



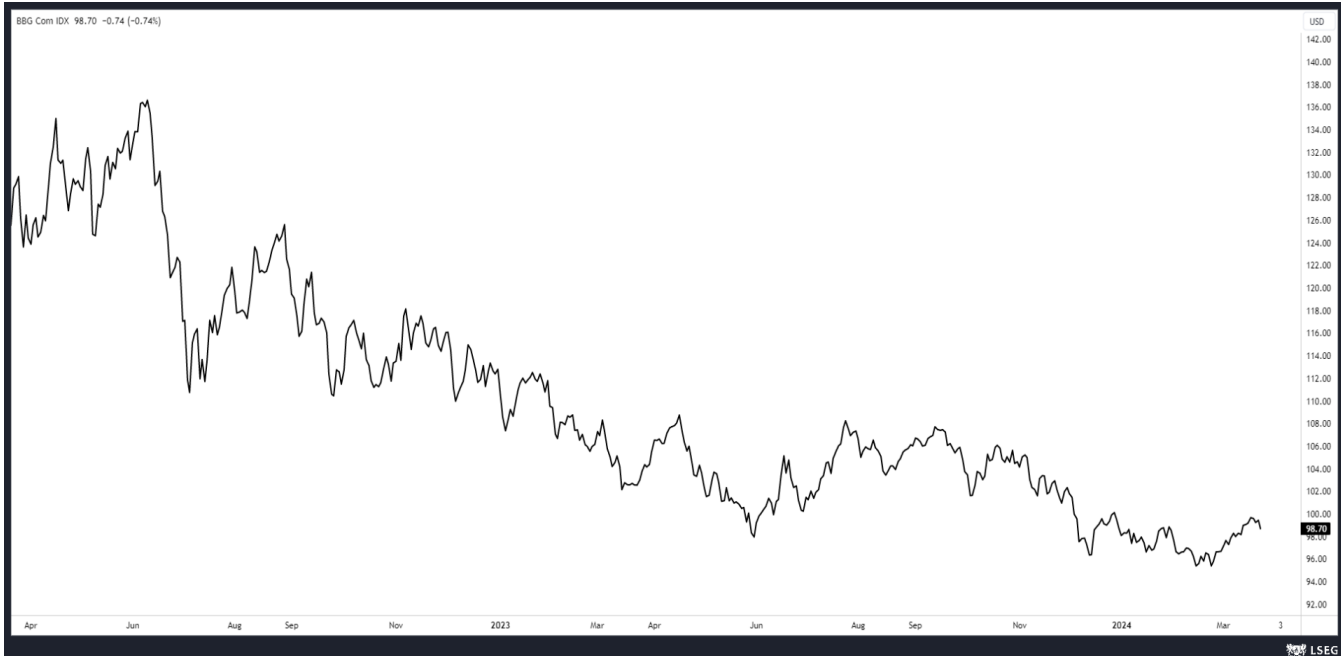
Commodities Weekly

Issue 08-2024

Date: 24 Mar 2024

Bloomberg Commodity Index

98.70 ▲



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

486.4318 ▲



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.

