



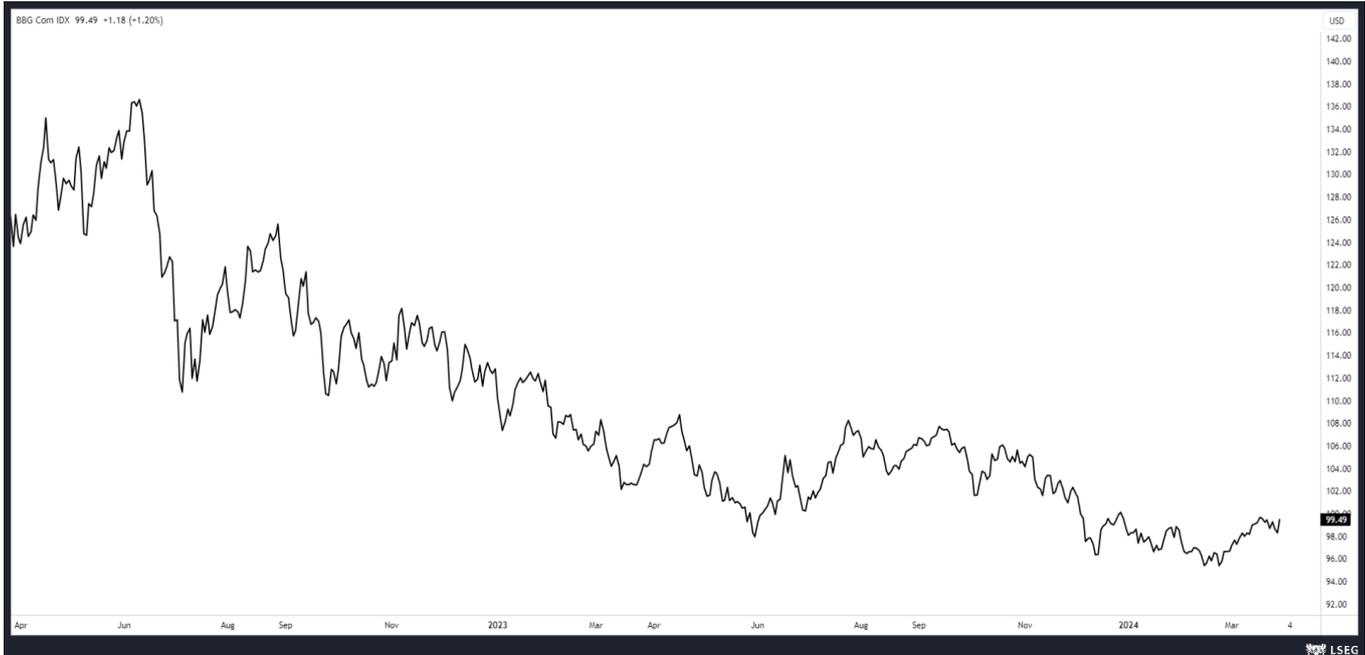
# Commodities Weekly

Issue 09-2024

Date: 31 Mar 2024

# Bloomberg Commodity Index

99.49 ▲



**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

497.7719 ▲



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.

