

New York bourse ends lower; stocks investors digest economic data

WALL STREET ended lower on Friday as investors assessed economic data and awaited a potential 50-basis-point (bp) interest rate hike by the US Federal Reserve at its policy meeting next week, while apparel company Lululemon slumped following a disappointing profit forecast.

US producer prices rose slightly more than expected in November amid a jump in the costs of services, but the trend is moderating, with annual inflation at the factory gate posting its smallest increase in 1-1/2 years, data showed.

"Today's data shows that inflation is coming down, but it's lingering and is stickier than most assume," said Anthony Sglimbene, chief market strategist at Ameriprise Financial in Troy, Michigan.

However, in December, consumer sentiment improved, while inflation expectations eased to a 15-month low, a University of Michigan survey showed.

Futures trades suggest a 77% chance the Fed will raise interest rates by 50 bps next week, with a 23% chance of a 75-bp hike, with those odds little changed after Friday's economic data.

Consumer prices data for November, due Tuesday, will provide fresh clues on the central bank's monetary tightening plans.

Lululemon Athletica, Inc. tumbled almost 13% after the Canadian athletic apparel maker forecast lower-than-expected holiday-quarter revenue and profit.

Netflix, Inc. gained 3.1% after Wells Fargo upgraded the video streaming giant to "overweight" from "equal weight".

Arabica coffee futures close lower, loses 2.7% in the week; sugar slips

NEW YORK/LONDON — Arabica coffee futures on Intercontinental Exchange (ICE) closed lower on Friday, accumulating losses of 2.7% for the week, weighed down partly by rising exchange stocks, while raw sugar prices were also lower.

COFFEE: March arabica coffee settled down 0.55 cent or 0.3% at \$1.5815 per pound (lb). The contract lost 2.7% in the week, its second consecutive week of losses.

Dealers said the market was back on the defensive after a short-lived rally linked partly to a deteriorating outlook for next year's crop in Brazil.

ICE certified coffee stocks rose to 681,698 bags on Dec. 9, well above a 23-year low of 382,695 bags set on Nov. 3. There were 384,310 bags pending grading.

January robusta coffee fell \$34 or 1.8% at \$1,884 a ton. The global coffee supply balance will shift from a deficit of 2.17 million bags in 2022/23 to a surplus of 3.74 million bags in 2023/24 as Brazil's output partly recovers, according to a report.

The S&P 500 declined 0.73% to end the session at 3,934.38 points.

The Nasdaq declined 0.7% to 11,004.62 points, while Dow Jones Industrial Average declined 0.9% to 33,476.46 points.

Of the 11 S&P 500 sector indexes, 10 declined, led lower by energy, down 2.33%, followed by a 1.28% loss in health care.

The energy index recorded a seventh straight session of losses, its longest losing streak since December 2018, as oil prices looked set for weekly losses on recession concerns.

Wall Street's main indexes have fallen last week after logging two straight weekly gains. Weighing heavily on investors are fears of a potential recession next year due to extended the central bank's rate hikes.

For the week, the S&P 500 dropped 3.4%, the Dow lost 2.8% and the Nasdaq shed 4%.

US stocks ended a recent run of losses on Thursday after data showed initial jobless claims rose modestly last week.

Broadcom, Inc. jumped 2.6% after the chipmaker forecast current-quarter revenue above Wall Street estimates.

Boeing Co. climbed 0.3% after Reuters report the plane maker plans to announce a deal with United Airlines for orders of 787 Dreamliner this week.

Declinings outnumbered rising ones within the S&P 500 by a 3.3-to-one ratio. The S&P 500 posted five new highs and one new low; the Nasdaq have 54 new highs and 213 new lows. Volume was relatively light, with 9.9 billion shares traded, compared to an average of 10.9 billion shares over the previous 20 sessions. — Reuters

SUGAR: March raw sugar settled down 0.08 cent or 0.4% at 19.60 cents per lb. The contract, however, gained 0.6% this week, its second consecutive week of gains.

The market has been supported by rains in Brazil which is likely to result in millions of tons of cane being left in the fields to be harvested next year.

Brazil's sugar and ethanol industry group Unica will release on Monday a production report regarding the Centre-South region covering the second half of November.

March white sugar rose \$0.80 or 0.1% at \$541.40 a ton.

