



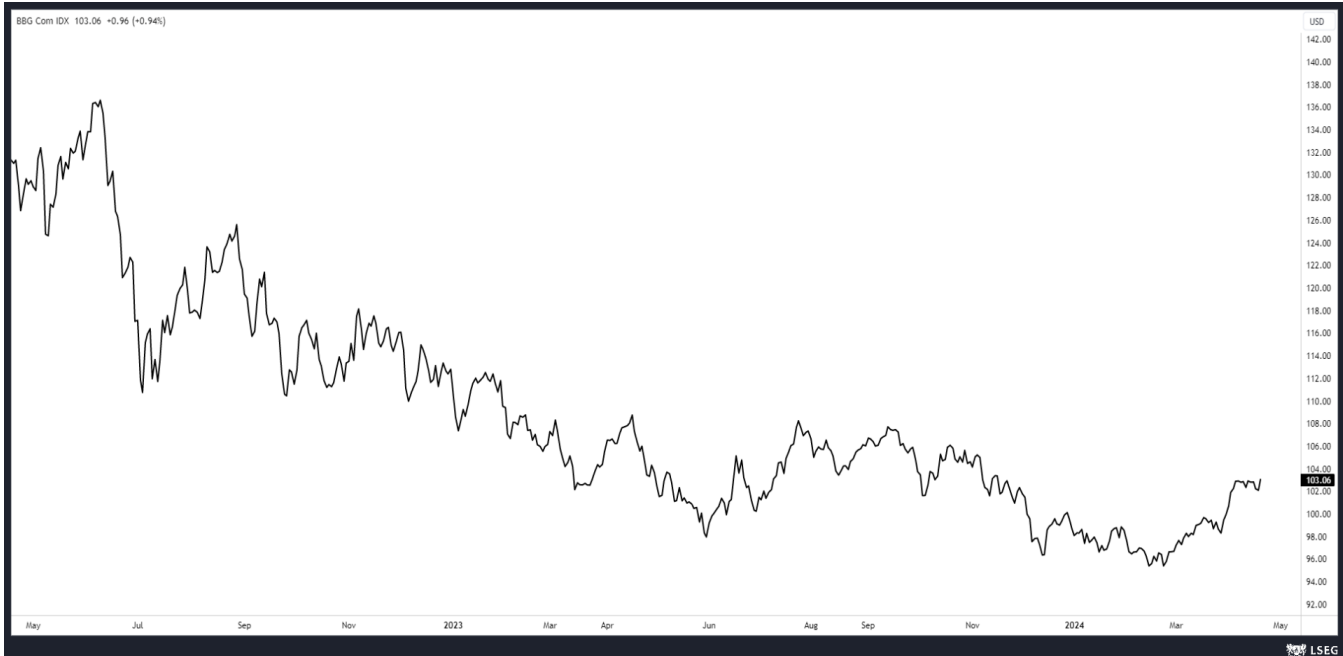
# Commodities Weekly

Issue 10-2024

Date: 21 Apr 2024

# Bloomberg Commodity Index

103.06 ▲



**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)

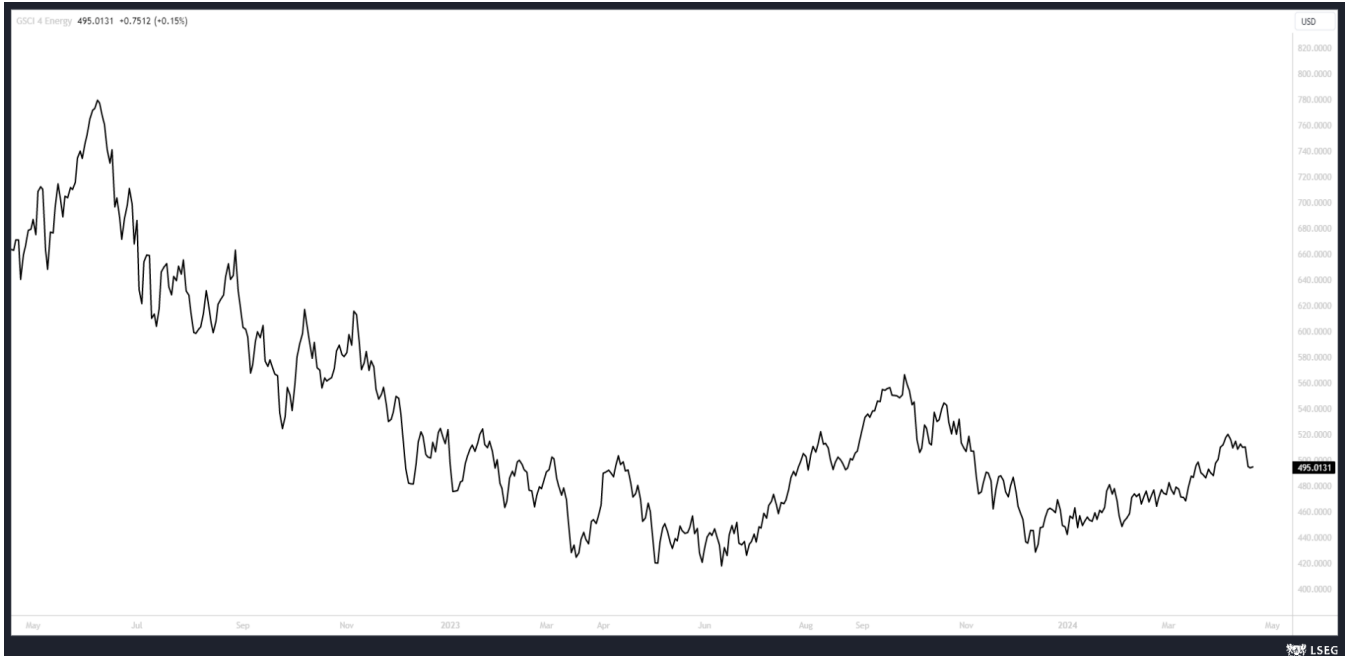
**Precious Metals:** (Gold, Silver)

**Softs:** (Sugar, Coffee, Cotton)

**Livestock:** (Live Cattle, Lean Hogs)

# S&P GSCI

495.0131 ▼



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.

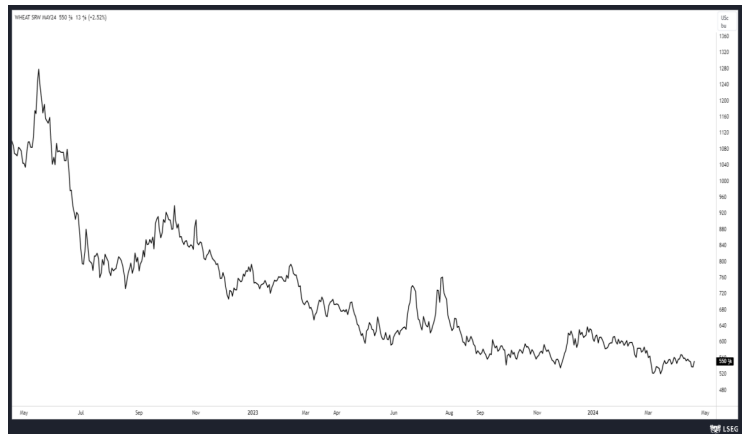
Commodity	Unit	Closing Price	% Δ Weekly	% Δ MoM	% Δ YoY	YTD High	YTD Low
<a href="#">Wheat</a>	\$c/BSH	<b>550.25</b>	▼ -1.03%	▼ -1.78%	▼ -11.21%	<b>628.75</b>	<b>519.50</b>
<a href="#">Sugar</a>	\$c/LBS	<b>19.73</b>	▼ -3.52%	▼ -12.39%	▼ -26.90%	<b>24.62</b>	<b>19.17</b>
<a href="#">Soybean</a>	\$c/BSH	<b>1,150.50</b>	▼ -2.00%	▼ -3.44%	▼ -20.34%	<b>1,289.50</b>	<b>1,115.00</b>
