

Crude oil prices fall less than 1% for Brent, 2% for WTI for the week

NEW YORK — Weak economic data and a stronger dollar limited gains. For the week, Brent declined less than 1% and West Texas Intermediate (WTI) lost about 2%. Last week, both benchmarks fell about 2%.

Oil futures climbed about 1% to a one-week high on Friday as US diesel prices soared, the number of oil rigs dropped and a fire broke out at a refinery in Louisiana.

Brent futures rose \$1.12 or 1.3% to settle at \$84.48 a barrel, while US WTI crude rose 78 cents or 1% to settle at \$79.83.

Diesel futures HOCl soared about 5% to a near seven-month high, boosting the diesel crack spread, a measure of refining profit margins, to its highest since January 2023.

"The main thing was concern about diesel prices, the diesel crack spread and worries about diesel shortages when refineries go into maintenance," said Phil Flynn, an analyst at Price Futures Group. He added prices also drew

ASIA-DUBAI (AUGUST CONTRACT)

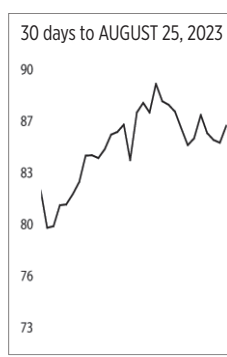


Table with columns for dates (Aug 21-25) and prices in \$/bbl. Includes averages for August 1-25 and July 3-31.

NEW YORK-WTI (OCTOBER CONTRACT)

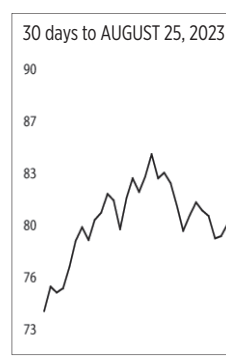


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LONDON-BRENT (OCTOBER CONTRACT)

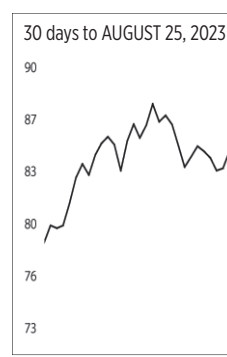


Table with columns for dates (Aug 21-25) and prices in \$/bbl. Includes averages for August 1-25 and July 3-31.

Source: REUTERS

support from a fire at a Louisiana refinery and a drop in US oil rigs.

A fire in a giant naphtha storage tank was contained on Friday afternoon at Marathon Petroleum's 596,000-barrel-per-day (bpd) Garyville, Louisiana refinery.

In August, US energy firms cut the number of active oil rigs for

a ninth straight month, energy services firm Baker Hughes said in its closely followed report.

Crude prices rose despite weak economic news from Germany, Europe's biggest economy, and the US dollar rose to an 11-week high against a basket of other currencies after US Federal Reserve

Chair Jerome Powell said further interest rate hikes may be needed to fight inflation.

Higher interest rates can slow economic growth and reduce oil demand. A stronger dollar can also slow demand by making oil more expensive for holders of other currencies.

US consumer sentiment, meanwhile, fell modestly in August, as short- and long-term inflation expectations worsened, a survey showed on Friday.

Analysts at Morgan Stanley said they expect Brent prices to be well supported around \$80 per barrel, with crude likely to remain in a deficit over the rest of this year before returning to a small surplus in early 2024.

But the likelihood of crude deficits is no foregone conclusion, said John Evans of oil broker PVM.

Norwegian energy firm Equinor, for example, said it started production at its extended Staffjord Ost field six months ahead of schedule. — Reuters