COCOA: March New York cocoa settled down \$38 or 1.5% to \$2,504 a ton. The contract lost 1% in the week.

Cocoa plantations in Africa's largest-producing countries, including the world's No. 1 exporter Ivory Coast, are estimated to have greater resilience than usual in the coming dry season, a Climate42 agricultural weather report said.

March London cocoa lost £36 or 1.8% to £1,942 per ton. — Reuters

Oil dips in volatile trade, records biggest weekly slump in months

OIL PRICE settled lower in volatile trading on Friday, with both benchmarks recording their biggest weekly declines in months, as growing recession fears negated any supply woes after weak economic data from China, Europe and the United States.

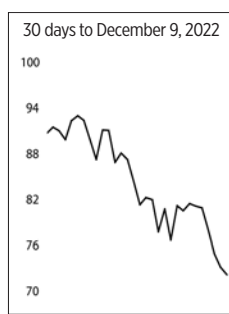
US West Texas Intermediate (WTI) crude settled 44 cents lower at \$71.02 a barrel, a new low for 2022. Brent crude settled five cents lower at \$76.10 per barrel.

"Any concerns about supply are secondary to worries about the economy," Mizuho analyst Robert Yawger said.

Oil prices had found some support and risen more than 1% earlier in the session after Russian President Vladimir Putin said the world's biggest energy exporter could cut output in response to a price cap on its crude oil exports.

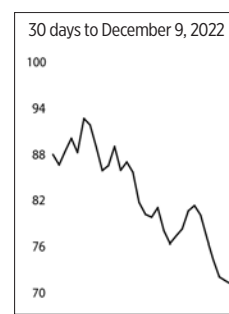
However, a slightly higher-than-expected rise in US producer prices in November, and news of a partial restart on the Keystone Pipeline undid those gains and pushed the benchmarks more than a dollar

ASIA-DUBAI (DECEMBER CONTRACT)



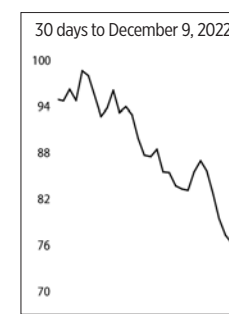
Dec.	5	6	7	8	9
\$/bbl	80.80	77.95	74.80	73.05	72.05
Average (Dec. 1-9)	\$79.18				
Average (Nov. 1-30)	\$86.19				

NEW YORK-WTI (JANUARY CONTRACT)



Dec.	5	6	7	8	9
\$/bbl	76.93	74.25	72.01	71.46	71.02
Average (Dec. 1-9)	\$76.88				
Average (Nov. 1-30)	\$84.39				

LONDON-BRENT (FEBRUARY CONTRACT)



Dec.	5	6	7	8	9
\$/bbl	82.68	79.35	77.17	76.15	76.10
Average (Dec. 1-9)	\$82.33				
Average (Nov. 1-30)	\$90.85				

Source: REUTERS

lower. Keystone shut earlier this week after a 14,000 barrel oil leak in Kansas.

The US producer prices index (PPI) rose slightly more than expected in November amid a jump in the costs of services, according to a report from the US Labor department.

The increase may make it more likely that the US Federal Reserve will "step on the accelerator" on

interest rate hikes, furthering fears of a looming recession, Mr. Yawger said.

Both crude benchmarks posted weekly losses of around 10% each. It was the biggest weekly decline since April for the US WTI futures, and since early August for Brent.

Both Mr. Yawger and Walter Zimmerman, chief technical analyst at ICAP, warned that if US crude falls below \$70 per barrel, it could

enter a freefall and hit the low \$60s range over the upcoming sessions.

The market structure for WTI contracts switched to trade in contango over the next year for the first time since Nov. 2020, with contracts for near-term delivery cheaper than one year later. Brent contracts have also switched to trade in contango over the next six months.

A market in contango suggests less worry about the current supply situation due to weakened demand.

In China, surging coronavirus disease 2019 infections will likely depress economic growth in the next few months despite some restrictions being eased, economists said.

Economists polled by Reuters forecast the US economy will hit a short and shallow recession in the coming year. Forecasters expect the US Federal Reserve to raise rates by 50 basis points (bps) on Dec. 14.

