Oil | Agriculture | Metals | Carbon & Power |Dry Freight
Click on headers to go to that section

Top News - Oil

Investors ramp up pressure on Big Oil firms to set 2030 climate targets
A group of investors has tabled resolutions urging four of the world's top oil and gas companies to set broad climate targets for 2030, reviving pressure on the sector after a year that saw governments shift their focus to energy security.
Activist group Follow This said it had co-filed the resolutions with six major institutional investors managing $1.3 trillion in assets ahead of the annual general meetings of BP, Chevron, Exxon Mobil and Shell next year.
In the resolutions, the investors call on the companies to set targets to reduce by 2030 greenhouse gas emissions including those from fuel sold to customers, known as Scope 3 emissions, which account for the vast majority of the sector's pollution.
Investors have in recent years ramped up pressure on the oil and gas sector to help tackle climate change, and the Follow This climate-related resolutions have drawn growing support among shareholders.
However, last year the efforts largely sputtered as investors turned their focus more to higher energy prices and energy security following Russia's invasion of Ukraine.
BP, Shell and Chevron have all set some 2030 greenhouse emissions reduction targets that include Scope 3, though Follow This said they are not aligned with the United Nations' ambitions to limit global warming to 1.5 degrees Celsius above pre-industrial levels.
Exxon, which does not have Scope 3 targets, has said the way they are calculated is flawed. The methodology has the unintended consequence of passing carbon footprint to someone else, it says - for example, when companies are punished for producing more natural gas that would replace coal, a more polluting fuel.
Chevron said it values input from shareholders and will evaluate any proposal received.
BP did not respond to requests for comment.
Shell said it believed its targets are aligned with the U.N. climate targets.
"Follow This has consistently proposed shareholder resolutions that are simplistic, unrealistic and against the best interests of Shell. We remain committed to constructive engagement with our investors," a Shell spokesperson said.
The group of investors co-filing the resolutions includes Edmond de Rothschild Asset Management, Degroof Petercam Asset Management and Achmea Asset Management. Follow This did not provide the names of the other backers.
"We recognize Shell has made tremendous improvement in its climate targets. Nevertheless, it still lacks an absolute 2030 (emission reduction) target," Jean-Philippe Desmartin, head of Responsible Investment at Edmond de Rothschild Asset Management told Reuters.
Shell, BP and European peers including TotalEnergies and Eni have set out strategies and targets to slash emissions to net-zero by 2050 by reducing oil and gas output and growing low-carbon and renewable energy businesses.
"The focus on Scope 3 by 2030 leaves the oil majors no wiggle room for smokescreens about 'net zero emissions by 2050'," Follow This founder Mark van Baal said.
In the United States, 2022 saw a wave of efforts driven by Republican politicians and right-leaning investors to focus executives' attention away from environmental, social or governance (ESG) themes.
Activist investor Strive Asset Management, for instance, is seeking a shareholder vote at the springtime meeting of Chevron to reverse a Scope 3 emissions reduction mandate.
Exxon and Chevron have in the past successfully blocked attempts to file climate resolutions with the Securities and Exchange Commission.