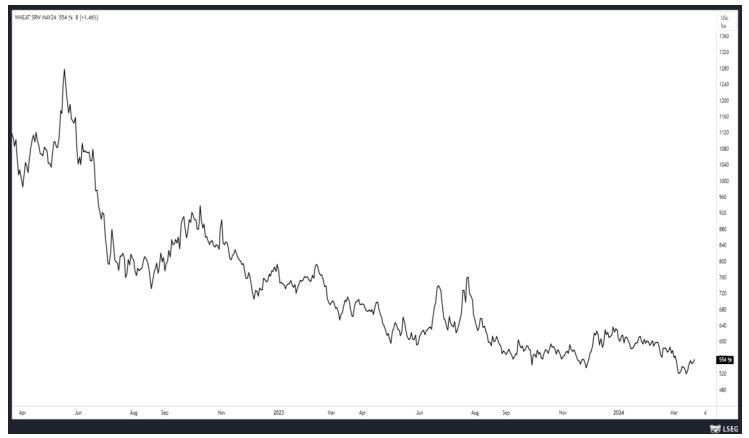
Commodity	Unit	Closing Price	% Δ Weekly	% Δ MoM	% Δ YoY	YTD High	YTD Low
Wheat	\$c/BSH	554.75	▲ 4.97%	▼ -3.94%	▼ -19.86%	628.75	519.50
Sugar	\$c/LBS	21.85	▼ -1.22%	▼ -3.23%	▼ -1.80%	24.62	20.53
Soybean	\$c/BSH	1,192.50	▼ -0.48%	▲ 5.69%	▼ -20.79%	1,289.50	1,115.00
Palm Oil	\$/Ton	884.48	▼ -2.99%	▲ 5.65%	▲ 3.71%	913.83	761.77
Cotton	\$c/LBS	91.53	▼ -2.57%	▼ -9.88%	▲ 10.57%	107.25	79.59
Brent Crude	\$/BBL	85.43	▲ 0.11%	▲ 2.16%	▲ 7.10%	87.70	74.79
LNG	\$/MMBTU	9.40	▲ 9.30%	▲ 13.25%	▼ -24.80%	11.20	8.30
Steel	\$/Ton	794.00	▲ 0.25%	▼ -0.13%	▼ -31.79%	1,135.00	780.00
SHFE Zinc	\$/Ton	2,940.81	▼ -0.96%	▲ 2.83%	▼ -11.44%	3,000.98	2,773.44
Indonesian Coal*	\$/Ton	124.95	0.00%	▼ -0.72%	▼ -55.86%	125.85	124.95
Australian Coal	\$/Ton	276.00	▼ -2.82%	▼ -12.49%	▼ -19.93%	336.00	276.00
Gold	\$/Ozs	2,164.15	▲ 0.40%	▲ 5.92%	▲ 9.97%	2,222.39	1,984.09

*Price published monthly once by Indonesian Govt

Wheat

Last Price USc **554.75**/BSH

CBOT wheat futures rose on Friday during a spate of short covering ahead of the weekend and amid rising tensions in the Black Sea grain export region. CBOT May soft red winter wheat WK24 settled up 8 cents at \$5.54-3/4 per bushel. For the week, the CBOT May contract WK24 rose 26-1/4 cents per bushel or 5%, halting a three-week slide. K.C. May hard red winter wheat KWK24 settled up 8-3/4 cents on Friday to end at \$5.90-1/2 a bushel and MGEX May spring wheat MWEK24 rose 4-1/2 cents to finish at \$6.61. European wheat futures rose on renewed concerns about disruption to Black Sea supplies given tensions between Russia and Ukraine. Some analysts noted support from the European Commission proposing tariffs on grain imports from Russia and Belarus in an attempt to prevent Moscow and its ally from distorting EU markets.

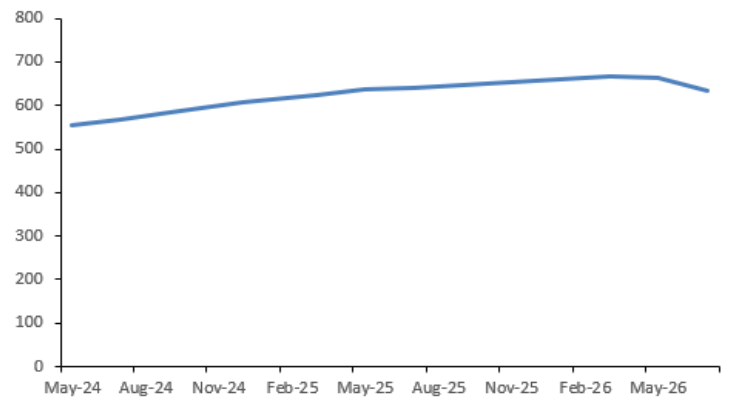


Technical:
 Wheat ends higher on short covering. Next level to watch 577.75.

