



Commodities Weekly

Issue 01-2025

Date: 03 Feb 2025

Bloomberg Commodity Index

102.29 ▼



Components (BCOM Index):

Energy: (WTI Crude Oil, Natural Gas, Brent Crude Oil, Low Sulphur Gas Oil, RBOB Gasoline, ULS Diesel)

Grains: (Corn, Soybeans, Soybean Meal, Chicago Wheat, Soybean Oil, Kansas HRW Wheat)

Industrial Metals: (COMEX Copper, LME Zinc, LME Aluminium, LME Nickel)

Precious Metals: (Gold, Silver)

Softs: (Sugar, Coffee, Cotton)

Livestock: (Live Cattle, Lean Hogs)

S&P GSCI

449.5968 ▼



Components of S&P Goldman Sachs Commodity Index (GSCI):
Energy: (Crude Oil, Natural Gas)
Grains: (Corn, Soybeans, Wheat)
Industrial Metals: (Aluminum, Copper, Zinc, Nickel, Lead)

Precious Metals: (Gold, Silver, Platinum)
Softs: (Sugar, Coffee, Cotton, Cocoa)
Livestock: (Cattle, Hogs)

Weekly Snapshot

Objective: Recent increase in commodity import and volatility in global market raised the concern for proper management of commodity prices. BRAC Bank Ltd. has always been highly active in introducing different hedging products as well as informing clients with latest market trends. In light of this we are issuing this commodity update to inform our clients about the latest trend and updates in global commodity market.

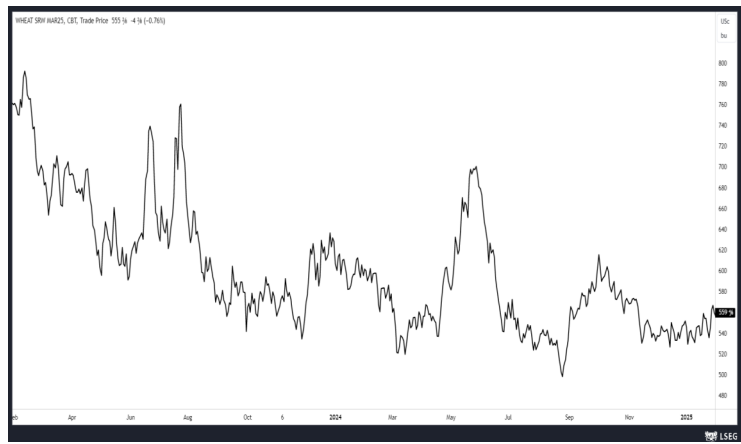
Commodity	Unit	Closing Price	% Δ Weekly	% Δ MoM	% Δ YoY	YTD High	YTD Low
Wheat	\$c/BSH	559.50	▲ 2.85%	▲ 1.45%	▲ 1.45%	569.75	526.00
Sugar	\$c/LBS	19.35	▲ 1.74%	▲ 0.47%	▲ 0.47%	19.94	17.57
Soybean	\$c/BSH	1,042.00	▼ -1.30%	▲ 4.38%	▲ 4.38%	1,076.25	978.75
Palm Oil	\$/Ton	963.82	▲ 1.73%	▼ -3.18%	▼ -3.18%	1,022.25	922.70
Cotton	\$c/LBS	65.88	▼ -2.56%	▼ -3.68%	▼ -3.68%	69.44	65.70
Brent Crude	\$/BBL	76.76	▼ -2.22%	▲ 2.84%	▲ 2.84%	82.63	74.72
LNG	\$/MMBTU	13.80	▼ -1.43%	▼ -2.13%	▼ -2.13%	14.60	13.80
Steel	\$/Ton	740.00	▲ 7.56%	▲ 4.37%	▲ 4.37%	745.00	688.00
SHFE Zinc	\$/Ton	3,256.93	▼ -0.78%	▼ -7.33%	▼ -7.33%	3,537.59	3,238.31
Indonesian Coal*	\$/Ton	124.01	0.00%	▲ 1.22%	▲ 1.22%	124.01	124.01
Australian Coal	\$/Ton	192.33	▲ 1.23%	▼ -3.91%	▼ -3.91%	206.00	187.00
Gold	\$/Ozs	2,801.00	▲ 1.07%	▲ 6.75%	▲ 6.75%	2,817.23	2,613.90

