



Commodities Weekly

Issue 02-2025

Date: 09 Feb 2025

Bloomberg Commodity Index

104.22 ▲



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

445.7470 ▼



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	582.75	▲ 4.16%	▲ 4.16%	▲ 5.67%	592.50	526.00
Sugar	\$c/LBS	19.36	▲ 0.05%	▲ 0.05%	▲ 0.52%	20.19	17.57
Soybean	\$c/BSH	1,049.50	▲ 0.72%	▲ 0.72%	▲ 5.13%	1,079.75	978.75
Palm Oil	\$/Ton	1,015.10	▲ 5.32%	▲ 5.32%	▲ 1.97%	1,025.24	922.70
Cotton	\$c/LBS	65.63	▼ -0.38%	▼ -0.38%	▼ -4.05%	69.44	65.01
Brent Crude	\$/BBL	74.66	▼ -2.74%	▼ -2.74%	▲ 0.03%	82.63	74.10
LNG	\$/MMBTU	14.90	▲ 7.97%	▲ 7.97%	▲ 5.67%	14.90	13.80
Steel	\$/Ton	755.00	▲ 2.03%	▲ 2.03%	▲ 6.49%	756.00	688.00
SHFE Zinc	\$/Ton	3,260.75	▲ 0.12%	▲ 0.12%	▼ -7.23%	3,519.39	3,161.27
Indonesian Coal*	\$/Ton	124.01	0.00%	0.00%	▲ 1.22%	124.01	124.01
Australian Coal	\$/Ton	188.00	▼ -2.25%	▼ -2.25%	▼ -6.07%	206.00	187.00
Gold	\$/Ozs	2,860.39	▲ 2.12%	▲ 2.12%	▲ 9.02%	2,886.62	2,613.90

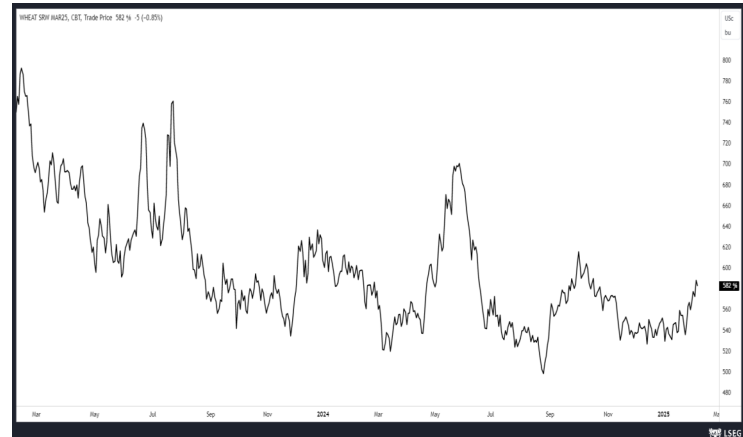
*Price published monthly once by Indonesian Govt

Wheat

Last Price

USc **582.75**/BSH

Profit-taking pushed CBOT wheat futures lower on Friday after the market hit an October high earlier in the session. Traders sought to reduce risk amid uncertainty over the potential for reciprocal U.S. tariffs to trigger retaliation that hurts demand for U.S. crops. Global wheat imports are likely to drop this year as slowing economic growth among top buyers, a stronger greenback and higher local cereal output curb grain buying, putting pressure on prices. Canadian stocks of wheat were up at the end of December, compared to a year earlier. Traders monitored cold weather that threatens to harm crops in Russia, the world's biggest wheat importer. CBOT March soft red winter wheat WH25 closed down 5 cents at \$5.82-3/4 a bushel.



Technical:

Wheat pulls back from October high on profit taking. Next level to watch 596.00.