<a href="#">Palm Oil</a>	\$/Ton	<b>821.17</b>	▼ -8.58%	▼ -7.54%	▲ 9.67%	<b>929.30</b>	<b>754.44</b>
<a href="#">Cotton</a>	\$c/LBS	<b>78.69</b>	▼ -4.76%	▼ -13.89%	▼ -0.43%	<b>107.25</b>	<b>77.41</b>
<a href="#">Brent Crude</a>	\$/BBL	<b>87.29</b>	▼ -3.49%	▼ -0.22%	▲ 9.74%	<b>92.18</b>	<b>74.79</b>
<a href="#">LNG</a>	\$/MMBTU	<b>10.50</b>	▲ 7.14%	▲ 10.53%	▼ -8.70%	<b>11.20</b>	<b>8.30</b>
<a href="#">Steel</a>	\$/Ton	<b>843.00</b>	▼ -0.24%	▼ -1.98%	▼ -21.14%	<b>1,135.00</b>	<b>780.00</b>
<a href="#">SHFE Zinc</a>	\$/Ton	<b>3,113.82</b>	▼ -1.14%	▲ 7.70%	▲ 1.01%	<b>3,193.24</b>	<b>2,769.22</b>
Indonesian Coal*	\$/Ton	<b>109.77</b>	▼ -12.15%	▼ -12.78%	▼ -61.22%	<b>125.85</b>	<b>124.95</b>
Australian Coal	\$/Ton	<b>241.00</b>	▲ 5.70%	▼ -12.45%	▼ -10.51%	<b>336.00</b>	<b>277.50</b>
Gold	\$/Ozs	<b>2,390.45</b>	▲ 2.01%	▲ 7.08%	▲ 20.14%	<b>2,431.29</b>	<b>1,984.09</b>