DOW JONES

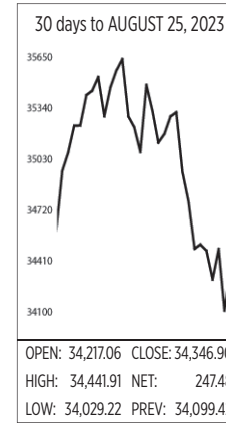


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NASDAQ COMPOSITE



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FTSE

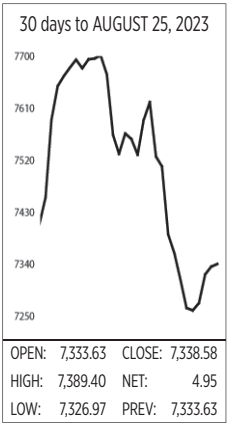


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DJ EURO STOXX

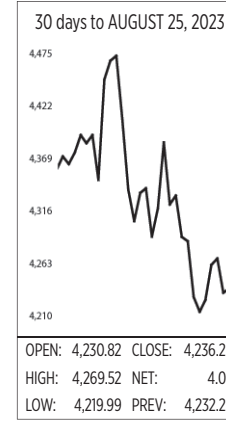


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225-NIKKEI

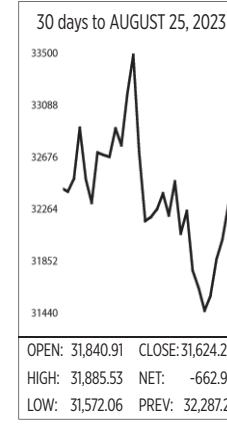


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KOSPI

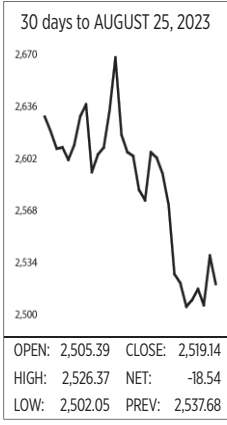


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Indexes close higher in volatile session as traders assess Powell speech

NEW YORK — US stocks ended a volatile session higher on Friday as investors digested comments from Federal Reserve Chair Jerome Powell that the US central bank may need to raise interest rates further to ensure inflation is contained.

Mr. Powell also acknowledged that price pressures have eased in his much-anticipated morning speech at the Economic Policy Symposium at Jackson Hole, Wyoming.

The major US indexes, which started the day with solid gains, alternated between extending and paring those gains for much of the session.

Mr. Powell "is demonstrating that he is pleased with how far monetary policy has come and how inflation has been reduced. But he is still holding on tightly to this notion that they are watching it carefully and they still have work to do," said Michael Arone, chief investment strategist at State Street Global Advisors in Boston.

All of the major S&P 500 sectors rose, with consumer discretionary, technology and energy among the top gainers.

The Dow Jones Industrial Average rose 247.48 points or 0.73% to 34,346.90; the S&P 500 gained 29.4 points or 0.67% to 4,405.71; and the Nasdaq Composite added 126.67 points or 0.94% to 13,590.65.

The S&P 500 and Nasdaq also ended higher for the week, with the Nasdaq rising about 2.3% and ending a three-week streak of losses. The market rose in the run up to Nvidia's second-quarter results Wednesday.

The company, which makes chips designed for artificial intelligence tasks, gave another upbeat forecast with its report.

Following Mr. Powell's comments Friday, expectations of a rate hike in November rose from a day earlier, according to CME Group's FedWatch tool. Most traders still expect the Fed to hold off on hiking in September.

In the retailers' space, shares of Gap rose 7.2% after the company beat second-quarter profit estimates, while Nordstrom fell 7.7% after the department store chain left its forecasts unchanged.

Shares of Hostess Brands ended up 21.7%, jumping after Reuters reported, citing people familiar with the matter, that the maker of Twinkies snacks is exploring a sale.

Shares of Marvell Technology fell 6.6% after the chipmaker posted a fall in second-quarter revenue.

Hawaiian Electric Industries, which has come under scrutiny over its possible role in the Hawaii wildfires, dropped 18.5% after the county of Maui sued the power company.

Volume on US exchanges was 9.15 billion shares, compared with the 10.82 billion average for the full session over the last 20 trading days.

Advancing issues outnumbered declining ones on the NYSE by a 1.51-to-1 ratio; on Nasdaq, a 1.24-to-1 ratio favored advancers.

The S&P 500 posted six new 52-week highs and seven new lows; the Nasdaq Composite recorded 23 new highs and 202 new lows. — Reuters

Gold drops; Fed sets on more rate hikes

GOLD fell on Friday, en route to snap a four-session streak of gains after US Federal Reserve Chair Jerome Powell left the door open to more interest rate hikes.

Spot gold fell 0.4% to \$1,910.31 per ounce by 1:44 p.m. EDT (1744 GMT). US gold futures settled 0.4% lower at \$1,939.90.