Support:

519.50 = Mar 2024 Low

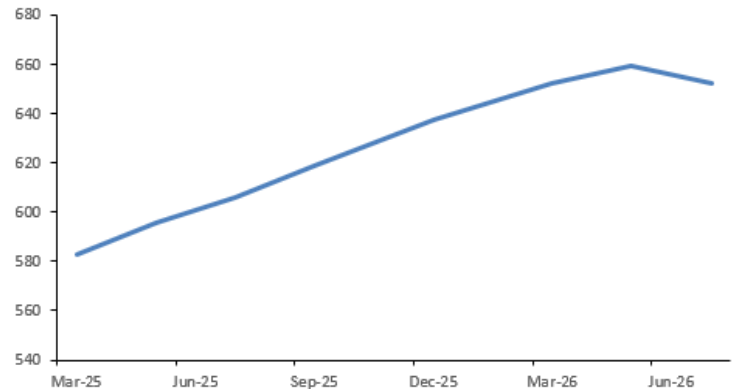
493.50 = Aug 2024 Low

Resistance:

596.25 = Sep 2024 High

614.50 = Apr 2024 High

Futures Curve



Sugar

Last Price

USc **19.36**/LBS

Raw sugar futures SBC1settled down 0.21 cent, or 1.1%, at 19.36 cents per lb. It was flat for the week. Brazilian exports fell 35% in January compared with the same period a year earlier to 2.06 million tons, as stocks are running low. Many market participants are travelling to the annual Dubai sugar conference happening next week. White sugar LSUC1fell 0.9% at \$517.70 a ton.



Technical:

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

Support:

19.04 = Dec 2024 Low

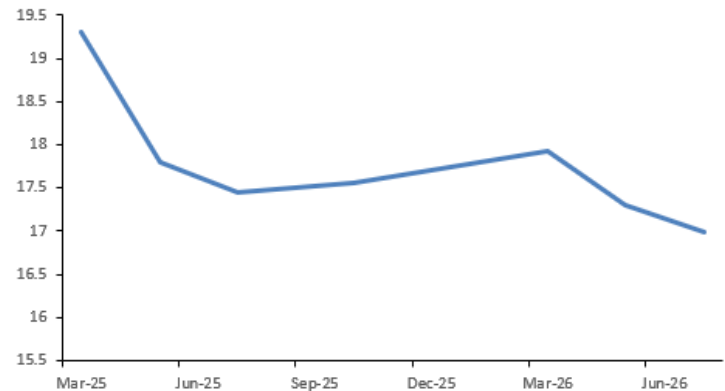
18.75 = Sep 2022 High

Resistance:

20.00 = May 2024 High

20.33 = Jun 2024 High

Futures Curve



Soybean

Last Price USc **1,049.50**/BSH

CBOT soybean futures closed lower on Friday under pressure from improved weather in dry growing areas of Argentina. Rainfall this week provided much-needed relief over 60% of Argentina's current planted soybean crop. Rains will increase in central Argentina starting late next week. The United States faces competition for global sales from Argentina, the No. 1 exporter of soy meal and soy oil, and Brazil, the world's biggest soybean supplier. Brazilian farmers are expected to produce 174.88 million metric tons of soy for 2024-25. CBOT March soybeans SH25 closed 11 cents lower at \$10.49-1/2 a bushel. CBOT March soy meal SMH25 finished down \$5 at \$301.40 per short ton, while March soy oil BOH25 rose 0.58 cents to end at 45.98 cents per pound.



Technical:

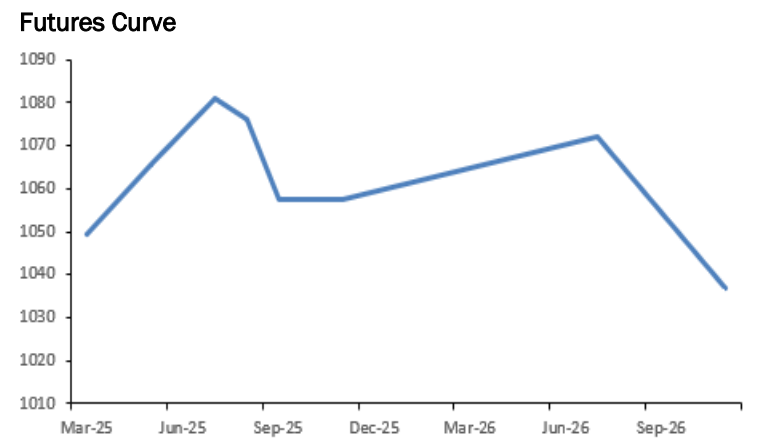
Soybean finishes lower as Argentina crop weather improves, next level to watch 1,065.00.