\*Price published monthly once by Indonesian Govt

# Wheat

Last Price USc **550.25**/BSH

CBOT wheat futures ended higher on Friday on [escalating tensions](#) in the Middle East, a big wheat importing region, as well as dry conditions in the U.S. Plains wheat belt. Explosions echoed over an Iranian city in what sources described as an Israeli attack, but Tehran indicated it had no plans for retaliation, a response that appeared gauged toward averting a region-wide war. Grain traders had feared that expanding violence in the Middle East could affect shipments in the region and from Russia, the world's biggest wheat exporter and an ally of Iran. CBOT July soft red winter wheat [WN24](#) settled up 13-3/4 cents at \$5.66-3/4 per bushel. For the week, the contract ended down 4 cents a bushel or 0.7%. Commodity funds hold a hefty [net short position](#) in CBOT wheat futures, leaving the market vulnerable to bouts of short-covering.



**Technical:**

Wheat ends higher on geopolitical tensions. Next level to watch 577.75.

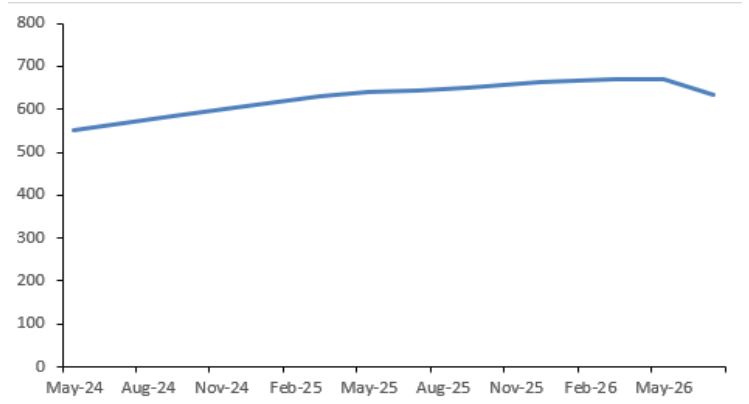
**Support:**

488.00 = Aug 2020 Low  
468.25 = Jun 2020 Low

**Resistance:**

577.75 = Mar 2024 High  
598.75 = Nov 2023 High

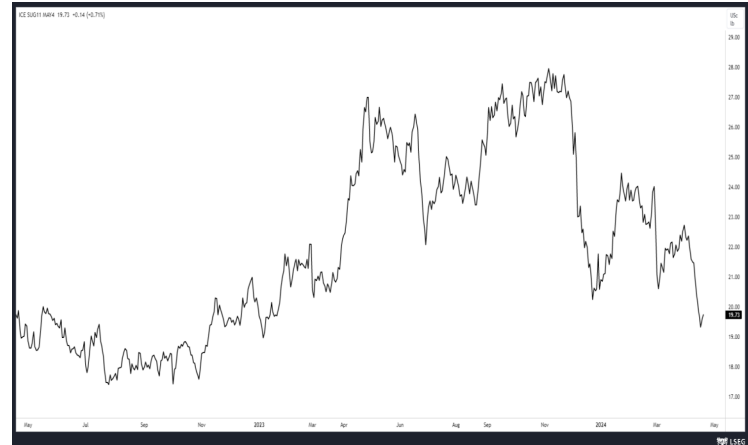
## Futures Curve



# Sugar

Last Price USc **19.73**/LBS