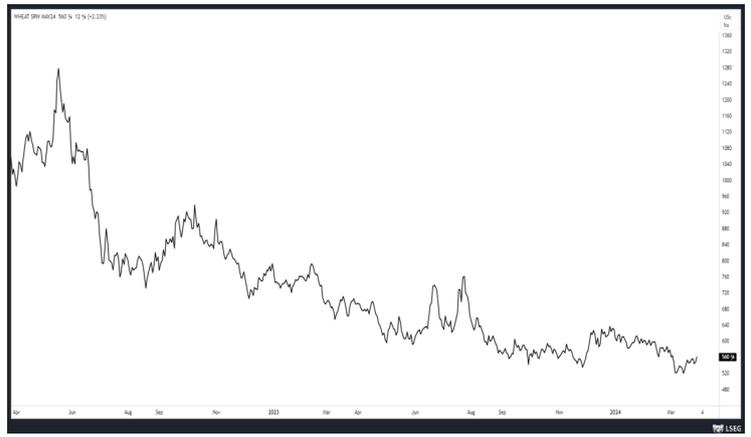
Commodity	Unit	Closing Price	% Δ Weekly	% Δ MoM	% Δ YoY	YTD High	YTD Low
<a href="#">Wheat</a>	\$c/BSH	560.25	▲ 0.99%	▼ -2.99%	▼ -19.07%	628.75	519.50
<a href="#">Sugar</a>	\$c/LBS	22.52	▲ 3.07%	▼ -0.27%	▲ 1.21%	24.62	20.53
<a href="#">Soybean</a>	\$c/BSH	1,191.50	▼ -0.08%	▲ 5.61%	▼ -20.86%	1,289.50	1,115.00
<a href="#">Palm Oil</a>	\$/Ton	888.09	▲ 0.41%	▲ 6.08%	▲ 4.13%	913.83	761.77
<a href="#">Cotton</a>	\$c/LBS	91.38	▼ -0.16%	▼ -10.02%	▲ 10.39%	107.25	79.59
<a href="#">Brent Crude</a>	\$/BBL	87.48	▲ 2.40%	▲ 4.62%	▲ 9.67%	87.70	74.79
<a href="#">LNG</a>	\$/MMBTU	9.50	▲ 1.06%	▲ 14.46%	▼ -24.00%	11.20	8.30
<a href="#">Steel</a>	\$/Ton	860.00	▲ 8.31%	▲ 8.18%	▼ -26.12%	1,135.00	780.00
<a href="#">SHFE Zinc</a>	\$/Ton	2,891.15	▼ -1.69%	▲ 1.10%	▼ -12.93%	3,000.98	2,773.44
Indonesian Coal*	\$/Ton	124.95	0.00%	▼ -0.72%	▼ -55.86%	125.85	124.95
Australian Coal	\$/Ton	275.27	▼ -0.26%	▼ -12.72%	▼ -20.14%	336.00	276.00
Gold	\$/Ozs	2,232.38	▲ 3.15%	▲ 9.26%	▲ 13.44%	2,222.39	1,984.09

\*Price published monthly once by Indonesian Govt

# Wheat

Last Price USc **560.25**/BSH

CBOT wheat futures were lifted by rising corn prices after Thursday's U.S. Department of Agriculture reports showed quarterly corn stocks and intended plantings fell below trade estimates. CBOT May soft red winter wheat [WK24](#) rose 12-3/4 cents to settle at \$5.60-1/4 a bushel. That was up 1% from the previous week. K.C. May hard red winter wheat [KWK24](#) gained 7 cents to end at \$5.85-1/4 per bushel, and MGEX May spring wheat [MWEK24](#) last ended down 4-1/2 cents at \$6.46-1/2. Despite the reports delivering unsurprising news about CBOT wheat, spillover support from the rally in corn was enough to boost wheat futures. Spring wheat and durum planting intentions for the 2024 harvest beat analysts' expectations, prompting a bearish turn in the MGEX market.



**Technical:**

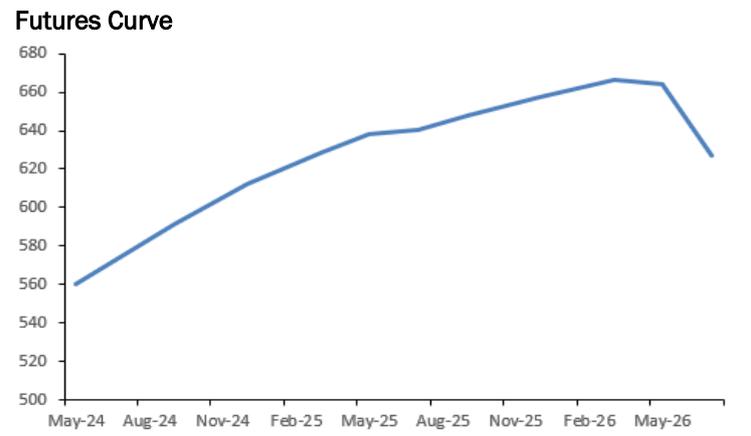
CBOT wheat jumps on strength of corn; MGEX wheat stumbles.  
 Next level to watch 577.75.

**Support:**

488.00 = Aug 2020 Low  
 468.25 = Jun 2020 Low

**Resistance:**

577.75 = Mar 2024 High  
 598.75 = Nov 2023 High



# Sugar

Last Price USc **22.52**/LBS

May raw sugar [SBc1](#) settled up 0.33 cent, or 1.5%, at 22.52 cents per lb. Dealers said recent rainfall appeared to have improved the outlook for Brazil's 2024/25 cane crop, although some concerns about dry conditions remained.