*Price published monthly once by Indonesian Govt

Wheat

Last Price USc **559.50**/BSH

CBOT wheat futures fell on Friday as market players waited to see if U.S. President Donald Trump would follow through on 25% tariffs against Mexico and Canada, slated for Feb. 1. CBOT March soft red winter wheat [WH25](#) settled down 7 cents to \$5.59-1/2 per bushel. K.C. March hard red winter wheat [KWH25](#) ended down 9 cents at \$5.79-1/4 per bushel. Minneapolis March spring wheat [MWEH25](#) fell 4-3/4 cents to end at \$6.15-1/2 per bushel. For the week, most -active wheat [Wv1](#) increased 2.85%. Analysts have warned that Trump's threatened tariffs on goods from Canada and Mexico could spark retaliation from two of the largest importers of U.S. agricultural goods. Dry weather is impacting the U.S. southwest Plains as its hard red winter wheat crop exits dormancy.

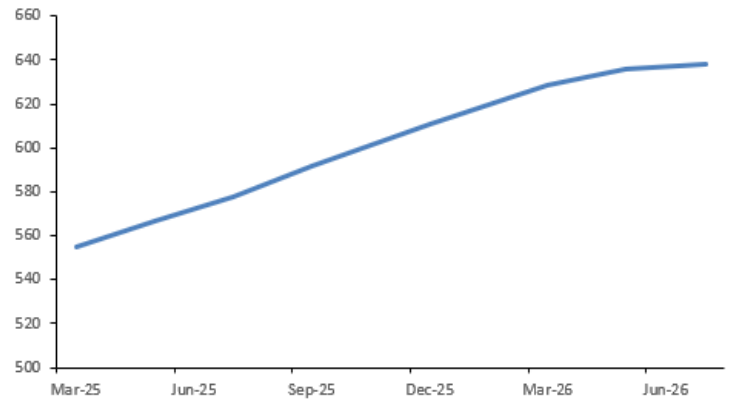


Technical:
Wheat dips down as traders await Trump tariff actions. Next level to watch 596.00.

Support:
519.50 = Mar 2024 Low
493.50 = Aug 2024 Low

Resistance:
596.25 = Sep 2024 High
614.50 = Apr 2024 High

Futures Curve



Sugar

Last Price USc **19.35**/LBS

Raw sugar [SBC1](#) lost 1.1% to 19.26 cents per lb, though the market was on track for a 1.2% weekly gain. The market had rebounded from a five-month low of 17.57 cents last week. The market was underpinned by short-term supply tightness, though a generally favourable 2025/26 crop outlook remained a bearish influence. [India's sugar output](#) in the 2024/25 marketing year ending in September 2025 could fall to 27.27 million tons, down 14.7% year on year, because mills are likely to divert more sugar for ethanol production. White sugar [LSUc1](#) was down 1% at \$517.50 a ton.



Technical:

Raw sugar falls slightly, but records weekly gain. Next level to watch 20.00.

Support:

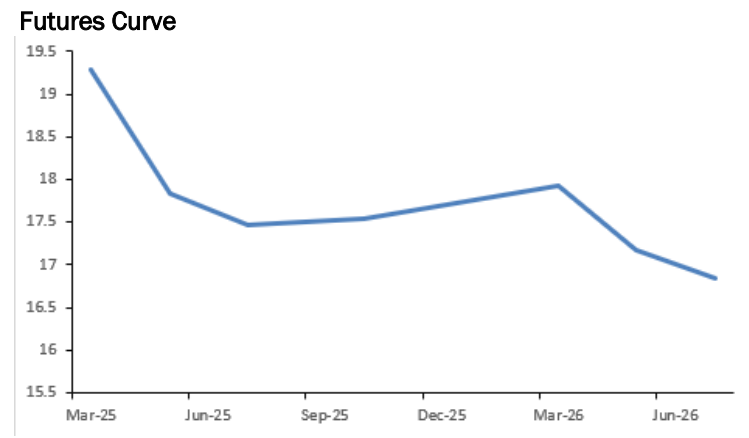
19.04 = Dec 2024 Low

18.75 = Sep 2022 High

Resistance:

20.00 = May 2024 High

20.33 = Jun 2024 High



Soybean

Last Price USc **1,042.00**/BSH

CBOT soybean futures edged down on Friday as worries about U.S. president Donald Trump imposing 25% tariffs on goods from Mexico and Canada pressured markets and traders booked profits after a rally earlier in the week. CBOT March soybeans [SH25](#) settled down 2 cents at \$10.42 per bushel. CBOT March soymeal [SMH25](#) ended down \$3.60 at \$301.1 per short ton, and March soyoil [BOH25](#) rose 1.13 cents to 46.11 cents per pound. For the week, most-active soybeans [Sv1](#) fell 1.30%. Traders waited to see if Trump would follow through on threats to [impose tariffs](#) against Mexico and Canada starting Feb. 1, which could spark retaliation from two of the largest U.S. crop importers. Soybean futures received some support from soyoil's gains. Soyoil futures got a boost with the possibility of tariffs.



Technical:

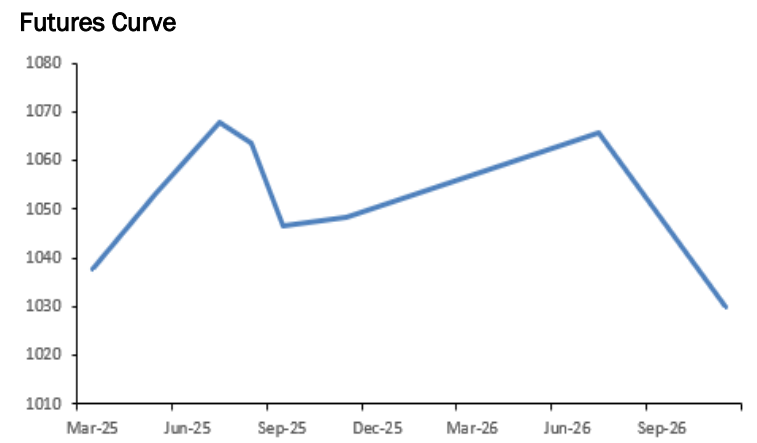
Soybeans tick down with tariff uncertainty, next level to watch 1,065.00.

Support:

936.25 = Aug 2024 Low
 910.00 = Jul 2020 High

Resistance:

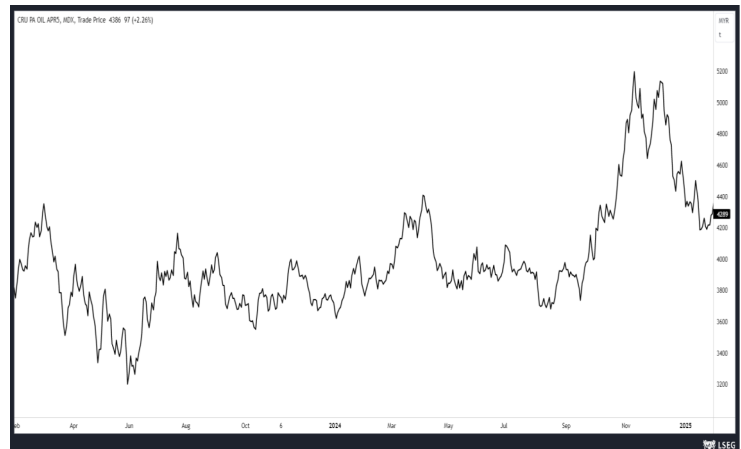
1,065.50 = Oct 2024 High
 1,115.00 = Feb 2024 Low



Palm Oil

Last Price USD **963.82**/Ton

Malaysian palm oil futures reversed early losses to end higher on Friday, and logged a second consecutive weekly gain, as stronger rival Chicago soyoil and a weaker currency offset market uncertainty over Indonesia's export rates and U.S. tariff threats. The benchmark palm oil contract [FCPOc3](#) for April delivery on the Bursa Malaysia Derivatives Exchange closed 11 ringgit, or 0.26%, higher at 4,290 ringgit (\$964.04) a metric ton. The contract gained 1.76% this week after a 0.62% rise last week. China holiday and weaker Malaysian palm oil exports, coupled with a production recovery last month, provided further concerns. Exports of Malaysian palm oil products for January are estimated to have fallen between [12.3%](#) and [20.1%](#) from a month ago. Soyoil prices on the Chicago Board of Trade [BOcv1](#) were up 1.29%. The Dalian Commodity Exchange is closed from Jan. 28 to Feb. 4 for the Lunar New Year holidays.