The European Central Bank will also likely lift its deposit rate by 50 bps next week to 2%, even as the euro zone economy is believed to already be in recession. — Reuters

SPOT PRICES

FRIDAY, DECEMBER 9, 2022

Commodity	Price
METAL	
PALLADIUM free \$/troy oz	1,930.75
PALLADIUM JMI base, \$/troy oz	1,950.00
PLATINUM free \$/troy oz	1,008.52
PLATINUM JMI base \$/troy oz	1,015.00
KRUGGERAND, fob \$/troy oz	1,792.00
IRIDIUM, whs rot, \$/troy oz	4,490.00
RHODIUM, whs rot, \$/troy oz	12,790.00
GRAINS (December 8, 2022)	
(FOB Bangkok basis at every Thursday)	
FRAGRANT (100%) 1st Class, \$/ton	863.00
FRAGRANT (100%) 2nd Class, \$/ton	834.00
RICE (5%) White Thai- \$/ton	460.00
RICE (10%) White Thai- \$/ton	458.00
RICE (15%) White Thai- \$/ton	453.00
RICE (25%) White Thai- \$/ton (Super)	453.00
BROKER RICE A-1 Super \$/ton	415.00
FOOD	
COCOA ICCO Dly (SDR/mt)	1,851.51
COCOA ICCO \$/mt	2,453.82
COFFEE ICA comp '2001 cts/lb	152.19
SUGAR ISA FOB Daily Price, Carib. port cts/lb	18.67
SUGAR ISA 15-day ave.	18.63

LIFFE COFFEE

New Robusta 10 MT - \$/ton

	High	Low	Sett	Psett
Nov.	1,926	1,880	1,884	1,918
Jan.	1,884	1,856	1,864	1,876
Mar.	1,857	1,832	1,837	1,852
May	1,849	1,813	1,816	1,835

LIFFE COCOA

(Ldn)-10 MT-E/ton

	High	Low	Sett	Psett
Dec.	2,174	2,115	2,119	2,142
Mar.	1,998	1,940	1,942	1,978
May	1,928	1,885	1,888	1,912
July	1,900	1,865	1,870	1,889

COCONUT

Commodity	Price
MANILA COPRA (based on 6% moisture)	
Peso/100kg	Buyer/Seller
Lag/Ozn/Luc	22 3,450.00/3,500.00
Philippine Coconut Oil - Crude	
CIF NY/NOLA	57,505.6
PALM OIL RAIL/NOLA	65,505.9
COCONUT OIL (PHIL/IDN) \$ per ton, CIF Europe	
Dec./Jan.'23	1,095.00/1,140.00
Jan./Feb.'23	1,095.00/1,140.00
Feb./Mar.'23	1,125.00/1,140.00
Mar./Apr.'23	1,135.00/1,145.00

LONDON METAL EXCHANGE

Commodity	Price
LME FINAL CLOSING PRICES, US\$/MT 3 MOS	
ALUMINUM H.G.	2,503.00
ALUMINUM Alloy	1,860.00
COPPER	8,543.00
LEAD	2,212.00
NICKEL	29,725.00
TIN	24,625.00
ZINC	3,236.50

Gold up as Fed slowdown offsets firm dollar

GOLD PRICES rose on Friday despite an uptick in the dollar and US bond yields as some investors still expect the US Federal Reserve will slow the pace of rate hikes from early next year.

Spot gold bullion rose 0.5% to \$1,798.40 per ounce, as of 1907 GMT.

US gold futures settled 0.5% higher at \$1,810.70.

"The market seems to be focused on a light at the end of the tunnel, a point at which the Fed is done raising interest rates and based on that we've seen general support in gold," said David Meger, director of metals trading at High Ridge Future.

A 50-basis-point rate hike is widely expected to be delivered

by the Fed at its final meeting of 2022 scheduled on Dec. 13-14.

Rate hikes to fight soaring inflation raise the opportunity cost of holding zero-yield bullion.

How long this positive sentiment towards gold lasts will be dependent on how much the US central bank increases its benchmark rate by and the rhetoric of Fed Chair Jerome Powell at the post-meeting press conference, Kinesis Money analyst Rupert Rowling said in a note.

However, data showed US producer prices rose more than expected in November, adding to market uncertainty over the Fed policy outlook.

Following the data, the dollar edged up, making gold more

expensive for overseas buyers, while yields on 10-year Treasury notes also gained.