The dollar and benchmark 10-year Treasury yields ticked higher, denting non-yielding bullion's appeal.

This pressured gold as Mr. Powell looks to stay the course in holding rates higher for longer, remaining data dependent, said Phillip Streible, chief market strategist at Blue Line Futures in Chicago.

Mr. Powell, in a speech at an economic summit in Jackson Hole, Wyoming, said policy makers would "proceed carefully as we decide whether to tighten further," but also made clear the central bank has not yet concluded that its benchmark interest rate is high enough to be sure inflation returns to the 2% target.

"Gold's reaction to Mr. Powell's signal that the Fed is on hold but vigilant is somewhat disappointing, suggesting demand at current levels may be limited," said Tai Wong, a New York-based independent metals trader.

"We are likely in a trading range, though a close under \$1,900 could trigger some liquidation."

Momentum was also building among European Central Bank (ECB) policy makers for a pause in rate hikes amid deteriorating growth prospects. ECB chief Christine Lagarde was also due to speak at Jackson Hole later in the day.

"If she (Lagarde) could lift the euro currency up, you might see some dollar weakness and that could boost gold," Mr. Streible said.

Silver rose 0.1% to \$24.15 per ounce. Palladium dropped 1.5% to \$1,222.22. Platinum gained 0.9% to \$942.20.

Silver and platinum are also headed for their best week since July 14, while palladium was set for a second straight weekly decline. — Reuters

Source: REUTERS

US COMMODITY FUTURES

PLATINUM (OCTOBER CONTRACT)

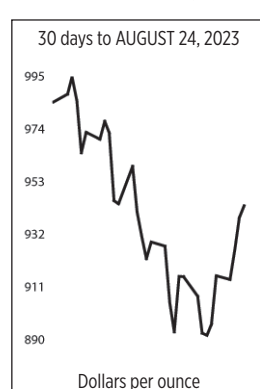


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GOLD (AUGUST CONTRACT)

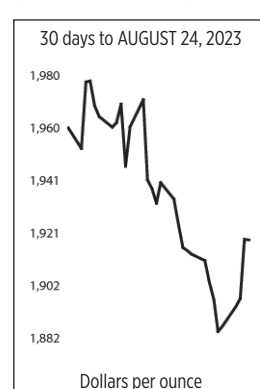


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SILVER (SEPTEMBER CONTRACT)

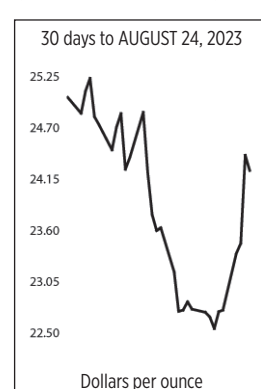


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COPPER (AUGUST CONTRACT)

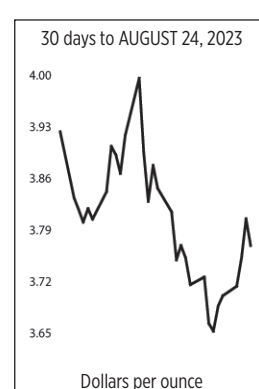


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COFFEE (SEPTEMBER CONTRACT)

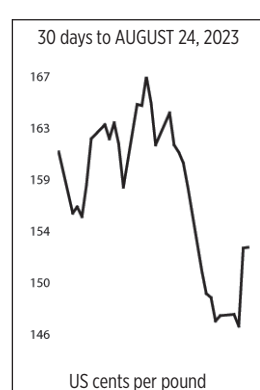


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SUGAR (OCTOBER CONTRACT)

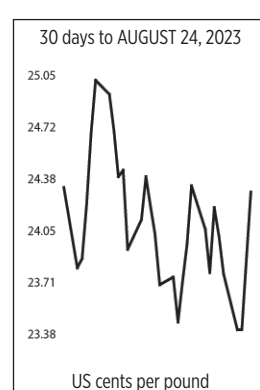


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COCOA (SEPTEMBER CONTRACT)

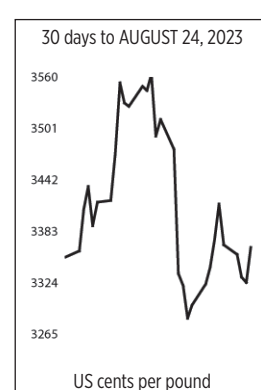


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WHEAT (SEPTEMBER CONTRACT)