Support:
 488.00 = Aug 2020 Low
 468.25 = Jun 2020 Low

Resistance:
 577.75 = Mar 2024 High
 598.75 = Nov 2023 High

Futures Curve



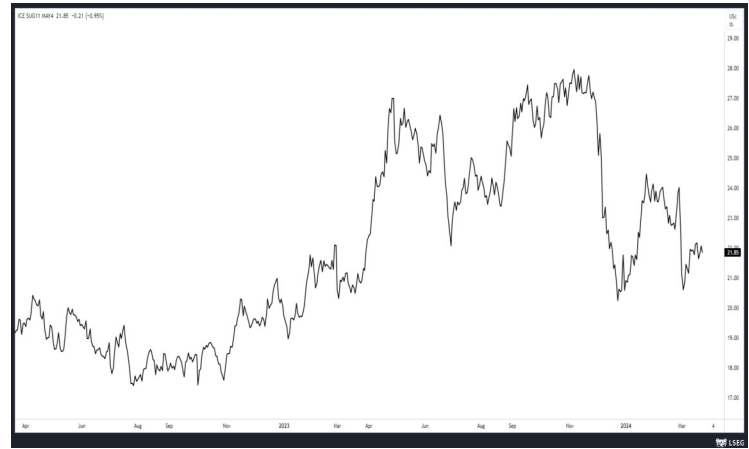
Sugar

Last Price USc **21.85**/LBS

May raw sugar SBc1 settled down 0.21 cent, or 1%, at 21.85 cents per lb. It lost 1.2% in the week.

Expected rains in Centre-South Brazil during the last few days of the month could delay the start of the 2024/25 cane harvest.

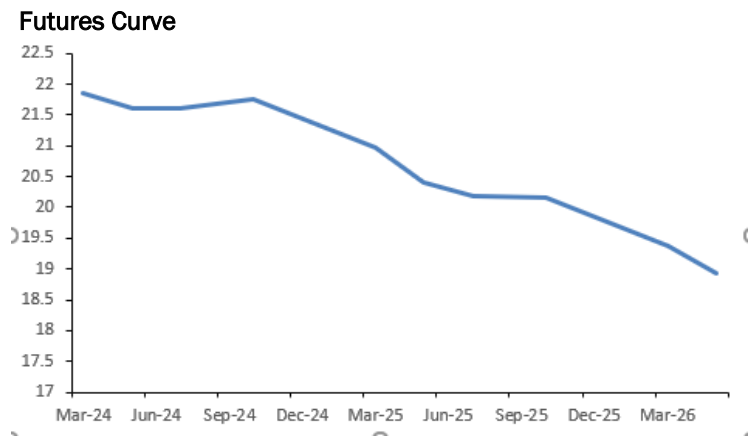
May white sugar LSUc1 fell 0.2% at \$638.90 a ton.



Technical:
 Raw sugar slightly falls, next level to watch 22.00.

Support:
 20.60 = Jan 2024 Low
 20.03 = Dec 2023 Low

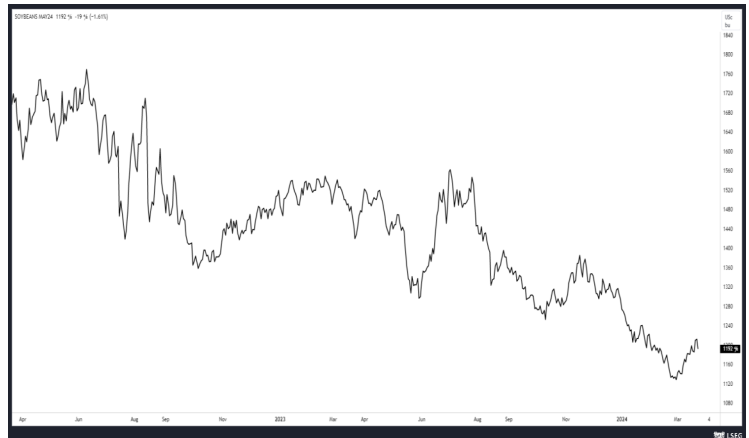
Resistance:
 21.88 = Mar 2024 High
 22.36 = Feb 2023 High