May white sugar [LSUc1](#) rose 1.1% at \$652.50 a ton.

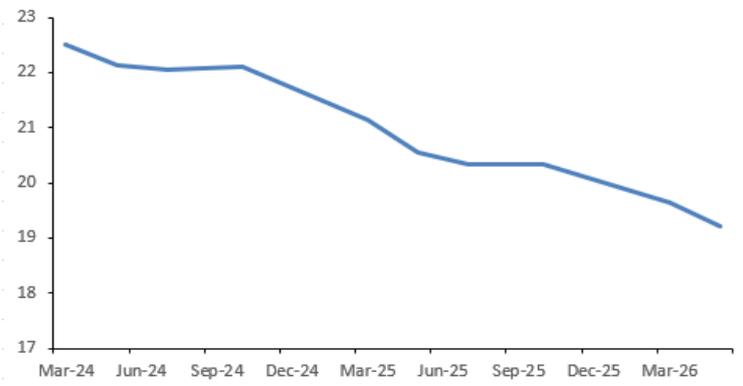


**Technical:**  
 Raw sugar climbs, next level to watch 22.00.

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

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

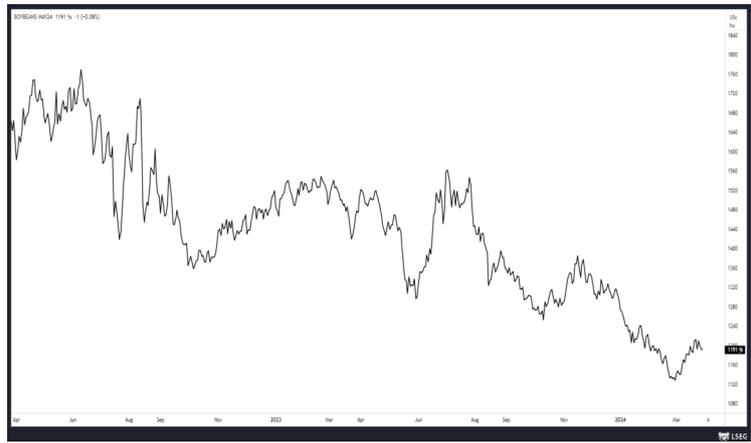
### Futures Curve



# Soybean

Last Price      USc **1,191.50**/BSH

CBOT soybean futures ended little changed after the U.S. Department of Agriculture (USDA) reported soybean plantings intentions and quarterly stocks that were roughly in line with analyst estimates. CBOT May soybeans [SK24](#) settled down 1 cent at \$11.91-1/2 per bushel. The contract was down about 0.1% for the week. CBOT May soymeal [SMK24](#) settled \$1.30 lower at \$337.70 per short ton, and May soyoil [BOK24](#) gained 0.28 cent to settle at 47.95 cents per pound. The USDA [pegged soybean stocks](#) at 1.845 billion bushels as of March 1, up from average analyst estimate of 1.828 billion bushels. The USDA pegged prospective U.S. soybean plantings for the 2024 harvest at 86.510 million acres, compared to 86.530 million acres predicted by analysts. Farmers are switching acres to soybeans after harvesting a record corn crop last year.



**Technical:**

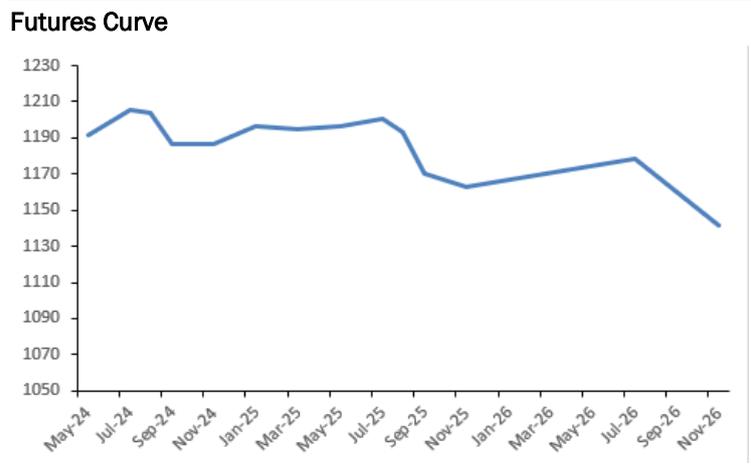
Soybeans stall as US plantings, stocks data meet expectations, next level to watch 1,120.00.