May raw sugar [SBc1](#) settled up 0.14 cent, or 0.7%, at 19.73 cents per lb, partly recovering after touching a 16-month low on Wednesday. [Brazil's new sugarcane](#) crop was projected to fall 8.5%, while [India's sugar production](#) is set to improve, said the USDA. [Thailand's sugar output](#) is expected to drop 21.2% in the current 2023-2024 production year, the Office of Sugar and Cane Board said. August white sugar [LSuc1](#) fell 0.9% to \$563.50 a ton.



## Technical:

Raw sugar settles up, next level to watch 20.60.

## Support:

19.29 = Jan 2022 High

18.92 = Jan 2023 Low

## Resistance:

20.60 = Jan 2024 Low

21.88 = Mar 2024 High

## Futures Curve



# Soybean

Last Price      USc **1,150.50**/BSH

CBOT soybean futures rose on Friday as heightened geopolitical tensions spurred a round of bargain buying after the benchmark July contract SN24 fell to its lowest in seven weeks. Reports of Israeli missile strikes in Iran overnight fueled fears of an escalating conflict in the Middle East, lifting crude oil CLC1 and other commodities. But Tehran played down the incident and indicated it had no plans for retaliation. CBOT July soybean futures SN24 settled up 16 -3/4 cents at \$11.65-3/4 per bushel, rebounding sharply after an early slide to \$11.45-3/4, its lowest since Feb. 29. However, for the week, the contract fell 21 cents per bushel or 1.8%, its fifth consecutive weekly decline. CBOT July soyoil BON24 ended Friday up 0.28 cent at 44.94 cents per pound, bouncing after falling to a life-of-contract low at 44.06 cents.



**Technical:**

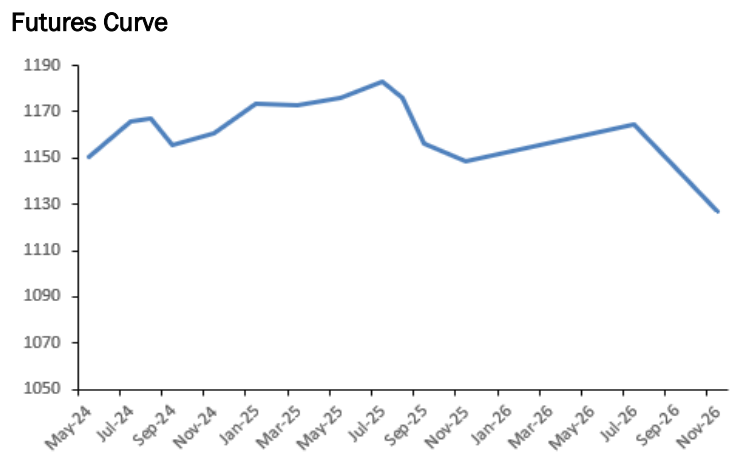
Soybeans close higher on bargain-buying after 7 week low, next level to watch 1,120.00.