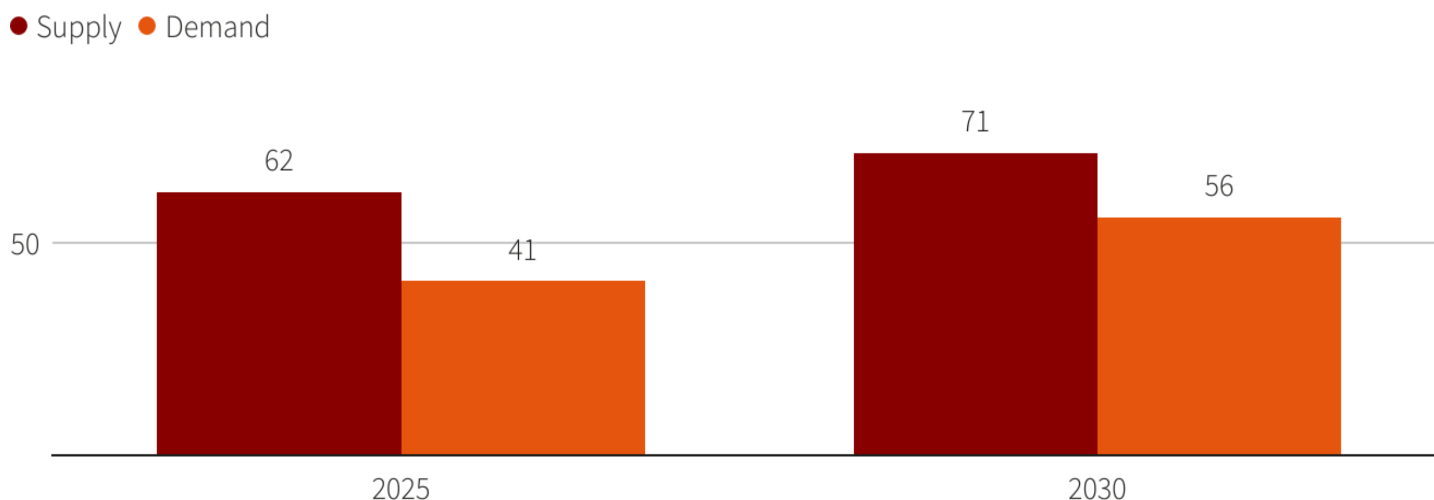
U.S. begins buying back oil for strategic petroleum reserve -official
The U.S. Energy Department said on Friday it will begin buying back oil for the Strategic Petroleum Reserve, or SPR, the first purchase since this year's record 180 million barrel release from the stockpile.
The department will buy up to 3 million barrels for delivery in February, a senior official told reporters.
President Joe Biden announced the 180 million sale in late March to combat surging gasoline prices that boosted inflation after the February invasion of Ukraine by Russia, the world's largest exporter of fossil fuels.
The sale shrunk levels in the SPR to about 380 million barrels, their lowest since 1984, raising concerns about energy security.
"We'll be releasing a solicitation to purchase 3 million barrels of oil for delivery in February of next year, 2023," the official said.
Contracts will be awarded to energy companies by Jan. 13.
"This approach will lock in a price upfront when companies submit their bids," the official added.
To help relieve supply shortages at refineries after an oil spill last week shut down the Keystone crude pipeline, the Energy Department will also execute an exchange of about 2 million barrels from the SPR, that companies will have to send back at a later date.

"We are able to do that at the same time we're doing the 3 million barrel buy-back," the official said.
The White House said in October it would buy back oil for the SPR when prices at or below about $67-$72 per barrel, a bit below where U.S. benchmark futures were trading on Friday at about $75.
"We're gonna try to be nimble and flexible here," the official said, adding that the department likes where prices are now for exploring buy-backs.
"It'd be very useful to put this notice out now and to see what the market would provide in terms of interest and at what price level for that," the official said.
The Energy Department said buying oil back at about current prices is "an opportunity to secure a good deal for American taxpayers by repurchasing oil at a lower price than the $96 per barrel average price it was sold for, as well as to strengthen energy security."

Chart of the Day

Abundant Supplies of Green Aluminium

The amount of aluminium produced with low carbon emissions is expected to grow faster than demand in coming years



Note: million tonnes of primary aluminium produced with less than 4 tonnes per CO2 emissions per tonne of metal plus secondary or recycled aluminium
Source: McKinsey & Company

Top News - Agriculture

ADM closes some grain facilities in North Dakota due to winter storm
Global grain trader Archer Daniels Midland Co has closed "a few" grain elevators and edible bean facilities in North Dakota due to weather-related travel concerns, a company spokesperson said in an email statement to Reuters on Friday.
A major winter storm pounded the heart of the United States earlier this week, bringing heavy snow and freezing rain to the Northern Plains and spawning thunderstorms and destructive tornadoes in the South.
"We have closed a few origination facilities in North Dakota due to travel concerns in the area," the spokesperson said, including "a few grain elevators and a few edible bean facilities."
The company, did not give specific locations of the closures, said it is using its origination and transportation network outside the storm-impacted region to "manage through these difficult weather conditions and continue meeting customer needs."

