a tax incentive worth A$2 ($1.31) per kilogram of renewable hydrogen produced during the same period.

"The legislation will give investors clarity and certainty to invest in Australia's potential to add more value to its natural resources, and help deliver cheaper and cleaner energy," Treasurer Jim Chalmers said in a statement.

The incentives will be provided once projects are up and running, producing hydrogen or processing critical minerals used in products like wind turbines, solar panels and electric cars, Chalmers said.

Major economies are seeking to invest billions to support clean energy projects and compete with China in manufacturing electric vehicles and semiconductors, seen as vital for prosperity and national security.

Australia's centre-left Labor government in its May budget pledged to introduce tax incentives worth A$7 billion for the processing and refining of critical minerals and A$6.7

Top News - Carbon & Power

COLUMN-LNG is stepping up to solve Europe gas woes, but at a price: Russell

Concerns that Europe is facing a natural gas supply crunch this winter are overblown, with the liquefied natural gas (LNG) market already stepping up to avoid any shortfall, albeit at higher prices.

European natural gas prices climbed to the highest level in two years last week, with the benchmark front-month contract at the Dutch TTF hub reaching 49.03 euros per megawatt hour on Nov. 22, equivalent to $14.97 per million British thermal units (mmBtu).

Prices have rallied about 40% since mid-September amid fears that the remaining Russian pipeline supplies to Europe will be halted, or face further curtailment.

New U.S. sanctions on Russia's Gazprombank, the financial institution some remaining European importers of Russian gas use to process payments, have also raised concerns about the future of supply.

Throw in some early cold weather and the expiry at the end of the year of the transit agreement for Russian gas through Ukraine and it's hardly surprising that prices have been rallying.

But there is little sign that Europe is about to run short of natural gas, and the global LNG market is already adjusting to reflect the current dynamics.

Europe's November imports of the super-chilled fuel are on track to rise to the highest since February, with commodity analysts Kpler tracking arrivals of 9.16 million metric tons.

This is up from 7.56 million tons in October and 6.37 million in September, which was the lowest monthly total in three years.

The increase in imports is largely being met by increased shipments from the United States, the world's largest LNG exporter and the swing supplier between the Atlantic and Pacific basins.

Europe is on track to import 4.32 million tons of U.S. LNG in November, the most since February and up from October's 3.13 million, according to Kpler data.

In contrast, Asia's imports of U.S. LNG are estimated to drop to 2.19 million tons in November, the lowest since march and down from 3.21 million in October.

Asia's overall imports of LNG are expected to decline in November to 23.13 million tons, the lowest since June and down from 24.39 million in October.

PRICE SENSITIVITY

The drop is largely because of weaker imports in the South Asian nations of India, Pakistan and Bangladesh, with India, the fourth-biggest buyer in Asia, expected to land 2.21 million tons in November, down from 2.36 million in October.

India is among a group of Asian buyers that tend to be price sensitive, and the recent rise in spot LNG prices will

act as a brake on the country's demand.
Spot LNG for delivery to North Asia LNG-AS rose to $14.60 per mmBtu in the week to Nov. 22, an 11-month high and up from $13.60 the prior week.
The price has been rising steadily in recent months and is now up 76% from its 2024 low of $8.30 per mmBtu. However, it's still short of peak in 2023 of $17.90 per mmBtu, reached in late October as utilities in Asia stocked up ahead of winter.
The current forecasts for winter in North Asia are for a colder season than last year, which may serve to bolster demand for LNG, especially in top importers China, Japan and South Korea.
Coupled with the likelihood of higher European demand for LNG, it's likely that spot prices will continue to rise.
The higher prices will increasingly crowd out the more price-sensitive buyers, such as India.
But this isn't a sign that the market is under stress, rather it shows that it's working as it should.

Pipeline operator ONEOK to buy remaining shares of EnLink in $4.3 bln deal
Pipeline operator ONEOK said on Sunday it would buy the remaining shares of peer EnLink Midstream for $4.3 billion in an all-stock deal, boosting its presence in the Permian Basin amid increased consolidation in the U.S. energy sector.
In August, ONEOK acquired a 43% controlling interest in Enlink, which has a solid presence in the Permian basin, from Global Infrastructure Partners for about $3.3 billion in cash.
ONEOK said it will offer 0.1412 shares of its common stock for each EnLink unit.
The deal values Enlink at about $7.6 billion, while the stake purchase would be at a premium of about 5% to EnLink's Friday close, according to Reuters calculations based on EnLink's and ONEOK's last close.
The U.S. pipeline and storage sector is seen as ripe for deals following increased consolidation among oil and gas producers, as well as hurdles in getting new energy infrastructure approved and built.
Earlier in the month, another pipeline operator DT Midstream agreed to acquire three natural gas transmission pipelines from ONEOK for $1.2 billion in cash, to boost its presence in the Midwest market.