Soybean

Last Price USc **1,192.50**/BSH

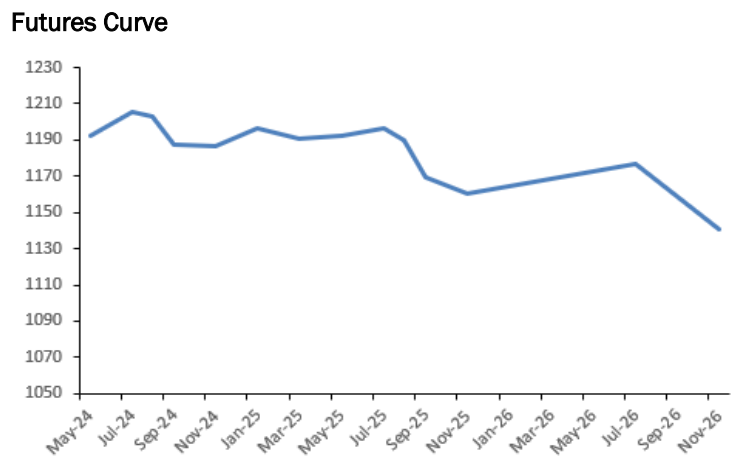
CBOT soybean futures fell more than 1% on Friday to below \$12 a bushel on profit taking a day after the benchmark contract neared a two-month high as farmer soy sales and the dollar's surge added to bearish sentiment. CBOT May soybeans SK24 settled the day down 19-1/2 cents at \$11.92-1/2 per bushel. CBOT's May corn contract CK24 settled down 1-1/2 cents at \$4.39-1/4 a bushel, while May soft red winter wheat WK24 rose 8 cents to \$5.54-3/4 per bushel. Soybeans retreated after a two-session climb. Rallies this week spurred soy sales by U.S. and South American farmers. Forecasts for beneficial rains in portions of the Midwest crop belt ahead of spring planting attributed to market pressure.



Technical:
 Soybeans slide 1.6% on profit taking, next level to watch 1,120.00.

Support:
 1,094.00 = Oct 2020 High
 1,042.00 = Nov 2020 Low

Resistance:
 1,221.75 = Feb 2024 High
 1,262.50 = Oct 2021 High



Palm Oil

Last Price USD **884.48**/Ton

Malaysian palm oil futures fell on Friday to mark its first weekly loss in five as it consolidated after a recent bullish episode, while lower edible and crude oil prices added to the decline. The benchmark palm oil contract FCPOc3 for June delivery on the Bursa Malaysia Derivatives Exchange ticked down 62 ringgit, or 1.46% to 4,187 ringgit (\$884.27) a metric ton at closing, the lowest close since March 13. The contract lost 2.33% this week, its first weekly decline since Feb. 23. Dalian's most-active soyoil contract DBYcv1decreased 1.06%, while its palm oil contract DCPcv1lost 1.1%. Soyoil prices on the Chicago Board of Trade BOCv1fell 1.19%.

Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market.



Technical:

Palm oil posts 2% weekly fall on consolidation after recent uptick, next level to watch 900.00.

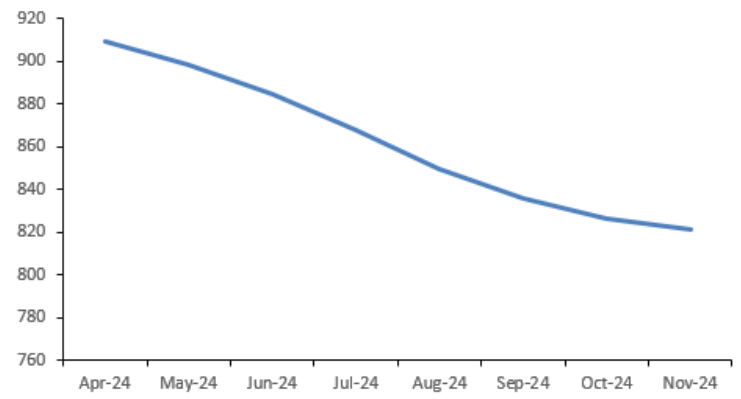
Support:

822.76 = May 2021 Low
787.87 = Jul 2021 Low

Resistance:

903.20 = Dec 2021 High
931.58 = Mar 2023 High

Futures Curve



Cotton

Last Price

USc **91.53**/LBS

U.S. cotton futures edged lower and touched a one-month low on Friday en route to a third straight weekly drop, pressured by a stronger dollar and lacklustre demand. Cotton contract for May [CTc1](#) fell 0.45 cents to 91.76 cents per lb by 12:31 p.m. ET (1631 GMT), after hitting its lowest since Feb. 21 at 91.59 cents per lb. The contract has lost 1.8% so far this week. The dollar was at an over three-month high, making cotton less attractive, especially for overseas buyers. Elsewhere, oil prices were stable as the possibility of a ceasefire in Gaza weakened crude benchmarks. Lower oil prices make polyester, a cotton substitute, less expensive.