Palm oil to trade between 3,500-5000 rgt/T until May-analyst Mistry
Malaysian palm oil is expected to trade at between 3,500 and 5,000 ringgit per tonne from now until the end of May as stocks in the commodity's top two producer countries deplete, leading industry analyst Dorab Mistry said.
Benchmark palm oil contract for March delivery on the Bursa Malaysia Derivatives Exchange closed at 3,917 ringgit ($885.80) per tonne on Friday.
"Malaysian stocks will be drawn down until May 2023 and will go below 2 million tonnes. The Indonesian B35 (blending) programme may keep stocks tight in the first half of 2023," Mistry told an industry conference on Saturday.
Indonesia, the world's biggest producer of palm oil, decided to raise mandatory biodiesel blending to 35% starting Jan 1, 2023, from the current 30% to reduce fuel imports amid high global energy prices and to shift to cleaner energy.
In Malaysia, the second biggest producer, palm oil stocks at the end of November fell for the first time in six months to 2.29 million tonnes as production slumped amid a slight pick-up in exports.
Malaysia's palm oil output has been capped by labour shortages in 2022, but with those shortages easing, production could rise to around 19 million tonnes in 2023, Mistry, director of Indian consumer goods company Godrej International, said.
Indonesia's production could rise by 1.5 million tonnes next year, he said.
Palm oil has been trading at a hefty discount to rival soyoil in recent months and cornering market share in importing countries such as India and Pakistan.
Soyoil will compete with palm oil but only after May, if exports from top producer Argentine exerts any pressure, Mistry said. Next year "may not be such a seesaw year" as 2022 for palm oil, he added.
Palm oil prices rallied to a record high in March, surpassing 7,200 ringgit, after Russia's invasion of Ukraine triggered a global edible oil shortage. Prices have nearly halved since.

Top News - Metals

Australia revises up resources export earnings to $308 bln for FY23
Australia revised upwards its resources and energy export earnings for the current financial year to hit a record A$459 billion ($308 billion) on Monday, as the war in Ukraine boosts prices of energy commodities.
The country is set to see strong growth in revenue from exports of thermal coal used in power plants as well as liquefied natural gas (LNG) for the year ending June 2023, the Department of Industry, Science and Resources said in a quarterly report.
"Many Western nations are having to pay substantially more for energy, on the high chance that sanctions on Russia will see some Russian production — particularly gas and coal — become stranded from world markets," it said.
The department had predicted an annual value of resources exports at A$450 billion, in its most recent September report. A weaker than expected Australian dollar exchange rate as well as high prices for thermal coal were the main factors behind the revision, it said.
Iron ore, which is still Australia's most valuable commodity export, is seen at A$113 billion this financial year, lower than the year ended in June when it stood at A$133 billion.
Ongoing strength in thermal coal prices are expected to see the biggest annual revenue growth at 65%, taking export value of the fossil fuel to A$76 billion from A$46 billion.
The value of liquefied natural gas exports is expected to hit $A90 billion from A$71 billion last financial year.
However, amid slower growth in steel manufacturing, the value of metallurgical coal exports is expected to decline to $A57 billion from A$68 billion last year.
Revenue for lithium exports is expected to jump to A$16 billion from A$5 billion a year earlier, as demand for the mineral used in batteries heats up.

ANALYSIS - Bumper green aluminium output is good news for carmakers, and climate
Aluminium makers are set to boost low-carbon metal output by 10% in 2023 and churn out even more in the years ahead, driving down the cost for carmakers seeking climate-friendly supplies and shrinking the industry's hefty carbon footprint.
Aluminium is the most energy-intensive metal to produce, accounting for about 1.1 billion tonnes of global CO_2 emissions per year. Next year's forecast increase in "green aluminium" output would reduce that by 13 million tonnes, or about 1.2%.
Pressure by governments to cut greenhouse gas emissions has given aluminium producers an incentive to ramp up output of the low-carbon material, which emits less than 4 tonnes of CO_2 per tonne of metal compared to the global average of 16.6 tonnes.
That means global surpluses of green aluminium - largely produced using hydro power or recycled material - already weigh on the premium that producers can charge buyers, from automakers and beverage can firms to construction suppliers.
"It's (the premium) been very modest now for the last couple of years," Ivan Vella, chief executive of Rio Tinto Aluminium, told an investor conference last month.

Vella added that the company had seen some increases in premiums recently, without giving details.