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 **1,015.10**/Ton

Malaysian palm oil futures closed higher on Friday, logging a third straight week of gains, supported by a weaker ringgit, anticipated Ramadan demand and seasonal production declines. The benchmark palm oil contract FCPOc3 for April delivery on the Bursa Malaysia Derivatives Exchange climbed 102 ringgit, or 2.32%, to 4,505 ringgit (\$1,015.10) a metric ton at the close, setting a third straight day of increase. The contract gained 5.32% this week. The Malaysian Palm Oil Board is expected to release the monthly supply and demand data on February 10. Oil prices rose after new sanctions were imposed on Iran's crude exports but were on track for a third straight week of decline, hurt by U.S. President Donald Trump's renewed trade war on China and threats of tariffs on other countries. Stronger crude oil futures make palm a more attractive option for biodiesel feedstock.

Technical:

Palm oil sets third weekly gain on Ramadan demand, production declines, next level to watch 1,181.80.

Support:

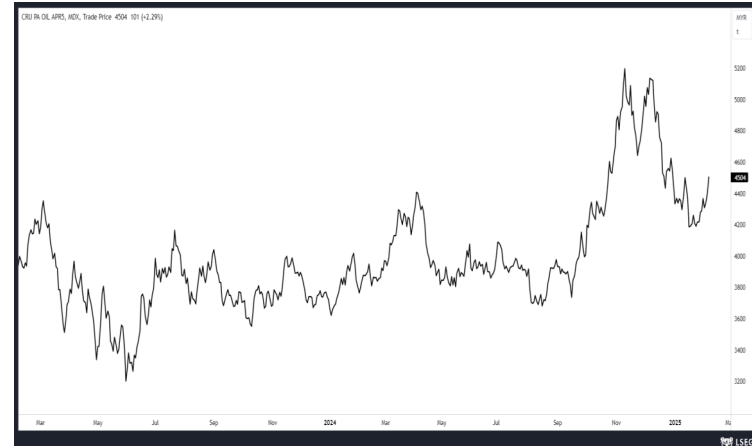
970.69 = Mar 2024 Low

945.74 = Jul 2024 Low

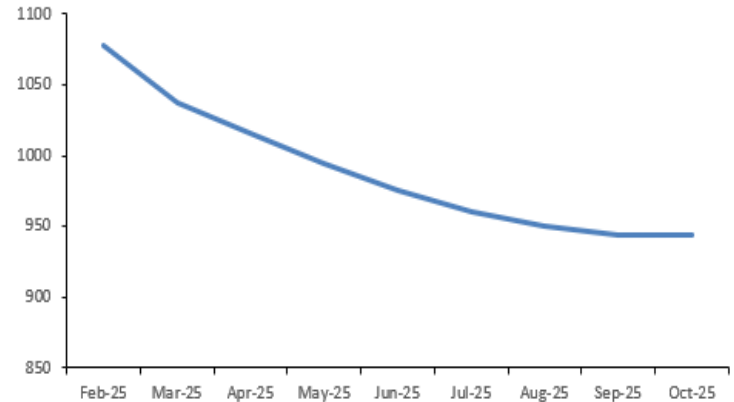
Resistance:

1,181.80 = Oct 2021 High

1,301.37 = Jan 2022 High



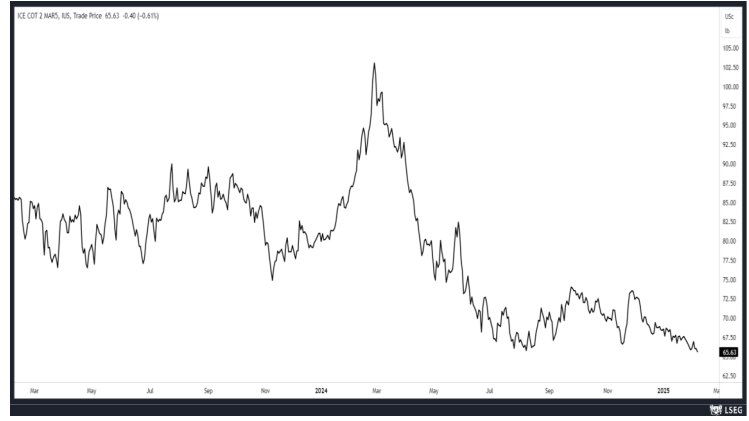
Futures Curve



Cotton

Last Price USc **65.63**/LBS

ICE cotton prices rose in a thin-volume trade on Friday and were poised for a weekly gain, helped by a lower dollar, higher oil prices and a robust weekly export sales report. Cotton contracts for March Ctc1 rose 0.08 cent, or 0.12%, to 66.11 cents per lb. The contract rose 0.6% during the week. The total trade volume was a little over 13,000 contracts, which is far lower than 28,000 contracts traded on Thursday. The dollar index .DXY was down 0.6% this week, making cotton less expensive for overseas buyers. Oil prices rose after new sanctions were imposed on Iran's crude exports. Higher oil prices make cotton-substitute polyester more expensive. On Thursday, the USDA's weekly export sales report showed export sales of upland cotton rose 44% to 221,100 RB from the previous week and 12% from the prior four-week average.



Technical:

Cotton rises on weak dollar, high oil in thin volume trade. Next level to watch 75.00.

Support:

65.30 = Aug 2024 Low

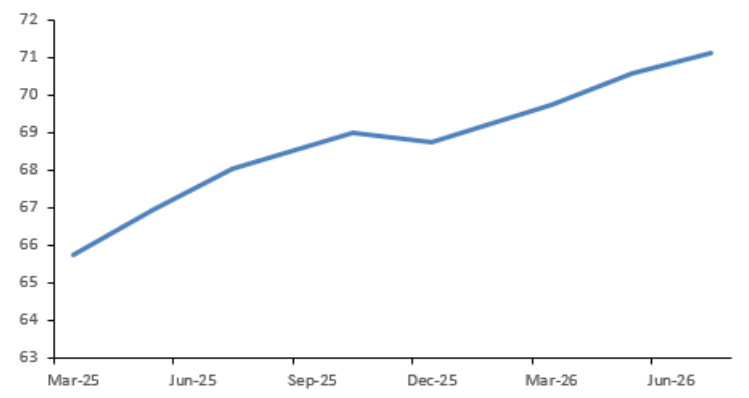
57.26 = Jun 2020 Low

Resistance:

74.58 = Sep 2024 High

76.53 = Jun 2024 High

Futures Curve



Brent Crude

Last Price USD **74.66**/BBL

Oil prices finished with daily gains on Friday after new sanctions were imposed on Iran's crude exports but prices were down for the week as investors worried about U.S. President Donald Trump's renewed trade war on China and threats of tariffs on other countries. Brent crude futures LCOc1settled at \$74.66 a barrel, up 37 cents, or 0.5% and poised to fall more than 2% this week. U.S. West Texas Intermediate crude CLc1finished at \$71.00 a barrel, up 39 cents, or 0.55%. The U.S. Treasury said on Thursday it was imposing new sanctions on a few individuals and tankers helping to ship millions of barrels of Iranian crude oil per year to China, in an incremental move to increase pressure on Tehran. Oil prices settled lower on Thursday after Trump repeated a pledge to raise U.S. oil production, unnerving traders a day after the country reported a much bigger than anticipated jump in crude inventories.



Technical:

Oil prices set for 3rd straight weekly fall on tariff concerns, next level to watch 80.00.