Technical:

Cotton falls to 1-month low on sturdy dollar, tepid demand. Next level to watch 88.00.

Support:

88.88 = Jan 2023 High

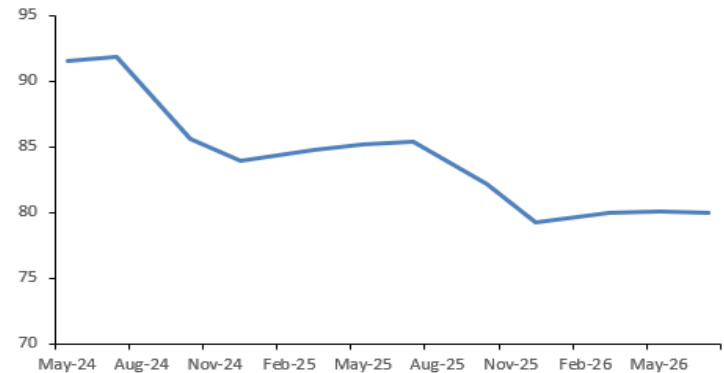
87.11 = Sep 2022 Low

Resistance:

100.00 = Jun 2022 Low

109.00 = Jul 2022 High

Futures Curve

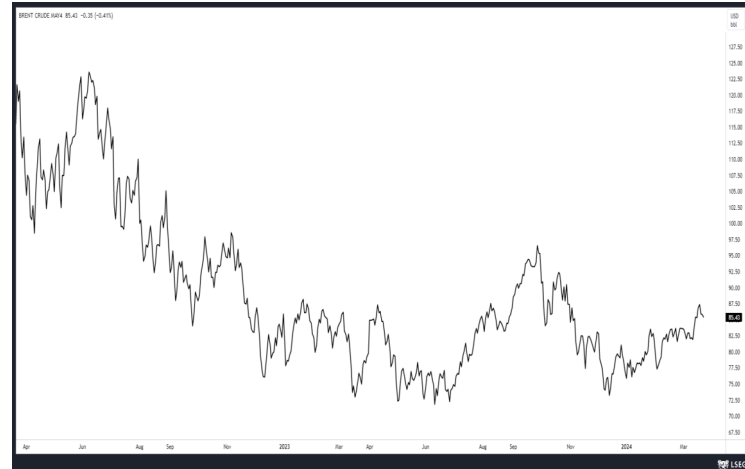


Brent Crude

Last Price

USD **85.43**/BBL

Oil prices slipped on Friday and were flat on the week as the possibility of a ceasefire in Gaza weakened crude benchmarks, while the war in Europe and shrinking U.S. rig count cushioned the fall. Brent futures for May delivery [LCOc1](#) settled at \$85.43, losing 35 cents. U.S. crude [CLc1](#) settled at \$80.63 a barrel, falling 44 cents. Both benchmarks logged less a than 1% change on the week. Meanwhile, the [U.S. dollar](#) was set for a second week of broad gains after the Swiss National Bank's surprise interest rate cut on Thursday bolstered global risk sentiment. A stronger dollar makes oil more expensive for investors holding other currencies, dampening demand. While a possible ceasefire meant crude might move more freely globally, a lower U.S. oil rig count and the potential for easing U.S. interest rates helped support prices.



Technical:

Oil prices down on Gaza ceasefire talks, flat on the week, next level to watch 87.80.

Support:

76.60 = Nov 2023 Low

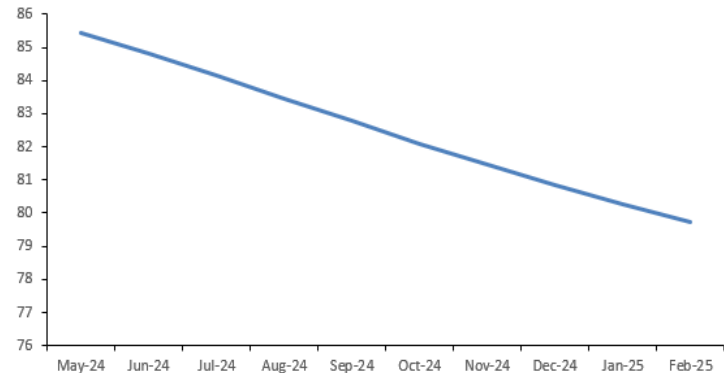
74.79 = Jan 2024 Low

Resistance:

87.80 = Nov 2023 High

93.79 = Oct 2023 High

Futures Curve

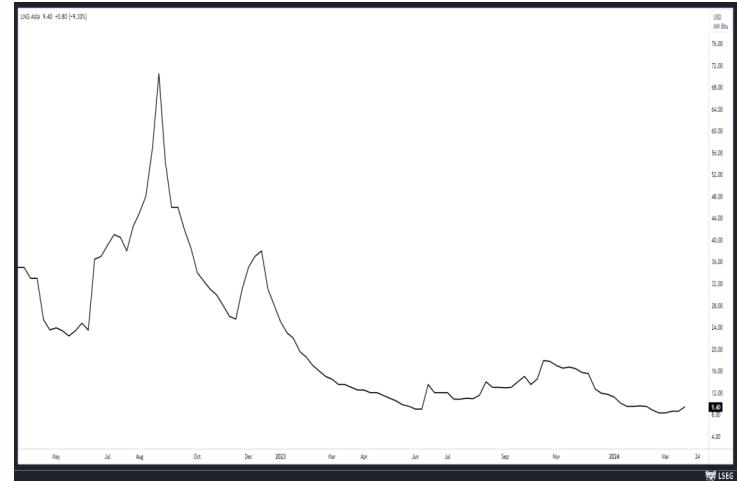


LNG

Last Price

USD **9.40**/MMBTU

Asian spot liquefied natural gas (LNG) prices edged up this week to a six-week high amid supply concerns and following some spot demand pickup from buyers. The average LNG price for May delivery into north-east Asia [LNG-AS](#) rose 8% from the previous week to \$9.40 per million British thermal units (mmBtu), its highest level since February 9. Asian spot prices had eased to a near three-year low of \$8.30/mmBtu last month, as ample inventory levels amid mild winter weather weighed on prices. Cheaper spot LNG boosted demand from Asian buyers, lending some support to prices. This has led some buy tenders going unawarded this week after offers were deemed too high



Technical:

Asia spot LNG gains on supply concerns, steady demand. Next level to watch 9.60.

Support:

8.85 = Apr 2021 High

8.10 = Dec 2020 Low

Resistance:

9.60 = Feb 2024 High

10.90 = Aug 2023 Low

Steel (HRC)

Last Price USD **794.00**/ tons

Iron ore futures were mixed on Friday, but set for a weekly gain on mounting anticipation of a pick up in demand in top consumer China amid signs of improving steel consumption. The most-traded May iron ore contract on China's Dalian Commodity Exchange (DCE) [DCIOcv1](#) ended daytime trade 1.50% higher at 844 yuan (\$116.79) a metric ton, for a week-on-week rise of 6.1%. Average daily hot metal output inched up 0.3% from last week to 2.21 million tons as of March 22, a survey of Chinese steelmakers showed, reversing a four-week downtrend, while profitability climbed to 22.94% from 21.21%. Steel benchmarks on the Shanghai Futures Exchange were largely rangebound. Rebar [SRBcv1](#) ticked up 0.7% and hot-rolled coil [SHHCcv1](#) added 0.53%, while wire rod [SWRcv1](#) was little changed and stainless steel [SHSScv1](#) lost 0.18%.

Technical:

Iron ore set for weekly gain on prospect of improving China demand. Next level to watch 780.00.

Support:

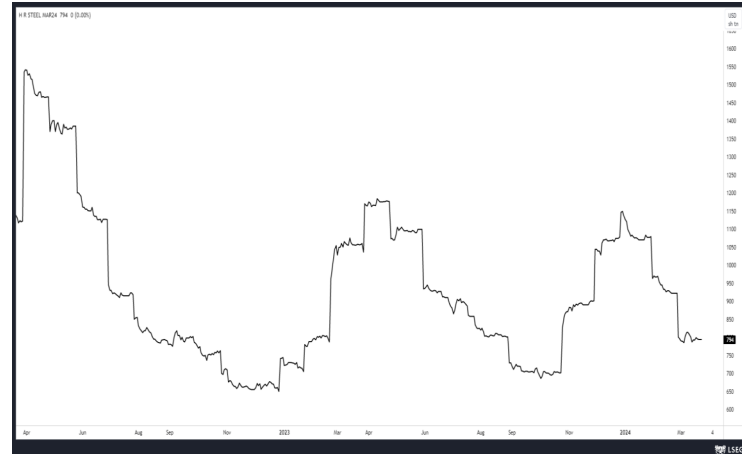
783.00 = Mar 2024 Low

765.00 = Sep 2022 Low

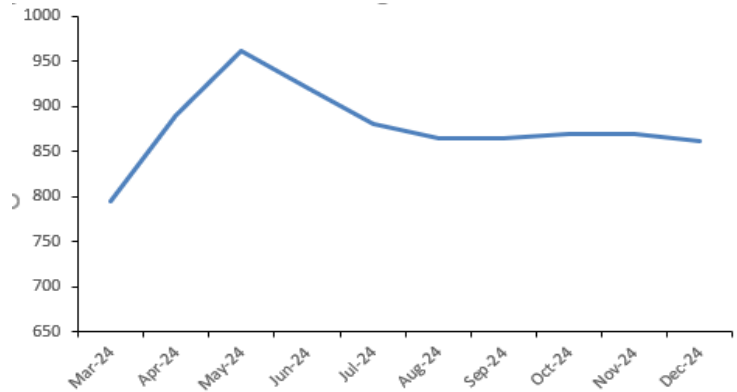
Resistance:

848.00 = Aug 2022 High

885.00 = Oct 2023 High



Futures Curve of SHFE Steel Futures

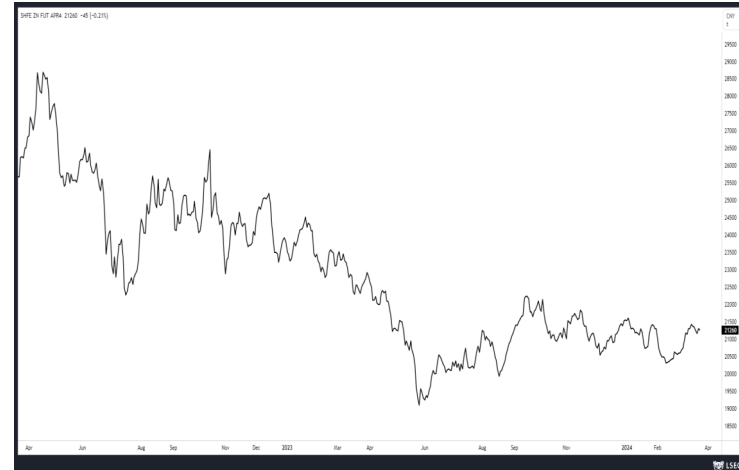


SHFE Zinc

Last Price USD **2,940.81**/Tons

The most active SHFE 2405 prices opened at 21480 yuan/mt and lost 5 yuan/mt or 0.02% to settle at 21320 yuan/mt in overnight trading with the low-end of 21275 yuan/mt. Trading volumes decreased to 56146 lots and open interest fell 2183 lots to 106,000 lots. Overnight macro sentiment affected the zinc in Shanghai, but the shortage on the supply side and declines in SMM social inventory limited zinc price declines.

Affected by the earlier interest rate cut in Europe overnight, the US dollar strengthened and non-ferrous metals pulled back. However, production reductions in overseas mines still support zinc prices.



Technical:

Shortage on the supply side limited zinc price declines, next level to watch 2,970.00.

Support:

2,785.26 = Jul 2023 Low

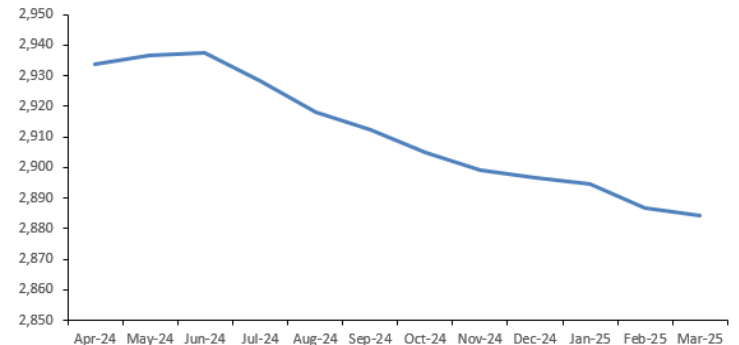
2,643.87 = Jun 2023 Low

Resistance:

2,967.36 = Aug 2023 High

3,013.19 = Jan 2024 High

SHFE Zinc Forward Curve



Contact

Swift: BRAKBDDH, Reuters Dealing Code: "BRAC", Group email: dealing.room@bracbank.com
Web: www.bracbank.com

Md. Shaheen Iqbal

Deputy Managing Director
Head of Treasury & Financial Institutions
E-mail: shaheen.iqbal@bracbank.com
Cell: +8801713049433

Fouzia Rahman

Head of Markets, Treasury & Financial Institutions
E-mail: fouzia.rahman@bracbank.com
Cell: +8801713493937

Nawshaba Aziz

Sr. Relationship Manager Corporate Sales & FX,
Treasury & Financial Institutions
E-mail: nawshaba.aziz@bracbank.com
Cell: +8801730796810

Lailun Nahar Tonny

Sr. Manager, Treasury & Financial Institutions
E-mail: lailunnahar.tonny@bracbank.com
Cell: +8801730796820

Mohammad Humayun Rashid

Sr. Manager, Treasury & Financial Institutions
E-mail: humayun.rashid@bracbank.com
Cell: +8801723935623

Maruf Hassan

Manager, Treasury & Financial Institutions
E-mail: maruf.hassan29443@bracbank.com
Cell: +8801847419487

Disclaimer

This document is for information purposes only and does not take into account specific circumstances of any recipient. The information contained herein does not constitute the provision of investment advice. It is not intended to be and should not be construed as a recommendation, offer or solicitation to acquire, or dispose of, any of the financial instruments and/or securities mentioned in this document and will not form the basis or a part of any contract or commitment whatsoever. Investors should seek independent professional advice and draw their own conclusions regarding suitability of any transaction including the economic benefits, risks, legal, regulatory, credit, accounting and tax implications. The information in this document is based on public data obtained from sources believed by BRAC Bank to be reliable and in good faith, but no representations, guarantees or warranties are made by BRAC Bank with regard to accuracy, completeness or suitability of the data. BRAC Bank has not performed any independent review or due diligence of publicly available information regarding an unaffiliated reference asset or index. The opinions and estimates contained herein reflect the current judgment of the author(s) on the date of this document and are subject to change without notice. The opinions do not necessarily correspond to the opinions of BRAC Bank. BRAC Bank does not have an obligation to update, modify or amend this document or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. This communication may contain trading ideas where BRAC Bank may trade in such financial instruments with customers or other counterparties. Any prices provided herein (other than those that are identified as being historical) are indicative only, and do not represent firm quotes as to either size or price. The past performance of financial instruments is not indicative of future results. No assurance can be given that any financial instrument or issuer described herein would yield favorable investment results. Any forecasts or price targets shown for companies and/or securities discussed in this document may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information and/or the subsequent transpiration that underlying assumptions made by BRAC Bank or by other sources relied upon in the document were inapposite. BRAC Bank and or its affiliates may act as a market maker in the instrument(s) and or its derivative that has been mentioned in our research reports. Employees of BRAC Bank and or its affiliates may provide written or oral commentary, including trading strategies, to our clients and business units that may be contrary to the opinions conveyed in this research report. BRAC Bank may perform or seek to perform investment banking services for issuers mentioned in research reports. Neither BRAC Bank nor any of its respective directors, officers or employees accepts any responsibility or liability whatsoever for any expense, loss or damages arising out of or in any way connected with the use of all or any part of this document. BRAC Bank may provide hyperlinks to websites of entities mentioned in this document, however the inclusion of a link does not imply that BRAC Bank endorses, recommends or approves any material on the linked page or accessible from it. BRAC Bank does not accept responsibility whatsoever for any such material, nor for any consequences of its use. This document is for the use of the addressees only and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any purpose, without the prior, written consent of BRAC Bank. The manner of distributing this document may be restricted by law or regulation in certain countries, including the United States. Persons into whose possession this document may come are required to inform themselves about and to observe such restrictions. By accepting this document, a recipient hereof agrees to be bound by the foregoing limitations.