GREEN PRODUCTS

Global supplies of low-carbon aluminium have been robust for several years, but dipped in 2022 mainly due to restrictions in southern provinces in top producer China that rely on hydro power.

Output is due to bounce back globally next year, rising 10% to 18.56 million tonnes - accounting for 26% of total aluminium production, said Simon Large, analyst at consultancy CRU.

In Europe, the proportion of low-carbon products to overall supply is much higher than in the rest of the world, because large Scandinavian producers typically use hydro power, and should reach 83% next year, he added.

MARKET MONITOR as of 07:30 GMT

Contract	Last	Change	YTD
NYMEX Light Crude	$74.65 / bbl	0.48%	-0.74%
NYMEX RBOB Gasoline	$2.14 / gallon	0.46%	-3.88%
ICE Gas Oil	$890.50 / tonne	0.51%	33.51%
NYMEX Natural Gas	$6.17 / mmBtu	-6.53%	65.39%
Spot Gold	$1,793.69 / ounce	0.08%	-1.90%
TRPC coal API 2 / Dec, 22	$225 / tonne	-3.85%	82.93%
Carbon ECX EUA / Dec, 22	€84.99 / tonne	1.40%	5.38%
Dutch gas day-ahead (Pre. close)	€119.00 / Mwh	-12.18%	78.95%
CBOT Corn	$6.47 / bushel	-1.00%	8.98%
CBOT Wheat	$7.54 / bushel	-0.50%	-2.24%
Malaysia Palm Oil (3M)	RM3,949 / tonne	0.79%	-15.93%
Index (Total Return)	**Close 16 Dec**	**Change**	**YTD Change**
Thomson Reuters/Jefferies CRB	293.93	-1.20%	18.99%
Rogers International	28.23	-0.41%	21.11%
U.S. Stocks - Dow	32,920.46	-0.85%	-9.41%
U.S. Dollar Index	104.42	-0.03%	8.80%
U.S. Bond Index (DJ)	404.58	-0.57%	-13.79%

AUTO INDUSTRY

The increase in more sustainable supplies has coincided with growing efforts by companies to demonstrate their green credentials to consumers, led by the European car sector.

Germany's BMW agreed last year to buy aluminium made with solar power from Emirates Global Aluminium, while Volkswagen's premium brand Audi is piloting metal from the new ELYSIS technology pioneered by Alcoa and Rio Tinto, which eliminates all CO2 emissions and replaces them with oxygen.

Most companies are reluctant to disclose how much low-carbon material they buy and any premiums paid for competitive reasons.

Electric vehicle (EV) maker Polestar has started to use green aluminium as part of a project to create a vehicle with zero emissions from every aspect of production, teaming up with Norway's Norsk Hydro, which uses hydro power to produce much of its metal.

Polestar said it pays slightly more for green aluminium, partly due to the administrative costs of changing suppliers, but did not say how much more.

"The cost per reduced kg of CO2 emissions when shifting to green aluminium is still significantly lower than many other ways of reducing raw material emissions," a company spokesperson told Reuters.

Norsk Hydro also inked a deal to supply Mercedes-Benz with aluminium that produces less than 3 tonnes of CO2 emissions per tonne of metal.

HEAVY INVESTMENT, LOW PREMIUMS

Aluminium companies have invested heavily in low-carbon technologies. Norsk Hydro said this year it had spent billions making its aluminium more sustainable,

while Rio Tinto, Alcoa and the Canadian government invested $228 million in their new ELYSIS process.
But such investments to step up output are dampening the prices that producers can charge for their low-carbon products, especially this year when overall demand has been hit by recession fears, analysts say.
"Low carbon premiums on the spot side have basically disappeared," said Jorge Vazquez at consultancy Harbor Aluminum.
The spot premium for low-carbon billet, a fabricated product often used in construction, has slid to zero from $30 a tonne in January, he said.
Producers, however, are still managing to sell some of their low-carbon output at higher prices under quarterly and annual contracts.
Wire rod commands the highest premiums due to its use in power wiring linked to the green energy transition around the world, he added.
But even the bumper premium for wire rod of $45 a tonne represents less than 2% of the underlying benchmark aluminium price.
There are regional variations as well.
"Where we've seen the most willingness to entertain green premiums is Europe, where it is quite accelerated, and we're starting to see the early elements in North America, but Asia is behind," said an industry source who declined to be identified.
In Europe, premiums may get a lift from European Union proposals to impose tariffs on imports of high-carbon goods by 2026, another analyst said.
Consumers are benefitting from the plentiful supplies of not only low-carbon primary aluminium, but recycled material, which uses about 95% less energy to make.
Rising output of both will keep green premiums relatively low in the coming years, said Marcelo Azevedo at the McKinsey consultancy.
Limited movement of supplies between regions, however, could lead to deficits in high-demand areas such as Europe, he added.
One area bucking the weak trend is "ultra-low" carbon aluminium, meaning metal produced with less than 2 tonnes of carbon emissions per tonne of metals, where premiums are strong due to lack of material, Azevedo said.