Technical:

Palm oil settles higher despite Indonesia export levy uncertainty, US tariff threats, next level to watch 1,181.80.

Support:

970.69 = Mar 2024 Low

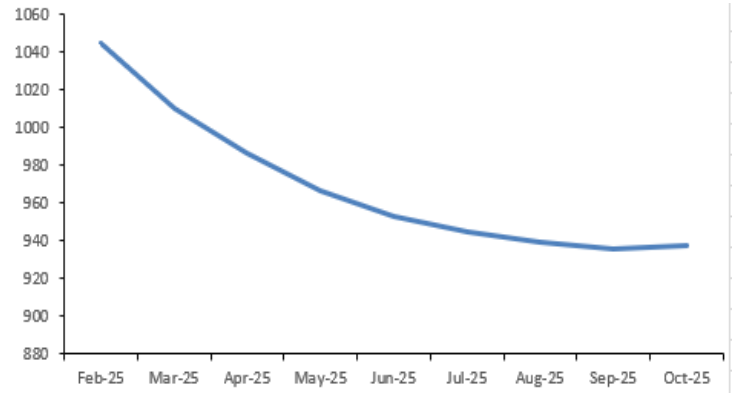
945.74 = Jul 2024 Low

Resistance:

1,181.80 = Oct 2021 High

1,301.37 = Jan 2022 High

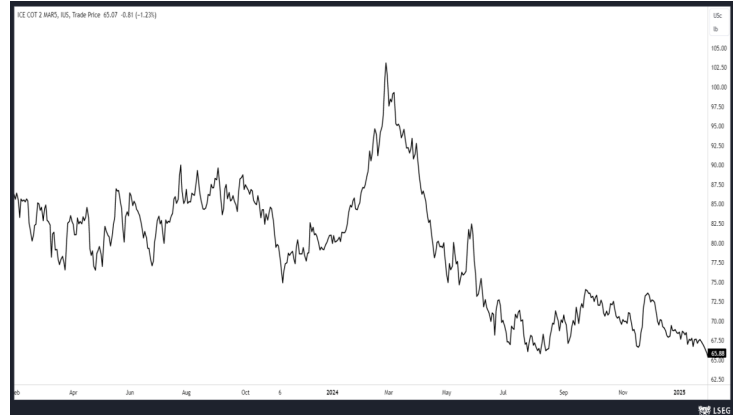
Futures Curve



Cotton

Last Price USc **65.88**/LBS

Cotton futures fell on Friday to their lowest level in nearly six months, pressured by a firm dollar and concerns over trade tariffs threatened by U.S. President-elect Donald Trump, particularly against top consumer China. Cotton contracts for March [C1c1](#) fell 0.49 cent, or 0.7%, to 65.78 cents per lb, hitting its lowest level since Aug. 5. The contract ended the week with a loss of more than 2%. The dollar index rose 0.1%. A stronger dollar makes greenback-priced cotton more expensive for overseas buyers. Earlier this week, the White House said U.S. president Donald Trump plans to hit Mexico and Canada with steep [tariffs](#) on Saturday while also considering some on China. Lower oil prices make cotton-substitute polyester less expensive.



