
Macquarie sees steady recovery in commodity demand

Friday, 27 Nov, 2009

According to Macquarie Securities Group, global commodity demand will have a steady recovery in the first half next year, with China leading consumption.

Mr Jan Stuart oil economist said that China, the world's largest consumer of metals, accounted for about 50% of global commodity demand this year, up from about a third a year ago. Oil prices may reach USD 80 a barrel next year.

He added that "The leap in demand for commodities in China this year has been quite staggering. You can see where these commodities are going by the increase in production in China of goods like autos."

Macquarie's comments comes after Merrill Lynch Wealth Management Group said that commodity markets may be more challenging next year as governments curb stimulus spending and interest rates rise. Governments worldwide have spent at least USD 12 trillion on their economies.

(Sourced from www.bloomberg.net)

For more news visit at www.steelguru.com