Top News - Carbon & Power

EU countries make final push for gas price cap deal this year

European Union countries' energy ministers meet in Brussels on Monday to attempt to agree a cap on gas prices - their latest idea to tame Europe's energy crisis but one that countries are still split over.
Country leaders last week urged their ministers to approve the cap on Monday, in a bid to finalise a measure that countries have debated for months and held two emergency meetings on.
They are now considering a new compromise proposed by the Czech Republic, which holds the EU's rotating presidency.
The draft, seen by Reuters, would trigger a cap if prices on the Dutch Title Transfer Facility (TTF) gas hub's front-month contract exceed 188 euros per megawatt hour for three days - far lower than a previous trigger of 275 eur/MWh proposed by the European Commission last month.
Roughly a dozen countries including Belgium, Poland and Greece have demanded a cap below 200 eur/MWh to tackle the high gas prices that have inflated citizens' energy bills and stoked record-high inflation this year after Russia cut off most of its gas deliveries to Europe.
But Germany, the Netherlands and Austria are among those who fear the cap could disrupt Europe's energy markets and divert much-needed gas cargoes away from the EU. They want tighter conditions, such as an automatic suspension of the cap if it has unintended negative consequences.
With a few countries' positions still unclear, some EU diplomats said both sides may have enough votes to block a deal.
Under the latest proposal, once triggered, the EU gas price cap would prevent trades being done on the front-month to front-year TTF contracts at a price more than 35 eur/MWh above a reference level comprised of liquefied natural gas (LNG) price assessments.
The EU price cap would not drop below 188 eur/MWh, even if the LNG price fell to far lower levels. If the LNG reference price increased to higher levels, then the EU cap would move with it, while remaining 35 eur/MWh above the LNG price - a system designed to ensure the bloc can bid above market prices to attract scarce fuel.
The fate of other EU energy policies also hinges on the gas price cap. Countries could approve faster permits for renewable energy projects on Monday, having already delayed approval twice pending a deal on the cap.
Ministers will also attempt to approve their negotiating position on a new EU law to cut planet-warming methane emissions. Documents seen by Reuters show some countries are seeking to weaken the proposed rules for oil and gas companies.

Back bailout or risk losing it all, Uniper boss tells shareholders

The CEO of Uniper has asked shareholders to approve a planned bailout by Berlin that will cost more than 50 billion euros ($52.91 billion), warning that the stricken

REFINITIV An LSEG Business

German gas trader will otherwise have to consider filing for insolvency.
Ahead of Monday's extraordinary shareholder meeting in Duesseldorf, Chief Executive Klaus-Dieter Maubach said the disarray caused by the loss of supplies from Russia could lead to shareholders walking away with nothing if they did not accept the proposal to take Uniper into German public ownership.
Gazprom was once its biggest supplier, but a big drop in deliveries after the Russia's invasion of Ukraine forced Uniper to buy gas elsewhere at much higher prices to meet existing contracts. "(The measures) are indispensable for this company’s future," Maubach is expected to say in a speech at Monday's shareholder meeting, the text of which was published on Uniper's website on Sunday.
"If approval is not granted, we would have to review very critically the so-called going concern forecast for our company," he added. "In the Management Board’s view, a possible insolvency could lead to a complete loss for shareholders."
The loss of Russian gas, Moscow's retaliation for Western sanctions over its invasion of Ukraine, triggered a 40 billion euro net loss for the importer, which provides around a third of Germany's gas, the largest loss in German corporate history.