Technical:

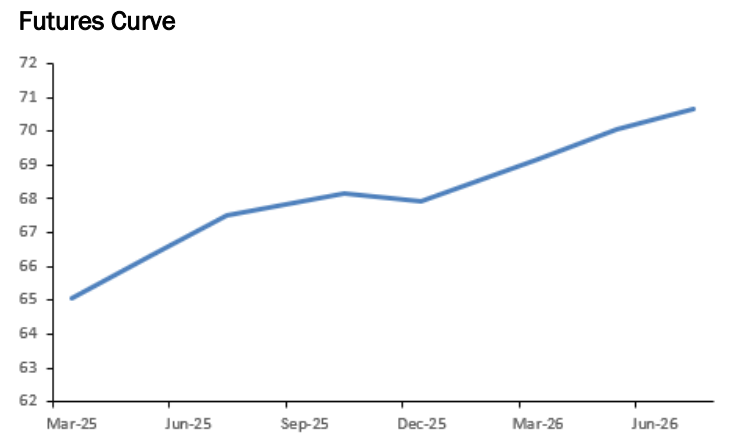
Cotton futures sink to near six-month low on firm dollar, trade tariff fears. Next level to watch 75.00.

Support:

65.30 = Aug 2024 Low
57.26 = Jun 2020 Low

Resistance:

74.58 = Sep 2024 High
76.53 = Jun 2024 High



Brent Crude

Last Price USD **76.76**/BBL

Oil prices rose on Monday after U.S. President Donald Trump imposed tariffs on Canada, Mexico and China, raising fears of supply disruption, though gains were capped by concern over what could be an economically damaging trade war. Brent crude futures [LCOc1](#) rose \$1.28, or 1.7%, to \$76.95 a barrel by 1232 GMT after touching a high of \$77.34. U.S. West Texas Intermediate crude futures [CLc1](#) were up \$1.89, or 2.6%, at \$74.42 after touching their highest since Jan. 24 at \$75.18. Trump's [sweeping tariffs](#) on goods from Mexico, Canada and China kicked off a trade war that could dent global growth and reignite inflation. The tariffs, which will take effect on Feb. 4, include a 25% levy on most goods from Mexico and Canada, with a 10% tariff on energy imports from Canada and a 10% tariff on Chinese imports.



Technical:

Oil prices gain as Trump tariffs stoke supply worries, next level to watch 80.00.

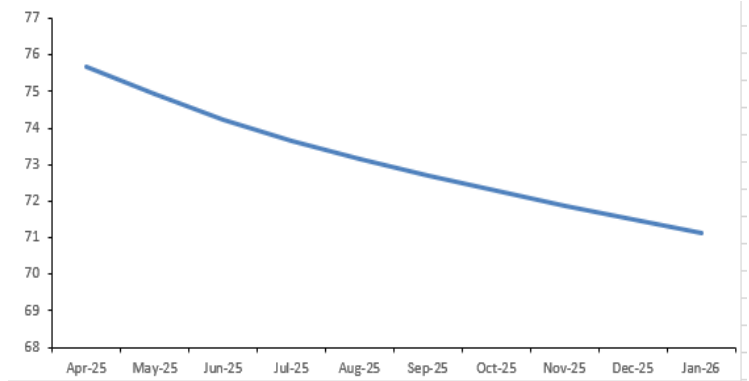
Support:

- 68.68 = Sep 2024 Low
- 64.60 = Aug 2021 Low

Resistance:

- 78.73 = Jun 2023 High
- 79.30 = Oct 2024 High

Futures Curve



LNG

Last Price

USD **13.80**/MMBTU

Asian spot liquefied natural gas (LNG) prices fell this week amid low demand during the Lunar New Year holiday in Asia, encouraging cargo diversions towards Europe where gas prices are at a 15-month high amid concerns over storage refilling. The average LNG price for March delivery into north-east Asia [LNG-AS](#) was at \$13.80 per million British thermal units (mmBtu), down from \$14/mmBtu last week. S&P Global Commodity Insights assessed its daily North West Europe LNG Marker (NWM) price benchmark for cargoes delivered in March on an ex-ship (DES) basis at \$15.31/mmBtu on Jan. 30. Argus assessed the price at \$15.26/mmBtu, while Spark Commodities assessed the price for February delivery at \$15.339/mmBtu. The U.S. arbitrage to north-east Asia via the Cape of Good Hope for February has slightly narrowed, but still strongly signals that U.S. cargoes are incentivised to deliver to Europe rather than Asia



Technical:

Asian spot LNG prices down amid low demand during Lunar New Year holiday. Next level to watch 15.10.

