

## Gold prices soar to all-time peak on Fed rate cut bets

GOLD PRICES bolted to an all-time high above \$2,100 per ounce on Monday as US Federal Reserve Chair Jerome Powell's remarks elevated traders' confidence that the US central bank could cut interest rates early next year.

Lower interest rates reduce the opportunity cost of holding a noninterest-bearing bullion.

Spot gold was up 0.8% at \$2,087.69 per ounce by 0530 GMT. Earlier in the session, bullion surged to an all-time high of \$2,111.39. US gold futures rose nearly 1% to \$2,107.50.

"After his (Powell) speech, traders were more convinced that we're currently at the peak of the US interest rates and therefore that the path forward from here is more likely to be down rather than up," said KCM Trade chief market analyst Tim Waterer.

Mr. Powell on Friday said "the risks of under- and over-tightening are becoming more balanced," but the Fed is not thinking about lowering rates right now.

Traders are now pricing in a 70% chance for a rate cut by the US central bank by next March, CME's FedWatch tool showed.

The market viewed his comments as dovish, sending the dollar index and 10-year Treasury yields lower on Friday, making gold more attractive for other currency holders.

Backing market sentiment, data last week pointed out to cooling inflationary pressures, a gradually easing labor market, with Fed Governor Christopher Waller flagging a possible rate cut if inflation continues to decline.

Investor focus now shift to US nonfarm payrolls data — a key employment report due on Friday, that could influence the outlook for US interest rates.

Spot silver edged 0.1% higher to \$25.45 per ounce; palladium fell 0.5% to \$929.10 per ounce; and platinum was down 0.4% at \$996.04. — Reuters

## SPOT PRICES

FRIDAY, DECEMBER 1, 2023

### METAL

PALLADIUM free \$/troy oz	1,006.85
PALLADIUM JMI base, \$/troy oz	1,016.00
PLATINUM free \$/troy oz	929.22
PLATINUM JMI base \$/troy oz	933.00
KRUGGERAND, fob \$/troy oz	2,044.00
IRIDIUM, whs rot, \$/troy oz	4,990.00
RHODIUM, whs rot, \$/troy oz	4,390.00

### GRAINS (November 30, 2023)

(FOB Bangkok basis at every Thursday)	
FRAGRANT (100%) 1st Class, \$/ton	872.00
FRAGRANT (100%) 2nd Class, \$/ton	858.00
RICE (5%) White Thai- \$/ton	640.00
RICE (10%) White Thai- \$/ton	638.00
RICE (15%) White Thai- \$/ton	623.00
RICE (25%) White Thai- \$/ton (Super)	623.00
BROKER RICE A-1 Super \$/ton	499.00

### FOOD

COCOA ICCO Dly (SDR/mt)	3,220.45
COCOA ICCO \$/mt	4,293.79
COFFEE ICA comp '2001 cts/lb	169.99
SUGAR ISA FOB Daily Price, Carib. port cts/lb	25.11
SUGAR ISA 15-day ave.	25.97

### LIFFE COFFEE

New Robusta 10 MT - \$/ton

	High	Low	Sett	Psett
Jan.	2,627	2,545	2,572	2,611
Mar.	2,563	2,499	2,528	2,546
May	2,521	2,457	2,490	2,503
July	2,486	2,423	2,457	2,463

### LIFFE COCOA

(Ldn)-10 MT-E/ton

	High	Low	Sett	Psett
Dec.	3,580	3,479	3,501	3,580
Mar.	3,560	3,475	3,498	3,558
May	3,439	3,360	3,382	3,435
July	3,323	3,248	3,270	3,318

### COCONUT

MANILA COPRA (based on 6% moisture)

Peso/100kg	Buyer/Seller
Lag/Ozn/Luc 23	3,300.00/3,350.00

Philippine Coconut Oil - Crude

CIF NY/NOLA 60.00

PALM OIL RAIL/NOLA 63.00

COCONUT OIL (PHIL/IDN), \$ per ton,

CIF Europe

Oct./Nov.'23 0.00/1,080.00

Nov./Dec.'23 0.00/1,060.00

Dec./Jan.'24 1,010.00/1,050.00

Jan./Feb.'24 1,015.00/1,060.00

### LONDON METAL EXCHANGE

LME FINAL CLOSING PRICES, US\$/MT

3 MOS

ALUMINUM H.G. 2,193.00

ALUMINUM Alloy 1,769.00

COPPER 8,464.50

LEAD 2,123.00

NICKEL 16,645.00

TIN 23,246.00

ZINC 2,475.50

# Oil prices fall on persistent stress over OPEC+ supply cuts, demand

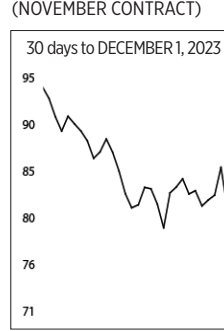
NEW DELHI — Oil futures reversed course after rising briefly on Monday amid persistent pressure from the OPEC+ decision and uncertainty over global fuel demand growth, although the risk of supply disruptions from the Middle East conflict limited the losses.