Top News - Dry Freight

EXCLUSIVE-Russian-annexed Crimea showers Syria with wheat, Ukraine cries foul
Using a low-profile fleet of ships under U.S. sanctions, Syria has this year sharply increased wheat imports from the Black Sea peninsula of Crimea that Russia annexed from Ukraine, a sign of tightening economic ties between two allies shunned by the West.
Wheat sent to Syria from the Black Sea port of Sevastopol in Crimea increased 17-fold this year to just over 500,000 tonnes, previously unreported Refinitiv shipping data shows, to make up nearly a third of the country's total imports of the grain.
With sanctions making it more complicated for Syria and Russia to trade using mainstream sea transport and marine insurance, the two countries are increasingly relying on their own ships to move the grain, including three Syrian vessels that are subject to sanctions imposed by Washington, the data shows.
Russia annexed Crimea in 2014. Russian forces invaded more of Ukraine on Feb. 24 and despite military setbacks they still control a swathe of the country's agricultural heartlands of Kherson and Zaporizhzhia.
Both Ukraine and the Russia-installed authorities agree that some grain has been exported from occupied Zaporizhzhia via Crimea. Ukraine though says grain was stolen by the occupiers, a charge Russia denies.
Ukraine says at least a part of the grain that passed through Sevastopol was taken from Ukrainian territories after Russia invaded. Ukraine's embassy in Beirut, which has been tracking shipments coming to Syria, estimates that 500,000 tonnes of what it calls plundered Ukrainian grain has arrived in Syria since the invasion, shipped from several ports.
The embassy said these calculations and Ukrainian authorities' allegation that grain was stolen was based on information from field and silo owners in occupied territories, satellite data of truck movements to ports and the tracking of ships. Russia's agriculture and foreign ministries did not immediately respond to requests for comment for this story. In May, Kremlin spokesman Dmitry Peskov described as "fake" the allegations Russia has stolen grain during what it calls its special military operation in Ukraine.
Reuters could not independently verify the origin of the wheat being shipped from Crimea or whether the farmers and traders who handled it were paid.

"CRIMEAN HARVEST"
Yevgeny Balitsky, the Moscow-appointed governor of the Russian-occupied part of the Zaporizhzhia region said in June that Crimean ports had been used to export grain from Zaporizhzhia. However, he said farmers would be paid via a company set up by his administration, Russia's Interfax news agency reported.
Additionally, Crimea's Russia-installed administration said 1.4 million tonnes of wheat by bunker weight were harvested from Crimea's own fields, in comments on social media in August.
Ukraine disputes these figures, saying Crimea does not produce nearly that much.
"The so-called 'Crimean harvest' includes grain exported from the territory of mainland Ukraine," the Ukrainian agriculture ministry said in a statement in response to Reuters' questions.
Prior to the current war, Syria had imported grain from Crimea on previous occasions since Russia took control of the peninsula, Reuters reported.
According to the Refinitiv data, Syria imported about 501,800 tonnes of wheat from Sevastopol this year until the end of November, up from about 28,200 tonnes in the whole of 2021.
Shipments picked up from May onwards with the largest monthly consignment of 78,600 tonnes in October, according to the data, which is collated from port inspection reports provided by port operators.

RISE OF THE GHOST FLEET

Increasingly, Syria is relying on a fleet of its own cargo ships or Russian-flagged ships to bring in food via government-to-government deals that eschew the usual tender and charter process for moving commodities by sea.

Analysis from maritime and commodities data platform Shipfix showed the number of cargo orders – global requests for available ships to transport grains - to Syria fell by two thirds to 54 in the year to Nov. 30 versus the whole of 2021.

Instead, the wheat cargoes are typically moving to Syria's Latakia and Tartus ports on three Syrian ships, according to two grain trade sources familiar with the journey, the Ukrainian embassy in Beirut, other Ukrainian diplomats, and an analysis from Shipfix.

The ships - the Laodicea, the Finikia and the Souria - are owned by the state-owned Syrian General Authority for Maritime Transport, according to Equasis and the U.S. Treasury. All three have been sanctioned since 2015 by the United States for their alleged role in the conflict in Syria over the last decade.