Support:

13.30 = DEc 2024 High

12.60 = Jun 2024 High

Resistance:

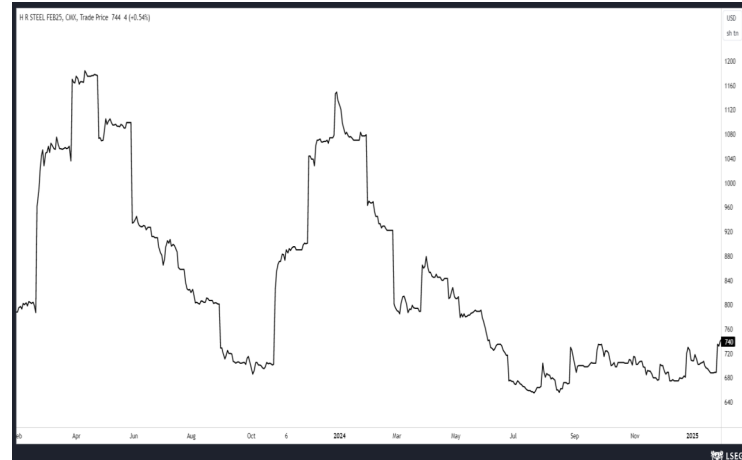
14.60 = Jan 2025 High

15.70 = Dec 2023 High

Steel (HRC)

Last Price USD **740.00**/ tons

China's imports of iron ore are on track for a soft start to the year, with January arrivals declining to multi-month lows. However, the price trend of iron ore is holding up. China, the world's biggest iron ore buyer, is expected to import 99.5 million metric tons of the key steel raw material in January. That would be down from the official customs figure of 112.5 million tons in December, and would be the lowest monthly total since June's 97.61 million. There is a note of caution around January's iron ore imports, due to the week-long Lunar New Year holidays which this year fell at the end of this month and into early February. This may result in some cargoes being pushed from January into February.



Technical:

Iron ore price moves up although import eases. Next level to watch 750.00.

Support:

650.00 = Dec 2022 Low

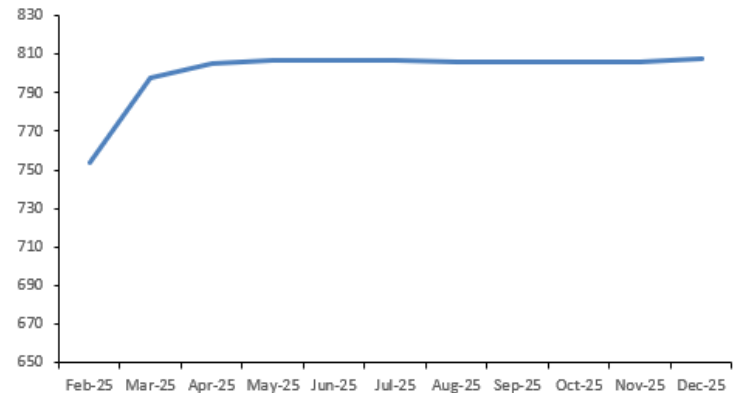
645.00 = Nov 2022 Low

Resistance:

765.00 = Sep 2022 Low

783.00 = Mar 2024 Low

Futures Curve of SHFE Steel Futures



LME Zinc

Last Price USD **3,256.93**/Tons

Most base metals slipped on Friday and copper prices were on track for their worst week in two-and-a-half months, following repeated tariff threats from U.S. President Donald Trump. Trump said on Thursday the United States would put a 25% [tariff](#) on imports from Mexico and Canada, repeating his warning to the two countries. Trump also said he was still considering new tariffs on Chinese goods, citing its part in the fentanyl trade. If Canadian and Mexican tariffs are avoided, but Chinese tariffs persist, the market will focus on potential global trade reductions or economic shocks causing uncertainty in investment and consumption, she said. China is the biggest consumer of industrial metals. LME zinc [CMZN3](#) fell 0.6% to \$2,777 a ton.



Technical:

Zinc price moves down, next level to watch 3,700.00

Support:

3,154.87 = May 2024 Low

3,083.84 = Jul 2024 Low

Resistance:

3,352.09 = Aug 2024 High

3,426.57 = Jul 2024 High

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