Brent crude futures were down 0.6% or 49 cents to \$78.39 a barrel by 0406 GMT, while US West Texas Intermediate (WTI) crude futures were at \$73.65 a barrel, down 0.6% or 42 cents.

Oil prices slumped more than 2% last week on investor scepticism about the depth of supply cuts by the Organization of the Petroleum Exporting Countries and allies including Russia, together called OPEC+, and concern about sluggish global manufacturing activity.

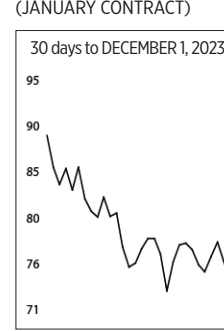
OPEC+ cuts announced on Thursday were voluntary in nature, raising doubts about whether

### ASIA-DUBAI (NOVEMBER CONTRACT)



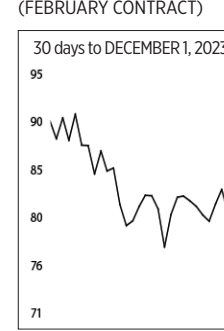
	Dec. 27	28	29	30	1
\$/bbl	81.50	82.10	82.60	85.39	81.30
Average (December 1)	\$81.30				
Average (November 1-30)	\$83.54				

### NEW YORK-WTI (JANUARY CONTRACT)



	Dec. 27	28	29	30	1
\$/bbl	74.86	76.41	77.86	75.96	74.07
Average (December 1)	\$74.07				
Average (November 1-30)	\$77.38				

### LONDON-BRENT (FEBRUARY CONTRACT)



	Dec. 27	28	29	30	1
\$/bbl	79.98	81.68	83.10	80.86	78.88
Average (December 1)	\$78.88				
Average (November 1-30)	\$81.94				

Source: REUTERS

or not producers would fully implement them. Investors were also unsure about how the cuts would be measured.

Geopolitical considerations were also front and center of investors' minds as fighting resumed

in Gaza. Three commercial vessels came under attack in international waters in the southern Red Sea, the US military said on Sunday, as Yemen's Houthi group claimed drone and missile attacks on two Israeli vessels in the area.

The resumption of the Israel-Hamas war fueled the bullish momentum for oil prices, CMC Markets analyst Tina Teng said.

US oil rigs rose five to 505 this week, their highest since September, energy services firm Baker Hughes said in its closely followed report on Friday.

On Russian oil, western countries have stepped up efforts to enforce the \$60-a-barrel price cap on seaborne shipments of Russian oil it imposed to punish Moscow for its war in Ukraine.

The White House said on Friday it was prepared to "pause" sanctions relief for OPEC member Venezuela in coming days unless there is further progress on the release of Venezuelan political prisoners and "wrongfully detained" Americans. Meanwhile, India has resumed Venezuelan oil purchases. — Reuters

## Asia shares mixed; gold prices hit record high

SYDNEY — Asian shares were mixed on Monday while gold spiked to all-time peaks above \$2,100 at the start of a busy week for economic data that will test market wagers for early and aggressive rate cuts from major central banks next year.

In particular, the US November payrolls report on Friday needs to be solid enough to support the soft-landing scenario, but not so strong as to threaten the chance of easing. Median forecasts are for payrolls to rise 180,000, keeping unemployment steady at 3.9%.

Many analysts suspect risks are to the upside, with Goldman Sachs tipping 238,000 including a chunk of workers returning from strikes, and a jobless rate of 3.8%.

There was also still a risk the Israel-Hamas war could widen into a broader conflict with three commercial vessels coming under attack in the southern Red Sea.

MSCI's broadest index of Asia-Pacific shares outside Japan was still up 0.4%, led by gains in South Korea and Australia. Japan's Nikkei dipped 0.4% as the yen extended recent gains.

Chinese blue chips eased 0.2%, while the country's central bank set another firm fix for the yuan.

Trade figures for China are due later in the week with the recent trend being softening exports to the US overshadowing gains in Asia.