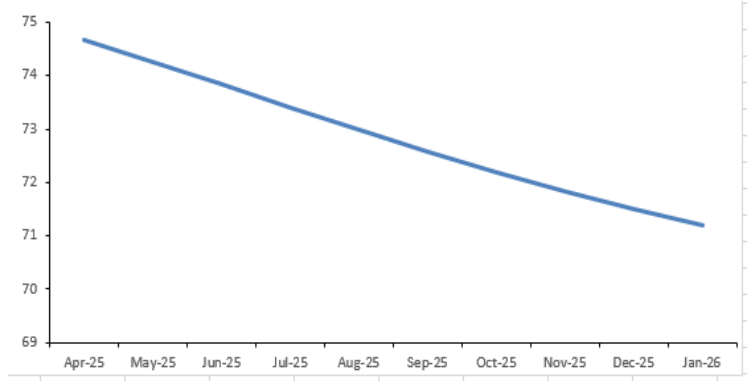
Support:

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

Resistance:

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

Futures Curve



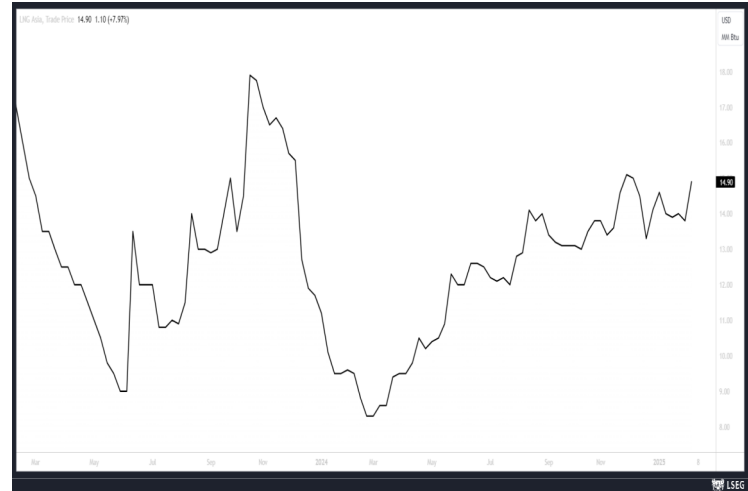
LNG

Last Price

USD **14.90**/MMBTU

Asian spot liquefied natural gas (LNG) prices hit a two-month high this week, tracking a rally in European gas prices, despite subdued Asian demand due to healthy inventories.

The average LNG price for March delivery into north-east Asia LNG-AS was at \$14.90 per million British thermal units (mmBtu), the highest since early December and up from \$13.80/mmBtu last week. In Europe, gas prices have remained near 15-month highs this week as colder weather stoked demand and lower storage levels buoyed the market. The U.S. arbitrage to north-east Asia via the Cape of Good Hope for February has narrowed this week but still signals that U.S. cargoes are incentivised to deliver to Europe rather than Asia.



Technical:

Asian spot LNG prices at two-month high tracking EU gas rally. Next level to watch 15.10.

Support:

14.60 = Jan 2025 High

13.30 = DEc 2024 High

Resistance:

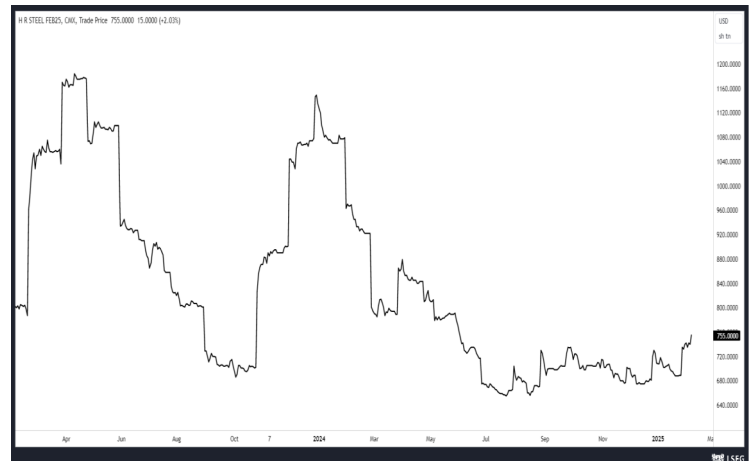
15.10 = Nov 2025 High

15.70 = Dec 2023 High

Steel (HRC)