**Support:**

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

**Resistance:**

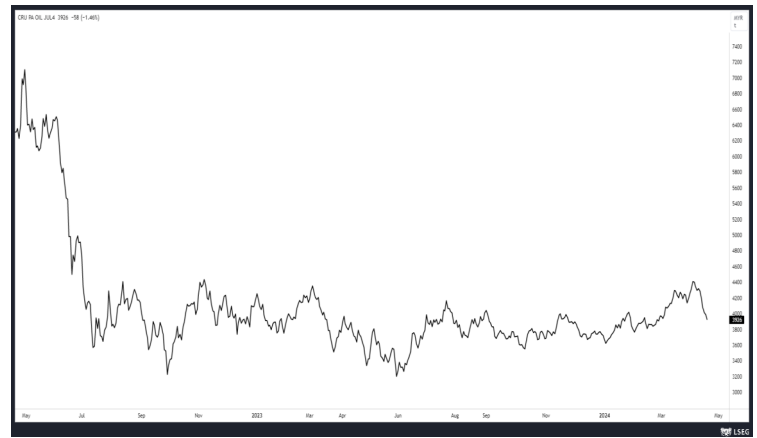
1,221.75 = Feb 2024 High  
 1,262.50 = Oct 2021 High



# Palm Oil

Last Price USD **821.17**/Ton

Malaysian palm oil futures reversed early gains on Friday to log its sharpest weekly fall in over a year, as traders assessed concerns over escalating tensions in the Middle East and slowing palm oil demand. The benchmark palm oil contract FCPOc3 for July delivery on the Bursa Malaysia Derivatives Exchange settled down 1.41% to 3,928 ringgit (\$821.59) a metric ton, down for a sixth consecutive session. It had risen as much as 1.4% during early trade. For the week, the contract slumped 8.3%. Explosions echoed over an Iranian city on Friday in what sources described as an Israeli attack, but Tehran played down the incident and indicated it had no plans for retaliation - a response that appeared gauged towards averting region-wide war. Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market.



**Technical:**

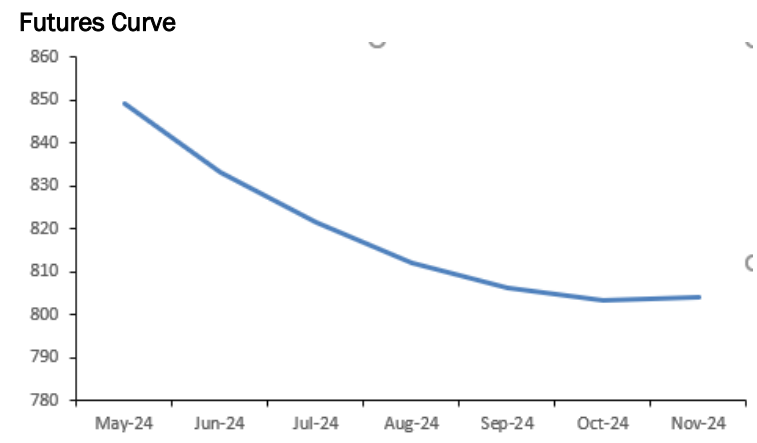
Palm oil clocks deepest weekly loss in over a year, next level to watch 900.00.

**Support:**

803.60 = Oct 2023 High  
787.87 = Jul 2021 Low

**Resistance:**

903.20 = Dec 2021 High  
931.58 = Mar 2023 High





# Cotton

Last Price

USc **78.69**/LBS

ICE cotton futures dipped to a more than four-month low on Thursday, pressured by a stronger U.S. dollar and speculators selling amid bearish technical signals. Cotton contracts for May [C1c1](#) fell 1.7 cents, or 2.2%, to 77.9 cents per lb. On the technical front, cotton prices are trading below 50-, 100- and 200-day moving averages. Speculators who trade on technical signals regard a break below such moving averages as a bearish sign. The dollar index [.DXY](#) was up 0.1% near a one-month high, making cotton more expensive for overseas buyers. The U.S. Department of Agriculture's (USDA) weekly export sales report showed net sales of 146,100 running bales for 2023/2024, up 79% from the previous week and 64% from the prior four-week average.



## Technical:

Cotton drops to over 4-month low on strong dollar, technical selling. Next level to watch 88.00.