Ships that have been designated are typically less well maintained and older due to prohibitions on accessing top tier insurance and certification services. They are able to operate more easily between countries also under sanctions, a possible explanation for the rising trade between the two allies.

Russia has repeatedly complained that the sanctions imposed on it this year have limited its ability to ship grains to countries across Africa and the Arab world that rely on its produce to feed their people.

The thicket of Western sanctions on Syria and Russia don't formally target food but can in practice complicate such trade, in part because they make it difficult for some grain-trading houses to do business with them, especially due to financing constraints.

Syrian maritime authorities did not respond to Reuters requests for comment about the vessels.

Some shipments also arrived on Russian-flagged vessels, including the Mikhail Nenashev, Matros Pozynich and Matros Koshka, which Equasis, a shipping database, shows are owned by a subsidiary of a Russian state-owned company called United Shipbuilding Corporation.

Washington, the European Union and Britain imposed sanctions on the United Shipbuilding Corporation in April after the Russian invasion.

United Shipbuilding Corporation did not respond to a request for comment.

CLOSER TO MOSCOW

Syrian President Bashar al-Assad's government began to rely on grain imports when the country's civil war dealt a blow to domestic harvests that once produced enough for the country's staple of subsidised flat bread as well as surpluses for export. More recently, drought has made the crop even smaller.

Russia has backed Syria's government for decades and since 2015 helped Assad's troops recapture most of the country from opposition fighters.

The sanctions and more than a decade of conflict mean Syria is also short of cash, potentially making Russia's relatively cheaper wheat attractive.

During a visit to Crimea in January, Syria's economy minister said his country needed 1.5 million tonnes of wheat imports, with Russia providing the majority.

Actual imports will be close to that, according to one trade source familiar with Syria's grain purchases who said the harvest this year was the worst in Syria's history.

Refinitiv data shows all but a fraction of the imports were from Russia and territory it controls, unlike previous years, when Syria augmented supplies with purchases from other countries including Romania.

The first grain trade source said at least one million tonnes of grain imports from Russia during 2021 and 2022 had been financed through a line of credit extended by Moscow to Damascus. Last year, Russia's deputy prime minister said Moscow had provided a loan to Syria in part for food.

Syrian government officials and the state grains agency Hoboob did not respond to requests for information for this story. Russian authorities have not disclosed grain supplies to Syria for a number of years.

China Nov aluminium imports fall amid rising domestic supply

China's aluminium imports in November fell 35.7% from a year earlier as a result of mounting domestic supply, also as the COVID-hit economy continued to temper demand for the light metal.

The country brought in 255,744 tonnes, including primary metal and unwrought, alloyed aluminium, last month, according to data from the General Administration of Customs.

With easing power restrictions on industrial users this year, smelters in China ramped up their production. The latest November output number showed a ninth consecutive increase to 3.41 million tonnes.

For the first 11 months of the year, the world's top aluminium maker produced 36.77 million tonnes, up 3.9% from the corresponding period in 2021.

Also weighing on import appetite was weak demand for the metal used in transportation, construction and packaging sectors.

China's economy lost more momentum in November as factory output slowed and retail sales extended declines, both missing forecasts.

However, signs of easing COVID restrictions and Beijing's efforts to revive the troubled property sector have brightened demand outlook for industrial metals, as reflected in a price rise last month.

The most-traded aluminium on the Shanghai Futures Exchange averaged at 18,845 yuan ($2,703.42) a tonne in November, up from 17,755 yuan a tonne in Ocotober when it hit a 19-month low.

November's import volume recorded an increase of 30.2% from 196,460 tonnes in the prior month.
Total imports in the first 11 months were 2.13 million tonnes, down 28.2% from the corresponding period last year.

Imports of bauxite, the main source of aluminium ore, came in at 11.79 million tonnes last month. That was up 31.3% from October's 8.98 million tonnes and up 53.6% from 7.7 million in November last year.

Picture of the Day

A worker walks past a gas tube that connects the 'Hoegh Esperanza' Floating Storage and Regasification Unit (FSRU) with main land during the opening of the LNG (Liquefied Natural Gas) terminal in Wilhelmshaven, Germany, December 17. Michael Sohn/Pool via REUTERS

(Inside Commodities is compiled by Sandhra Sam in Bengaluru)

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

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