Last Price USD **755.00**/ tons

Dalian iron ore futures prices hit a four-month high on Friday, logging weekly gains as steel demand in top consumer China recovered after the Lunar New Year holidays, while support for the property sector also buoyed sentiment. The most-traded May iron ore contract on China's Dalian Commodity Exchange (DCE) DCIOcv1 ended daytime trade 0.86% higher at 817 yuan (\$112.11) a metric ton, gaining 1.36% this week. Steel mills have resumed production after the Lunar New Year holidays, improving short-term iron ore demand and supporting prices. Other steelmaking ingredients on the DCE surged, with coking coal DJMcv1 and coke DCJcv1 up 2.76% and 2.97% respectively. Steel benchmarks on the Shanghai Futures Exchange gained ground. Rebar SRBcv1 rose nearly 0.4%, hot-rolled coil SHHCcv1 was up 0.44%, wire rod SWRCv1 advanced 1.79% and stainless steel SHSScv1 ticked up 0.44%.



Technical:

Iron ore touches 4-month high on recovering steel demand. Next level to watch 765.00.

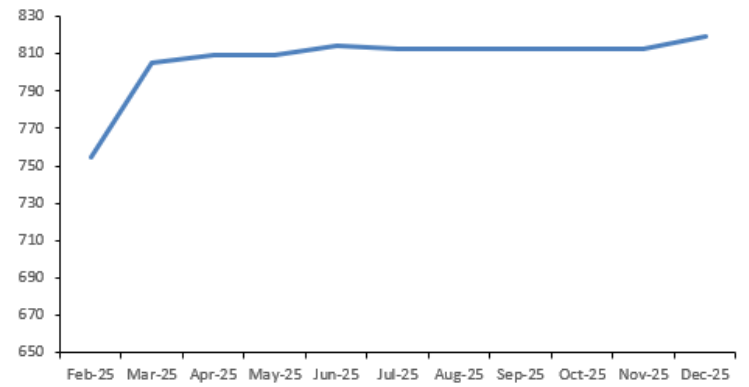
Support:

- 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



SHFE Zinc

Last Price USD **3,260.75**/Tons

The US dollar index rebounded, suppressing the performance of base metals. Domestically, although zinc ingot inventory increased after the Chinese New Year, the growth was below expectations. Additionally, the stock market and base metals showed a synchronized upward trend, with base metals broadly rising.

The most-traded SHFE zinc 2503 contract opened at 23,615 yuan/mt. At the beginning of the session, SHFE zinc fluctuated near the daily moving average. Later, bulls increased their positions, pushing SHFE zinc slightly upward to a high of 23,695 yuan/mt. It ultimately closed lower at 23,635 yuan/mt, down 40 yuan or 0.17%.



Technical:

Zinc price moves down, next level to watch 3,352.00

Support:

3,154.87 = May 2024 Low

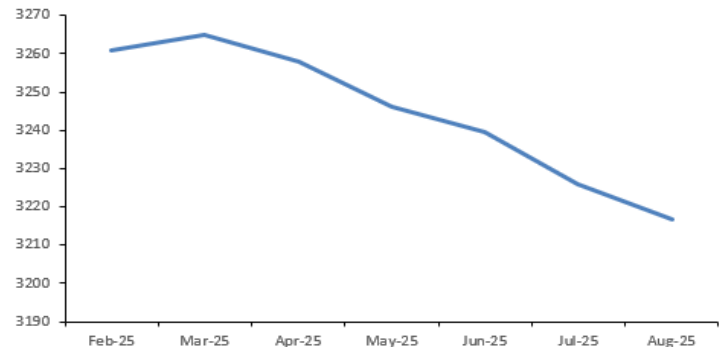
3,083.84 = Jul 2024 Low

Resistance:

3,352.09 = Aug 2024 High

3,426.57 = Jul 2024 High

SHFE Zinc Forward Curve



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