Top News - Dry Freight

Algeria issues tender to buy soft wheat for shipment to two ports only – traders
Algeria's state grains agency OAIC has issued an international tender to buy soft milling wheat for shipment to two ports only, European traders said on Sunday.
The tender sought a nominal 50,000 metric tons but the shipment to two ports generally indicates a small purchase is planned, traders said.
The deadline for submission of price offers in the tender is Tuesday, Nov. 26, with offers having to remain valid until Wednesday, Nov. 27.
The wheat is sought for shipment in 2025 several periods from the main supply regions including Europe: Jan. 1-15, Jan. 16-31, Feb. 1-15, Feb. 16-28, March 1-15 and March

MARKET MONITOR as of 07:35 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	$70.62 / bbl	-0.87%	-1.44%
NYMEX RBOB Gasoline	$2.00 / gallon	-0.85%	-5.15%
ICE Gas Oil	$694.75 / tonne	-0.43%	-7.46%
NYMEX Natural Gas	$3.32 / mmBtu	6.01%	31.94%
Spot Gold	$2,666.39 / ounce	-1.70%	29.27%
TRPC coal API 2 / Dec, 24	$129.45 / tonne	0.35%	33.45%
Carbon ECX EUA	€69.85 / tonne	0.84%	-13.09%
Dutch gas day-ahead (Pre. close)	€46.53 / Mwh	-4.12%	46.09%
CBOT Corn	$4.35 / bushel	-0.06%	-10.12%
CBOT Wheat	$5.63 / bushel	-0.35%	-12.00%
Malaysia Palm Oil (3M)	RM4,712 / tonne	1.51%	26.63%
Index	**Close 22 Nov**	**Change**	**YTD**
Thomson Reuters/Jefferies CRB	346.98	0.56%	15.12%
Rogers International	29.03	0.80%	10.26%
U.S. Stocks - Dow	44,296.51	0.97%	17.53%
U.S. Dollar Index	107.02	-0.50%	5.61%
U.S. Bond Index (DJ)	438.74	0.00%	1.86%

16-31.
If sourced from South America or Australia, shipment is one month earlier. The wheat should be unloaded in the ports of Mostaganem and/or Tenes.
Algeria is a vital customer for wheat from the European Union, especially France but Russia and other Black Sea suppliers have been expanding sales to Algeria.

US bars more food, metal imports over China's alleged forced labor

The United States banned food, metals and other imports from about 30 more Chinese companies over alleged forced labor involving the Uyghurs, according to a government notice posted online on Friday.
The new restrictions, covering a range of products from tomato paste and walnuts to gold and iron ore, are part of the federal government's effort to prevent goods made with forced labor from entering the United States, the Federal Register posting said.
The companies were added to the Uyghur Forced Labor Prevention Act Entity List, which restricts the import of goods tied to what the U.S. describes as China's human rights abuses and ongoing genocide in the Xinjiang Uyghur Autonomous Region.
U.S. authorities say Chinese authorities have established internment camps for Uyghurs and other religious and ethnic minority groups in China's western Xinjiang region. Beijing has denied any abuses.
The latest additions bring the total number of companies on the list to more than 100 since the Uyghur Forced Labor Prevention Act was signed into law in December 2021.
Twenty-three of the newly added companies are in the agricultural sector. Others mine, smelt and process metallic materials including copper, lithium, beryllium, nickel, manganese and gold.
"Today's enforcement actions make it clear -- the United States will not tolerate forced labor in the goods entering our markets," Robert Silvers, U.S. Homeland Security under secretary for policy, said in a statement. "We urge companies to take responsibility, know their supply chains, and act ethically."

Picture of the Day

A man carries a bunch of bananas at a market in Colombo, Sri Lanka, November 23. REUTERS/Thilina Kaluthotage

(Inside Commodities is compiled by Kishore Barker in Bengaluru)

For questions or comments about this report, contact: **commodity.briefs@thomsonreuters.com**