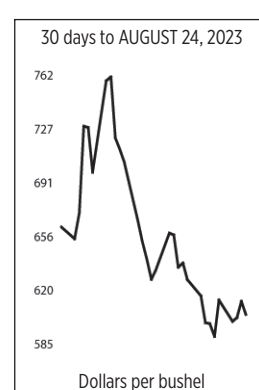


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SPOT PRICES

Table listing spot prices for METAL (Palladium, Platinum), GRAINS (Rice), FOOD (Cocoa, Sugar), LIFFE COFFEE, LIFFE COCOA, and COCONUT.

Table listing spot prices for LIFFE COFFEE and LIFFE COCOA.

Table listing spot prices for COCONUT and LONDON METAL EXCHANGE (LME).

Table listing spot prices for LONDON METAL EXCHANGE (LME).

London cocoa settles at 46-year high on tight supplies

LONDON COCOA futures on ICE settled at a 46-year high on Friday, buoyed by the prospect of a further tightening in supplies in the coming 2023/24 season.

COCOA

December London cocoa settled £54 or 2% higher at £2,796 per ton, a 46-year high.

The market has been regularly setting 46-year highs since late June, lifted by concern over crop disease in West Africa and the prospect of a third successive global deficit in the 2023/24 season that begins on Oct. 1.

Dealers said the crop in second-biggest grower Ghana has been particularly badly hit and could be about 650,000 metric tons in the current 2022/23 season, well below the International Cocoa Organization's current estimate of 750,000 tons.

The 2023/24 production outlook has been dented by El Niño, with the US Climate Prediction Center saying that the weather phenomenon is expected to strengthen through the winter.

"Across West Africa, where global cocoa production is concentrated, El Niño is associated with drier than usual weather condi-

tions, fueling concerns over global supply," BMI said in a note.

December New York cocoa settled \$31 or 0.9% higher at \$3,466 a metric ton.

SUGAR

October raw sugar settled 0.54 cent or 2.2% higher at 24.83 cents per pound (lb).

The market has been supported this week by news that India is expected to ban mills from exporting sugar in the season starting in October, halting shipments for the first time in seven years.

Production in the key Center-South region of Brazil, how-

ever, is running well above last season's pace.

"If India exports less or indeed no sugar at all, Brazil — the world's largest producer and exporter — could step into the breach," Commerzbank said in a note.

October white sugar settled \$16 or 2.3% higher at \$709.40 a ton.

COFFEE

December arabica coffee settled 1.15 cents or 0.7% lower at \$1.5315 per lb.

November robusta coffee settled \$31 or 1.3% higher at \$2,437 a ton. — Reuters

Copper rally loses steam; Fed says need to raise rate

LONDON — Copper prices in LONDON reversed earlier gains on Friday after US Federal Reserve Chair Jerome Powell said the US central bank might need to raise interest rates further to contain inflation.

Three-month copper on the London Metal Exchange (LME) was flat at \$8,357 per metric ton by 1619 GMT.

Mr. Powell said Fed policy makers would "proceed carefully as we decide whether to tighten further," and made clear the central bank had not yet concluded that its benchmark interest rate was high enough to be sure inflation returns to its 2% target. The US dollar index touched its highest since June 1.

October white sugar settled \$16 or 2.3% higher at \$709.40 a ton. — Reuters

consumption months for copper in China.

"With no COVID-19 lockdown restrictions in the country for the first time in three years, in addition to a ramp up in targeted policy and stimulus efforts, focus is now firmly centered on the timing and pace of demand recovery in the months ahead," StoneX said in a research note on Friday.

"Global visible base metal stocks (with the exception of tin) have fallen to historically low levels over the last 6-9 months, and therefore the potential for higher prices or price volatility is elevated, should we see an increase in demand."

Copper inventories in warehouses monitored by the Shanghai Futures Exchange rose by 3.5% this week while zinc inventories fell by 20.2% to a seven-month low, weekly data showed. LME aluminum and zinc were steady at \$2,158 a ton and \$2,394, respectively; lead fell 0.9% to \$2,163.50; and tin lost 1.4% to \$25,515; while nickel was unchanged at \$20,820. — Reuters