EUROSTOXX 50 futures and FTSE futures were a fraction firmer. S&P 500 futures dipped 0.1%, after finishing at a 20-month high on Friday, while Nasdaq futures lost 0.2%. The S&P 500 is up 19% for the year so far and just 4% away from its all-time peak.

The latest surge was stoked by wagers the next move by the US Federal Reserve will be to cut rates, with Fed Chair Jerome Powell on Friday declining the opportunity to push back hard against aggressive market pricing.

Futures now imply a 71% chance the Fed will ease as soon as March, up from 21% a week ago, and are pricing in around 135 basis points (bps) of cuts for all of 2024.

The turnaround in Treasuries has been nothing short of astonishing as two-year yields fell 41 bps in just a week, the best performance since the mini-crisis in US banks back in March.

So it was no surprise that some profit taking emerged on Monday and nudged yields on 10-year notes up to 4.24%, still a long way from the October top of 5.02%.

"Our baseline scenario is for a soft landing for the US economy, with positive but below-potential sequential growth for the next six quarters," said BofA global economist Claudio Iriogoyen.

"Starting in June we expect the Fed to start cutting rates by 25bp per quarter until reaching a terminal rate of 3% in 2026," he added. "Our year-end 2024 US rate forecasts for two-year and 10-year Treasuries are 4% and 4.25%, bringing an end to the yield curve inversion."

The tumble in Treasury yields in turn pulled the rug out from under the dollar, particularly on the yen where it slid 1.8% last week and was last down at 146.56.

Speculation about an eventual unwinding of the Bank of Japan's super-easy policies has added to the pressure on yen carry trades and could carry the Japanese currency back to its July highs around 138. — Reuters

## Weak cyber defenses seen inviting more hacks in 2024

MORE DATA breaches are expected in 2024 with the country's "suboptimal" security infrastructure expected to invite more attacks, Ronald B. Gustilo, national campaigner for Digital Pinoy, said.

In a Viber message to BusinessWorld, Mr. Gustilo said: "The significant financial setbacks resulting from cybersecurity incidents serve as a stark indicator of the suboptimal state of our nation's cybersecurity infrastructure."

The Philippines suffered an estimated \$1 million in losses in the past 12 months due to cybersecurity incidents, according to connectivity cloud company Cloudflare, Inc.

Cloudflare has identified lack of investment as the biggest challenge faced by the country in the cybersecurity preparedness space.

"The cost of a cybersecurity incidents is not something that can be ignored," the information technology management company said in its report.

"The current landscape underscores a pressing need for both governmental and private entities to proactively institute continuous improvements in their cybersecurity frameworks. Failing to do so could potentially expose us to an increased frequency of cyberattacks in the coming years," Mr. Gustilo said.

Cloudflare also said that despite the increasing number of cybersecurity attacks in

the Philippines, only 44% of respondents to a study consider themselves prepared for cybersecurity incidents.

"While it is acknowledged that achieving absolute invulnerability is a complex task, institutions — whether they belong to the public or private sector — should prioritize and invest in the ongoing development of their cybersecurity infrastructure and protocols," Mr. Gustilo said.

This year, various government agencies came under attack, including the Philippine Health Insurance Corp., which was struck by Medusa ransomware that compromised more than 600 gigabytes worth of member data.

"This commitment to constant enhancement is essential in the face of evolving cyber threats. By allocating resources strategically and consistently, institutions can not only mitigate current risks but also bolster their resilience against emerging challenges in the dynamic field of cybersecurity," Mr. Gustilo said.

Cloudflare has said that companies must spend time and invest in strengthening security culture.

"Strong understanding and awareness should be the first line of defense in enhancing preparedness," it said. — Ashley Erika O. Jose

## Ilocos Norte land assessment to open up more land for farming

THE Bureau of Soils and Water Management (BSWM) said it will conduct a land assessment in preparation for opening up more land to farming.

In a statement, the BSWM said that it has recently signed a memorandum of understanding with Ilocos Norte province to begin the project.

"(The project) aims to identify and provide an inventory of soil and water resources and evaluate them for their optimal yet sustainable utilization," it added.

The bureau said that the project will aid in formulating land use policy with a view

towards expanding food production, manufacturing, and housing supply.

The BSWM's deliverables include 11 maps of prime agricultural land in Ilocos Norte which may not be used for any other purpose. The project will run for 18 months.

"The Province of Ilocos Norte is set to achieve its goal for sound land use and planning for agri-environmental development by conserving, preserving, and adhering to sustainable management of soil and water resources for agriculture," the bureau said. — Adrian H. Halili