**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 **888.09**/Ton

Malaysian palm oil futures settled higher on Friday, mirroring gains in soyoil, after falling for two straight sessions. The benchmark palm oil contract [FCPOc3](#) for June delivery on the Bursa Malaysia Derivatives Exchange rose 61 ringgit, or 1.47%, to 4,197 ringgit (\$888.72) a metric ton. Malaysia's financial markets were closed on Thursday for a public holiday but the contract had closed lower on Tuesday and Wednesday. Soyoil prices on the Chicago Board of Trade [BOcv1](#) rose 0.95%. Palm oil is affected by price movements in related oils as they compete for a share of the global vegetable oils market. Stronger crude oil futures make palm a more attractive option for biodiesel feedstock.



**Technical:**

Malaysian palm oil futures settle higher, mirroring soyoil, next level to watch 900.00.

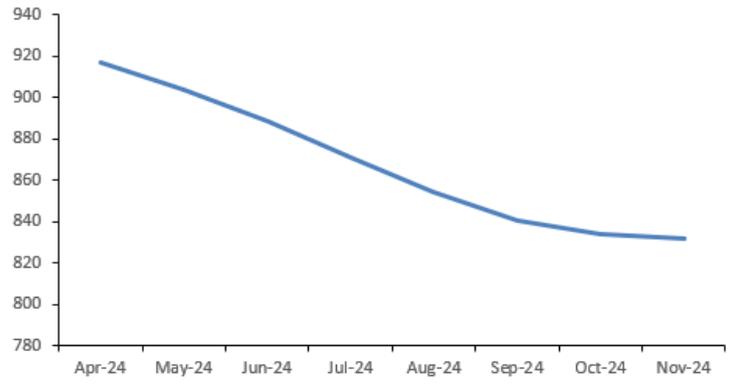
**Support:**

822.76 = May 2021 Low  
 787.87 = Jul 2021 Low

**Resistance:**

903.20 = Dec 2021 High  
 931.58 = Mar 2023 High

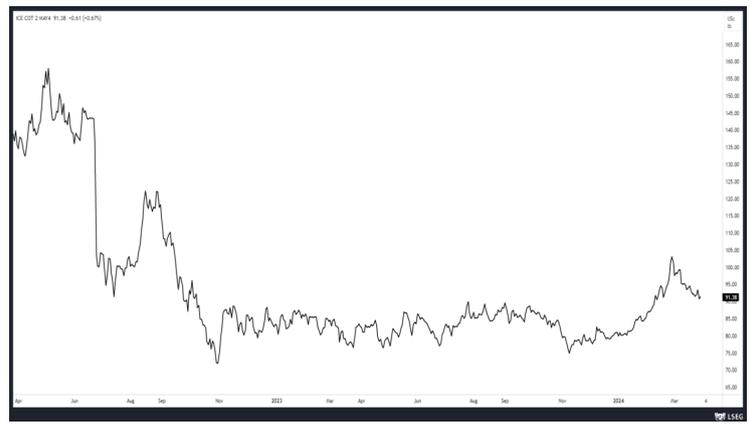
Futures Curve



# Cotton

Last Price      USc **91.38**/LBS

ICE cotton futures ticked higher on Thursday, aided by federal reports that showed lower-than-expected U.S. planting estimates and firm export sales for the natural fibre. Cotton contract for May [CTc1](#) rose 0.34 cents, or 0.4%, to 91.11 cents per lb by 12:54 p.m. ET (1654 GMT). Prices were down more than 10% for the month but were on track to post a quarterly rise. USDA planting intentions said U.S. cotton planted area for 2024 is estimated at [10.7 million acres](#), below trade [estimates](#) of 10.9 million acres. However, the 2024 estimate was up 4% from last year. Oil prices rose by more than \$1 a barrel after falling for two consecutive sessions. Higher oil prices make cotton-substitute polyester more expensive.



**Technical:**

Cotton inches up on lower planting view. Next level to watch 88.00.

