

# KB Lancaster Securities expects Commodities to rise with a supercycle imminent

SEOUL, SOUTH KOREA, May 11, 2021 /EINPresswire.com/ -- [Commodities](#) will continue to climb, oil will gain from the global reopening momentum and a supercycle is on the horizon, reported finance experts at [KB Lancaster Securities](#) earlier today.

"Commodities have been a frontrunner in the turnaround since the depths of the COVID-19 market scare, and as a result, talk of a commodity supercycle is heating up. We expect the level of allocation into commodities to further increase throughout 2021," said Aaron Saunders, KB Lancaster Securities' Corporate Vice President.

Commodity supercycles are decade-long periods in which commodities trade above their long-term price trend. Finance experts at KB Lancaster Securities believe that a new supercycle is beginning now, citing a weakening dollar and supportive central banks and fiscal stimulus geared towards infrastructure spending as well as sustainable energy.

In the usual business cycle, demand pushes prices up, and supply increases to capture that windfall, sending prices down again. A supercycle occurs when supply is so inadequate to demand growth that prices rise for years, often a decade or longer.

"Biden's huge Green Energy and Infrastructure spending plan ultimately means that the U.S is going to need a lot of commodities," said William Price, Head of Corporate Asset Management at KB Lancaster Securities. "However, supply is limited, which is yet another indication that we could be on the brink of a new supercycle in commodities, as demand outstrips supply this year."

KB Lancaster Securities is also expecting Oil consumption to rise in global demand as economies reopen and mobility improves.

Price added, "Tightness in the oil market is expected to remain as demand accelerates amid the easing of mobility restrictions. The crude rally looks to be far from over, with the underlying fundamentals supporting more gains this year".

Crude prices surged by 8 percent in January, and by the beginning of February, they hit their highest levels in over a year, completely negating the pronounced losses that transpired from the outbreak of the pandemic onward.

## About Our Company

The team at KB Lancaster Securities has continued to expand. Our wealth managers and advisory professionals are highly trained, qualified and fluent across multiple languages.

Whether your financial goal is to achieve an optimum asset allocation or to invest in value-added investment products, we will customise a wealth planning solution for you to reach your financial objectives throughout the various stages of your life. For more information please visit our website: [www.klsholdings.com](http://www.klsholdings.com)

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