# Article information:

October commodities: Deflationary cycle may be in early days, with push from crude | Insights | Bloomberg Professional Services
<https://www.bloomberg.com/professional/blog/october-commodities-deflationary-cycle-may-be-in-early-days-with-push-from-crude/?tactic-page=749503>

# Article summary:

1. The global economy may be entering a deflationary cycle due to China's property crisis, the 2022 commodity pump, and recession leanings in the US and Europe.

2. The disparity between spiking crude oil and plunging natural gas suggests a potential deflationary recession in 2024.

3. Crude oil's extreme backwardation and its impact on commodity prices could disrupt the global economy, similar to what happened in 2008.

# Article rating:

Appears strongly imbalanced: The article is written in a biased or one-sided way, and the information it provides is not trustworthy enough to be considered a reliable source. You should consult other sources to find reliable information on the presented issues.

# Article analysis:

The article titled "October commodities: Deflationary cycle may be in early days, with push from crude" discusses the potential for a deflationary cycle in the global economy and its impact on commodities. While the article provides some analysis and insights, there are several areas where it exhibits biases and lacks supporting evidence.

One potential bias in the article is its focus on China's property crisis as a driver of deflationary fallout. The article suggests that this crisis will have enduring effects on the global economy, but it does not provide sufficient evidence or analysis to support this claim. It would be helpful to see more data and research on how exactly China's property crisis will impact commodity prices and global inflation.

Another bias in the article is its emphasis on the negative effects of tightening central bank policies. The article suggests that most central banks tightening their policies will contribute to a deflationary cycle, but it does not explore potential benefits or counterarguments to this view. It would be useful to consider alternative perspectives on central bank policies and their impact on commodity prices.

The article also makes unsupported claims about the relationship between oil prices and global recession. It states that spiking oil prices could lead to a deflationary recession, drawing parallels with the 2008 financial crisis. However, it does not provide sufficient evidence or analysis to support this claim. It would be beneficial to see more data and research on the historical relationship between oil prices and recessions.

Additionally, the article lacks consideration of other factors that could influence commodity prices and global inflation. For example, it does not discuss geopolitical tensions or supply chain disruptions, which can have significant impacts on commodity markets. Including these factors would provide a more comprehensive analysis of the potential risks and drivers of deflationary cycles.

Furthermore, the article exhibits promotional content by suggesting that gold may outperform other commodities during a deflationary cycle. While this may be true based on historical trends, it is important to note that this is not guaranteed and depends on various factors. Presenting this as a certainty without providing supporting evidence or considering potential counterarguments undermines the credibility of the analysis.

Overall, the article presents a one-sided view of the potential deflationary cycle in commodities and lacks sufficient evidence and analysis to support its claims. It would benefit from a more balanced approach that considers alternative perspectives, includes supporting evidence, and explores potential risks and drivers in more depth.

# Topics for further research:

* Geopolitical tensions impact on commodity prices and global inflation
* Supply chain disruptions and their effects on commodity markets
* Historical relationship between oil prices and recessions
* Counterarguments to the negative effects of tightening central bank policies
* China's property crisis and its impact on commodity prices and global inflation
* Factors influencing commodity prices and global inflation beyond central bank policies and China's property crisis

# Report location:

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