**Support:**

88.88 = Jan 2023 High

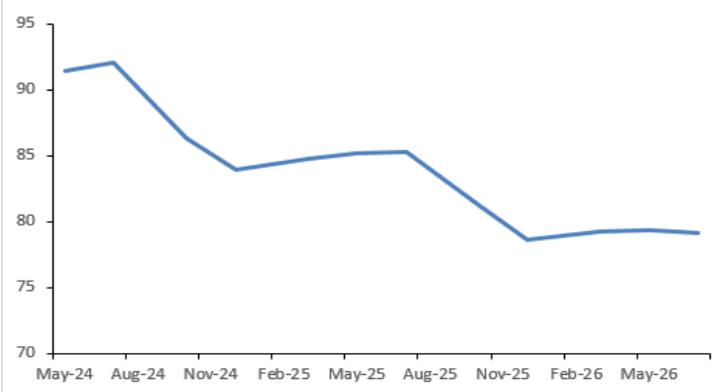
87.11 = Sep 2022 Low

**Resistance:**

100.00 = Jun 2022 Low

109.00 = Jul 2022 High

## Futures Curve



# Brent Crude

Last Price

USD **87.48**/BBL

Oil prices jumped more than \$1 a barrel on Thursday, closing out the month higher on the prospect of [OPEC+ staying the course](#) on production cuts, [ongoing attacks](#) on Russia's energy infrastructure and a falling U.S. rig count tightening crude supplies. Brent crude futures for May [LCOc1](#) settled at \$87.48 a barrel, its highest level since Oct. 27, after gaining \$1.39, or 1.6%. The more actively traded June contract [LCOc2](#) settled at \$87 a barrel, rising \$1.58, with the May contract expiring on Thursday. U.S. West Texas Intermediate (WTI) crude futures [CLc1](#) for May delivery settled at \$83.17 a barrel, rising \$1.82, or 2.2%. On the week, Brent rose 2.4% and WTI gained about 3.2%. Both benchmarks finished higher for a third consecutive month. However, the crude stock increase was smaller than the build projected by the American Petroleum Institute, and analysts noted the increase was lower than expected for the time of year.

## Technical:

Oil rises more than \$1 a barrel on tighter supply outlook, next level to watch 87.80.

## Support:

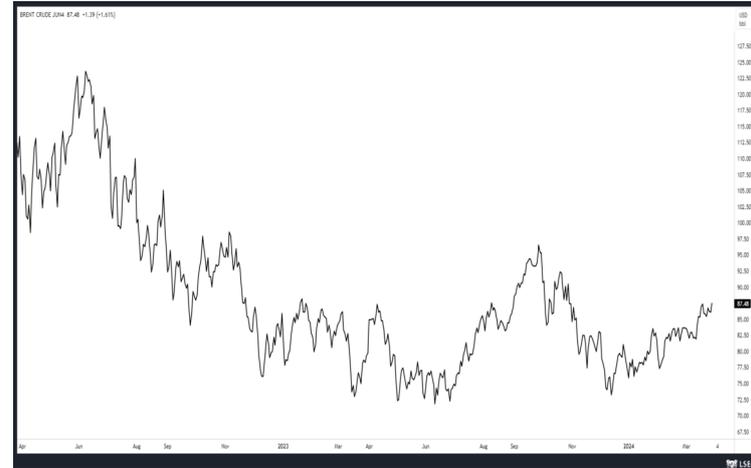
76.60 = Nov 2023 Low

74.79 = Jan 2024 Low

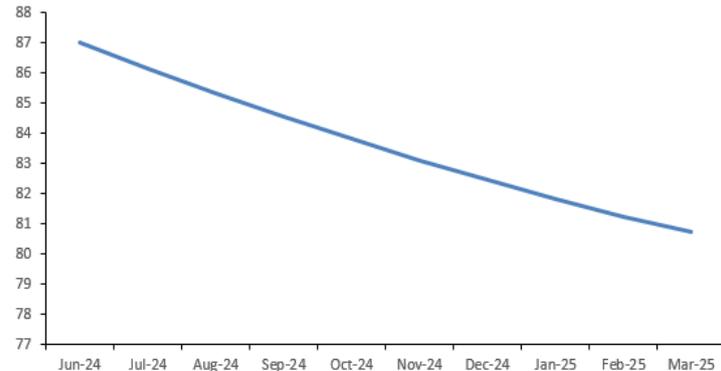
## Resistance:

87.80 = Nov 2023 High

93.79 = Oct 2023 High



## Futures Curve



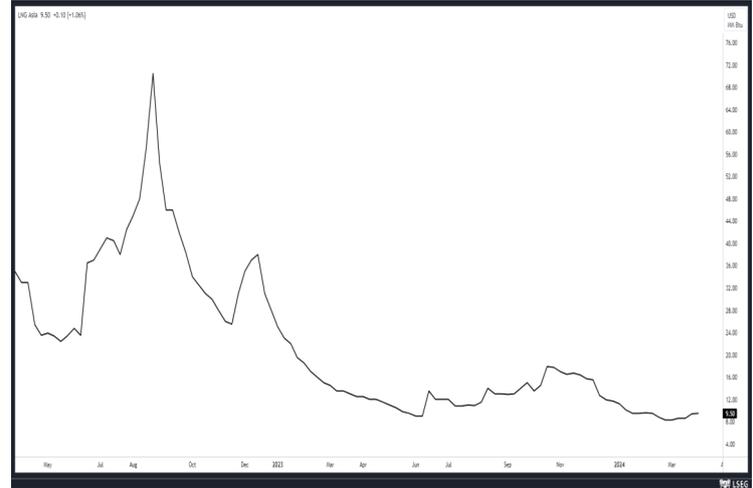
# LNG

Last Price

USD **9.50**/MMBTU

Asian spot liquefied natural gas (LNG) prices were little moved this week, holding on to a six-week high amid emerging spot demand in both southeast Asia and Europe.

The average LNG price for May delivery into northeast Asia [LNG-AS](#) rose 1.1% , or \$0.10, from the previous week to \$9.50 per million British thermal units (mmBtu), a level not seen since Feb 9. Market players are keeping a close eye on Japan, where the yen slid to a 34-year low against the U.S. dollar on Wednesday. In Europe, gas prices fluctuated between \$8-\$9/mmBtu this week, amid strong storage inventories and milder weather forecast. Meanwhile on spot LNG freight, Atlantic rates fell to \$46,500/day on Thursday. Pacific rates also eased to \$48,500/day.



## Technical:

Asia spot LNG maintains six-week high amid emerging 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 **860.00**/ tons

Iron ore futures were mixed on Thursday, with China's Dalian contract falling for a third consecutive day, hurt by a slow start to China's construction season and higher supply from Brazil. The most-traded May iron ore on the Dalian Commodity Exchange [DCl0cv1](#) closed 1.9% lower at 797 yuan (\$110.27) per metric ton.

However, the benchmark April iron ore [SZZFJ4](#) on the Singapore Exchange was 0.4% higher at \$101.70 a metric ton. Other steelmaking ingredients on the DCE fell, with coking coal [DJMcv1](#) dropping 2.7% to 1,570.50 yuan a ton and coke [DCJcv1](#) down 1.7% at 2,047.50 yuan. Steel benchmarks on the Shanghai Futures Exchange were mostly down.

## Technical:

Iron ore falls for third straight day on China demand concerns. Next level to watch 780.00.

## Support:

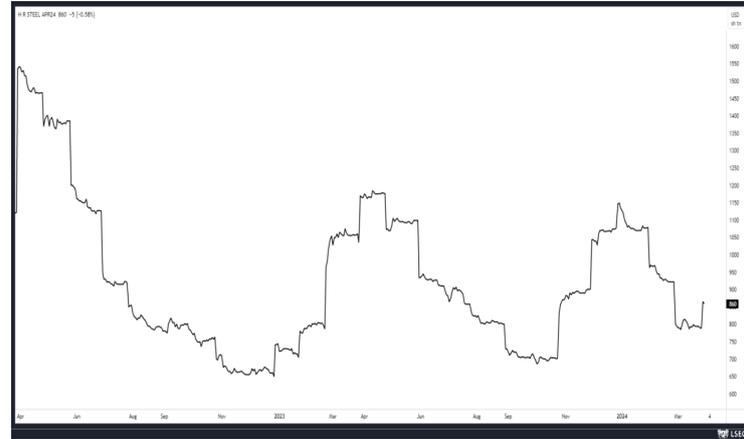
783.00 = Mar 2024 Low

765.00 = Sep 2022 Low

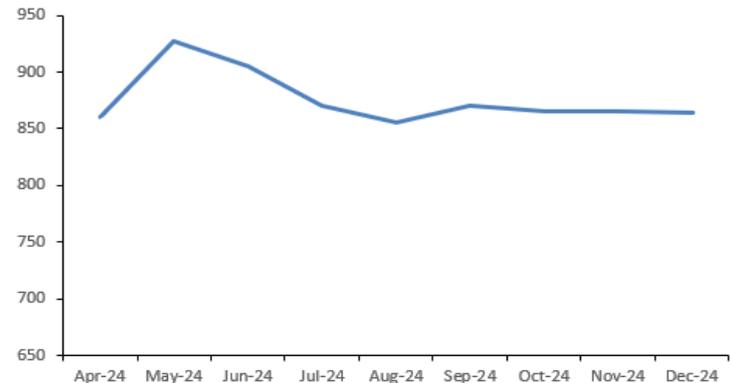
## Resistance:

848.00 = Aug 2022 High

885.00 = Oct 2023 High



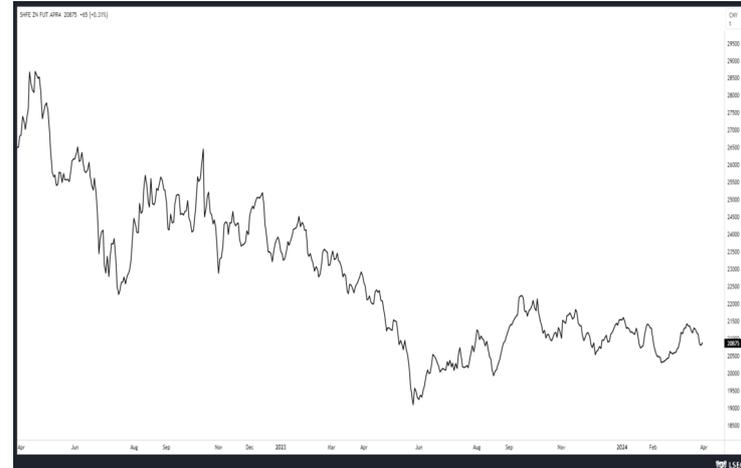
Futures Curve of SHFE Steel Futures



# SHFE Zinc

Last Price USD **2,891.15**/Tons

The U.S. fourth-quarter economic data shows that the U.S. economy is still strong, and the market sentiment has not yet been digested by the hawkish speech of Federal Reserve officials. The U.S. dollar index was boosted by this, and the LME inventory increased again, which weakened the support for zinc prices. The most-traded SHFE 2405 zinc contract opened at 20795 yuan/mt overnight and fell to a low of 20795 yuan/mt before rallying to a peak of 20910 yuan/mt. It eventually settled at 20890 yuan/mt, up 10 yuan/mt or 0.05%. Trading volume decreased to 35852 lots, and open interest decreased by 948 lots to 94580 lots. SMM social inventory recorded a slight decrease, market sentiment improved, and SHFE zinc stabilized and rebounded. Pay attention to the actual performance of subsequent inventory and downstream consumption.



**Technical:**

Increased inventory weakened the support for zinc prices, next level to watch 2,970.00.

**Support:**

2,785.26 = Jul 2023 Low

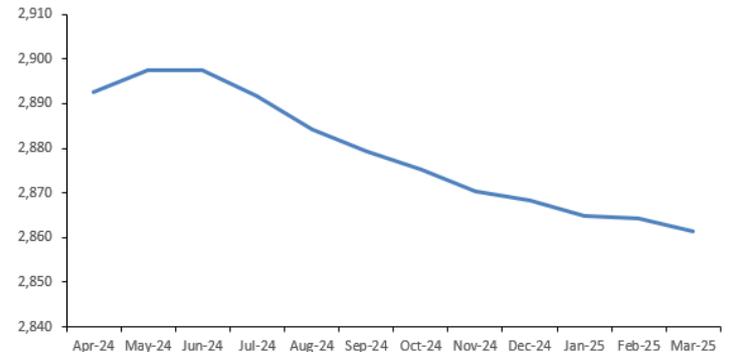
2,643.87 = Jun 2023 Low

**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](mailto:dealing.room@bracbank.com)  
Web: [www.bracbank.com](http://www.bracbank.com)

## **Md. Shaheen Iqbal**

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

## **Fouzia Rahman**

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

## **Nawshaba Aziz**

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

## **Lailun Nahar Tonny**

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

## **Mohammad Humayun Rashid**

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

## **Maruf Hassan**

Manager, Treasury & Financial Institutions  
E-mail: [maruf.hassan29443@bracbank.com](mailto: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.