## Support:

72.00 = Nov 2022 Low

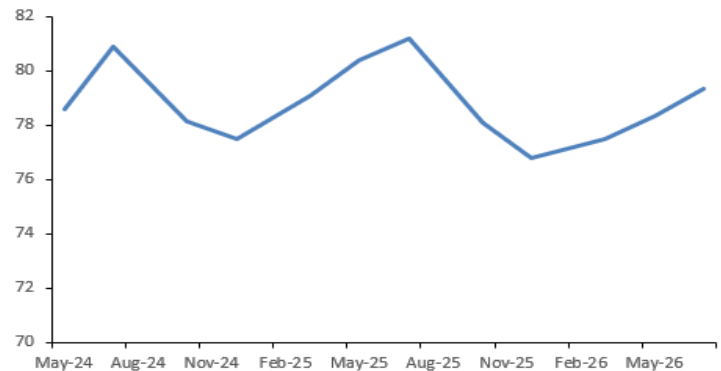
63.69 = Mar 2020 High

## Resistance:

88.88 = Jan 2023 High

100.00 = Jun 2022 Low

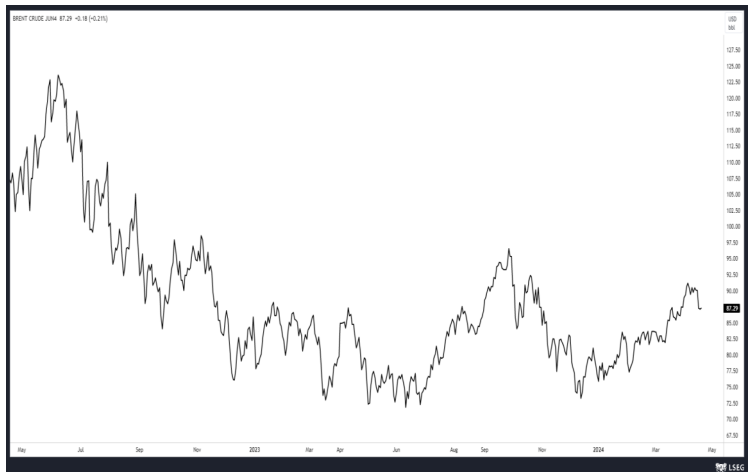
## Futures Curve



# Brent Crude

Last Price USD **87.29**/BBL

Oil settled slightly higher on Friday, but posted a weekly decline, after [Iran played down](#) a reported Israeli attack on its soil, a sign that an escalation of [hostilities in the Middle East](#) might be avoided. Brent [LC0c1](#) futures settled up 18 cents, or 0.21%, at \$87.29 a barrel. The front month U.S. West Texas Intermediate (WTI) crude contract for May [CLc1](#) ended 41 cents higher, or 0.5%, to \$83.14 a barrel. The more active June contract [CLc2](#) closed 12 cents higher at \$82.22 a barrel. Both benchmarks spiked more than \$3 a barrel earlier in the session after explosions were heard in the Iranian city of Isfahan in what sources described as [an Israeli attack](#). However, the gains were capped after Tehran played down the incident and said it [did not plan to retaliate](#). The oil and gas rig count, an early indicator of future output, rose by 2 to 619 in the week to April 19.



### Technical:

Oil settles slightly higher as Iran plays down reported Israeli attack, next level to watch 91.70.

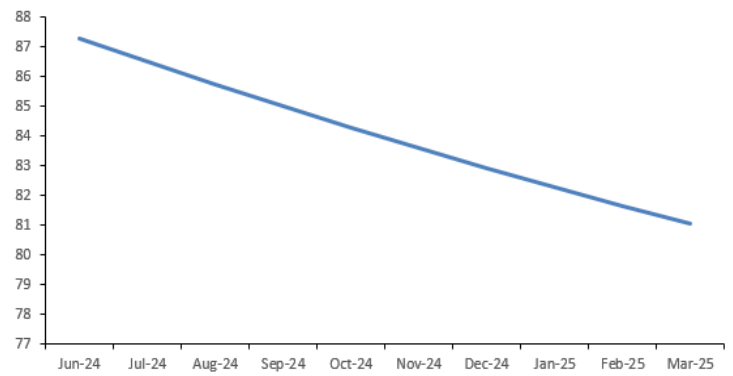
### Support:

- 76.60 = Nov 2023 Low
- 74.79 = Jan 2024 Low

### Resistance:

- 91.70 = Jan 2022 High
- 93.79 = Oct 2023 High

### Futures Curve



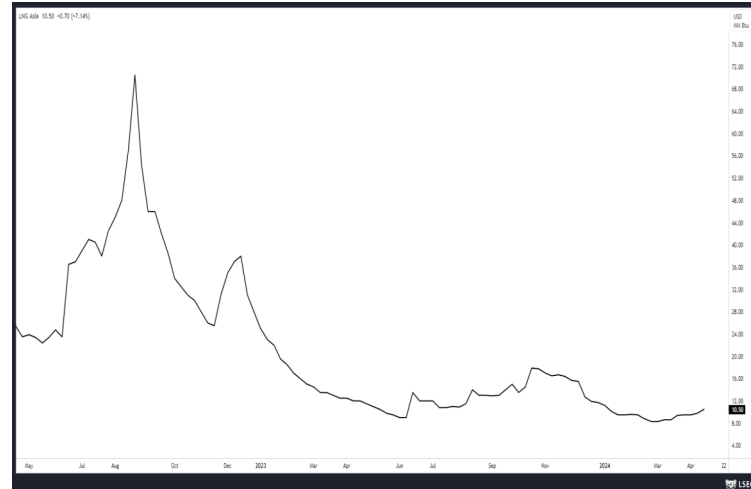
# LNG

Last Price

USD **10.50**/MMBTU

Asian spot liquefied natural gas (LNG) prices rose this week to a new three-month high due to supply concerns amid tensions in the Middle East and a drop in feedgas deliveries to two LNG terminals in the United States.

The average LNG price for June delivery into north-east Asia [LNG-AS](#) rose to \$10.50 per million British thermal units (mmBtu), its highest since Jan 12. Prices hit a 15-week high earlier this week, slightly exceeding \$11.00/mmBtu, tracking gains in European gas markets, but have softened since then. On spot LNG freight, both the Atlantic and Pacific rates were steady this week, with the Atlantic spot rate estimated at \$44,000/day on Friday and the Pacific spot rate at \$46,250/day.



## Technical:

Asia spot LNG at fresh three-month high on supply concerns. Next level to watch 10.90.

## Support:

8.85 = Apr 2021 High

8.10 = Dec 2020 Low

## Resistance:

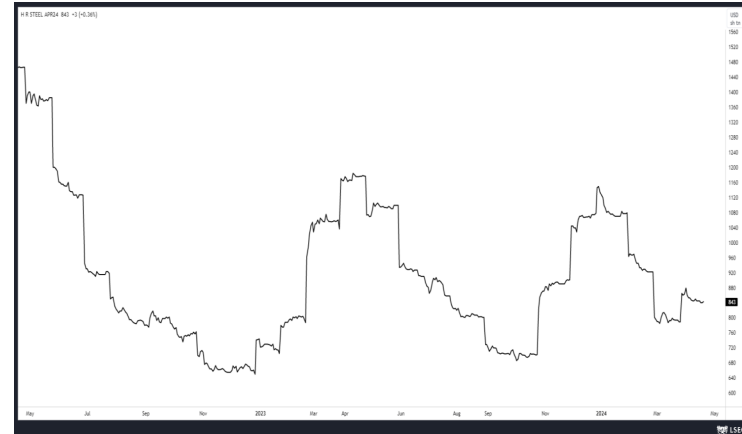
10.90 = Aug 2023 Low

11.20 = Jan 2024 High

# Steel (HRC)

Last Price USD **843.00**/ tons

Iron ore futures prices retreated on Friday, but were on track for a second straight week of gains as demand improved in top consumer China. The most-traded September iron ore contract on China's Dalian Commodity Exchange (DCE) [DCIOcv1](#) ended daytime trade 0.34% lower at 871 yuan (\$120.30) a metric ton. It is, however, poised for a 5.3% rise for the week. The benchmark May iron ore [SZZFK4](#) on the Singapore Exchange was down 0.12% at \$116.7 a ton, but up 5.1% so far this week. Other steelmaking ingredients on the DCE advanced, with coking coal [DJMcv1](#) and coke [DCJcv1](#) up 0.39% and 0.37%, respectively. Steel benchmarks on the Shanghai Futures Exchange were mostly down. Rebar [SRBcv1](#) shed 0.3%, hot-rolled coil [SHHCcv1](#) edged down 0.26%, wire rod [SWRcv1](#) dipped 0.54%, while stainless steel [SHSScv1](#) added 2.09%.