Focus now shifts to the US consumer price index (CPI) data due on Dec. 13.

"If CPI runs hot, you might see a strong case for the Fed to deliver back-to-back half point rate increases before they pause, which might suggest gold might give back some of the gains its made over the past month," Edward Moya, senior analyst with OANDA, said in a note.

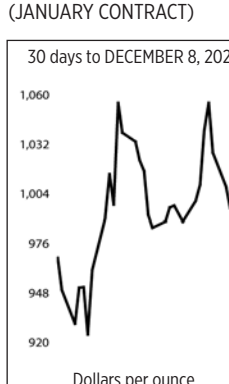
Elsewhere, spot silver rose 1.8% to \$23.48 per ounce; platinum climbed 2.1% to \$1,024.00. Palladium gained 1.7% to \$1,958.79. — Reuters

Source: REUTERS

THURSDAY, DECEMBER 8, 2022

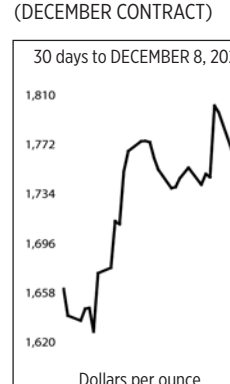
US COMMODITY FUTURES

PLATINUM (JANUARY CONTRACT)



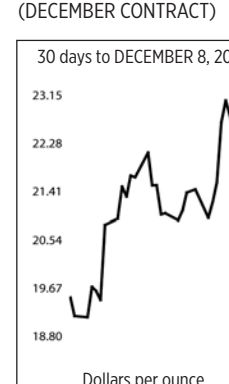
Dec.	5	6	7	8	9
OPEN:	1,012.80				1,014.60
HIGH:	1,021.60				3.10
LOW:	1,005.60				1,011.50

GOLD (DECEMBER CONTRACT)



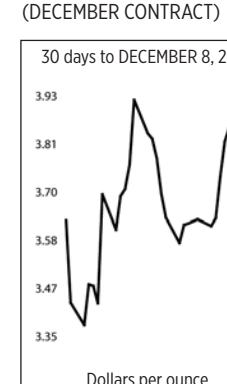
Dec.	5	6	7	8	9
OPEN:	1,782.00				1,788.70
HIGH:	1,790.90				3.20
LOW:	1,782.00				1,785.50

SILVER (DECEMBER CONTRACT)



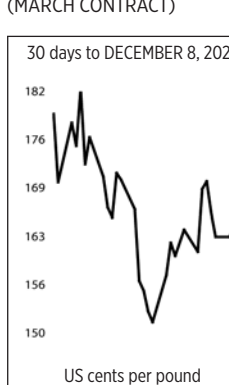
Dec.	5	6	7	8	9
OPEN:	22.685				23.063
HIGH:	23.060				0.353
LOW:	22.575				22.710

COPPER (DECEMBER CONTRACT)



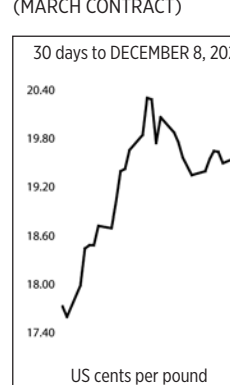
Dec.	5	6	7	8	9
OPEN:	3.837				3.881
HIGH:	3.905				0.025
LOW:	3.837				3.856

COFFEE (MARCH CONTRACT)



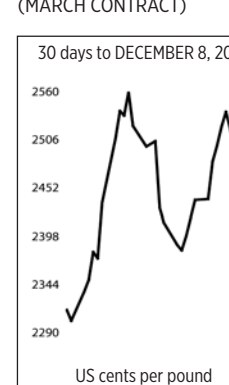
Dec.	5	6	7	8	9
OPEN:	160.55				158.70
HIGH:	161.90				-1.50
LOW:	157.55				160.20

SUGAR (MARCH CONTRACT)



Dec.	5	6	7	8	9
OPEN:	19.57				19.68
HIGH:	19.85				0.20
LOW:	19.52				19.48

COCOA (MARCH CONTRACT)



Dec.	5	6	7	8	9
OPEN:	2,500.00				2,542.00
HIGH:	2,552.00				50.00
LOW:	2,493.00				2,492.00