## Technical:

Iron ore retreats but set for second weekly gain on improving China demand. Next level to watch 780.00.

## Support:

783.00 = Mar 2024 Low

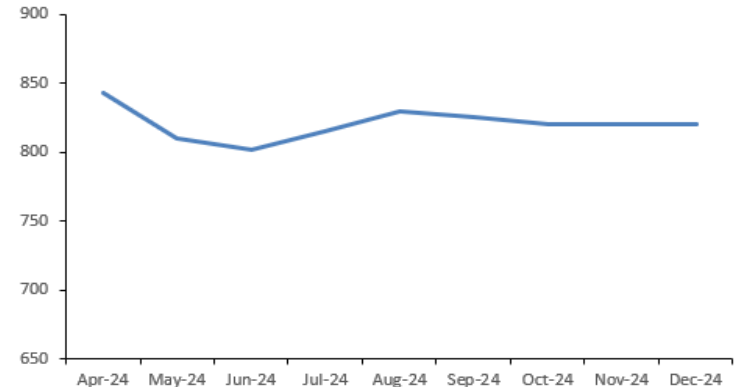
765.00 = Sep 2022 Low

## Resistance:

848.00 = Aug 2022 High

885.00 = Oct 2023 High

Futures Curve of SHFE Steel Futures



# SHFE Zinc

Overnight, LME zinc opened at US\$2,810/ton, reaching a high of US\$2,850/ton. Entering the night trading period, LME zinc fell rapidly and tested as low as US\$2773.5/ton. It rose slightly at the end of the day and finally closed down at US\$2815/ton, down US\$10.5/ton, a decrease of 0.37%. The trading volume decreased by 224 lots, and positions increased by 1,609 lots. LME zinc inventories decreased by 925 tons, a decrease of 0.36%.

Overnight, the most-traded SHFE 2406 zinc contract opened at 22700 yuan/mt and fell to 22420 yuan/mt before closing at 22620 yuan/mt, down 140 yuan/mt or 0.62%. Trading volume decreased 142,000 to 117,000 lots, and open interest increased by 390 lots to 124,000 lots.

## Technical:

Hawkish speed of the fed and weak domestic consumption weighed on SHFE zinc, next level to watch 2,970.00.

## Support:

3,066.17 = Oct 2023 High

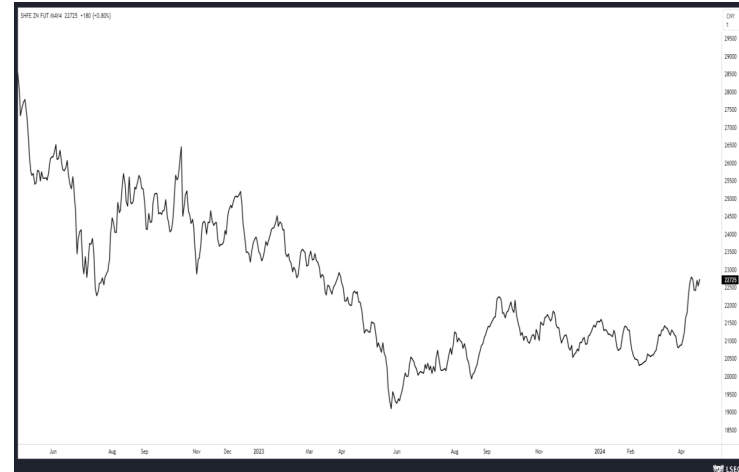
2,991.59 = May 2023 High

## Resistance:

3,262.99 = Mar 2023 High

3,367.95 = Jul 2022 High

Last Price USD **3,113.82**/Tons



## SHFE Zinc Forward Curve



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