



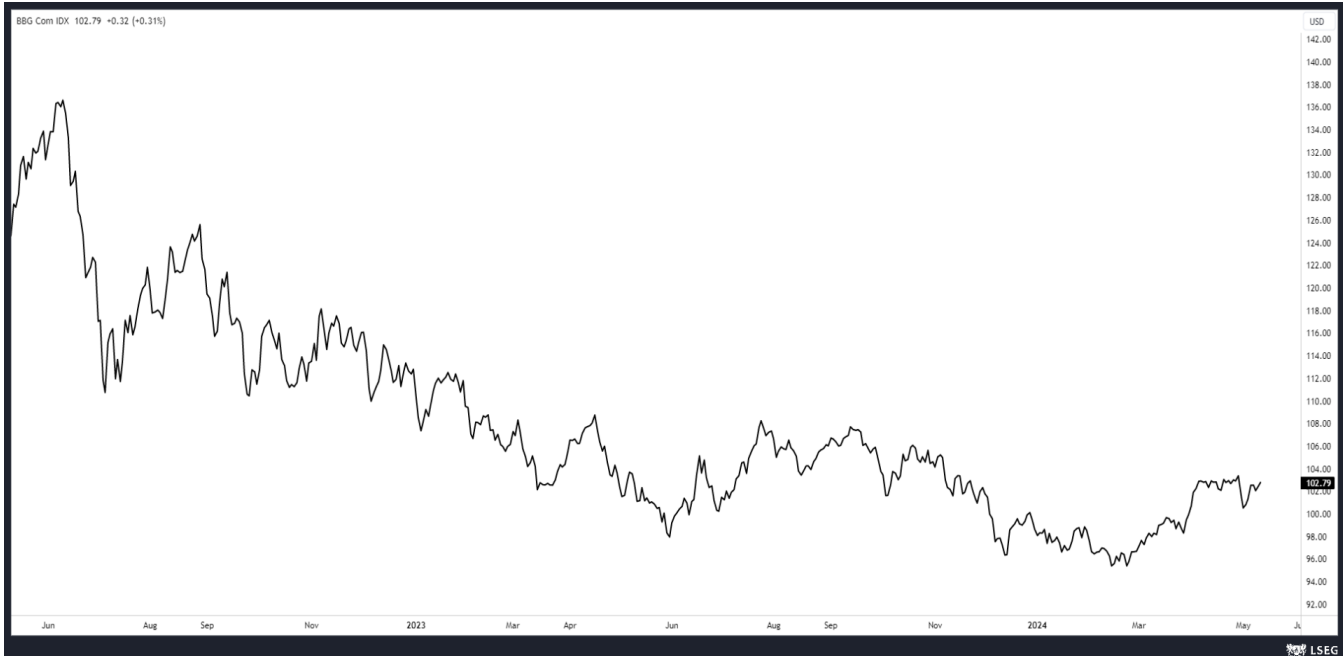
Commodities Weekly

Issue 13-2024

Date: 12 May 2024

Bloomberg Commodity Index

102.79 ▲



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)

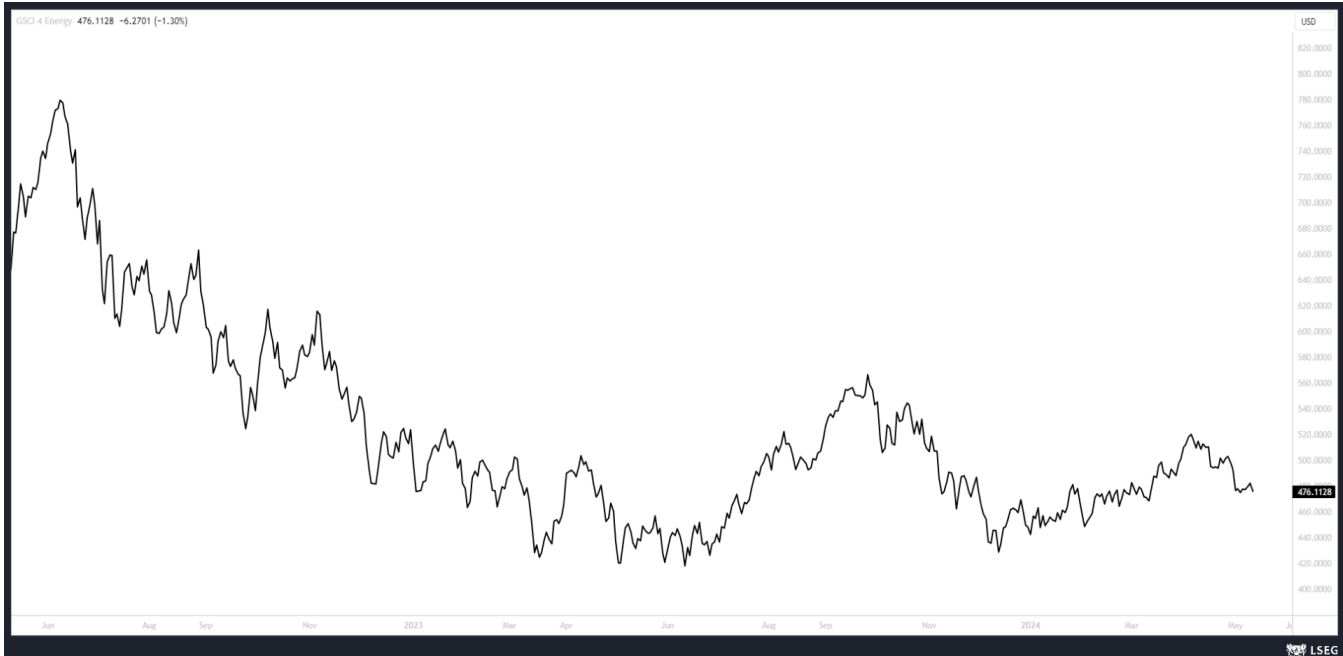
Precious Metals: (Gold, Silver)

Softs: (Sugar, Coffee, Cotton)

Livestock: (Live Cattle, Lean Hogs)

S&P GSCI

476.1128 ▲



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.

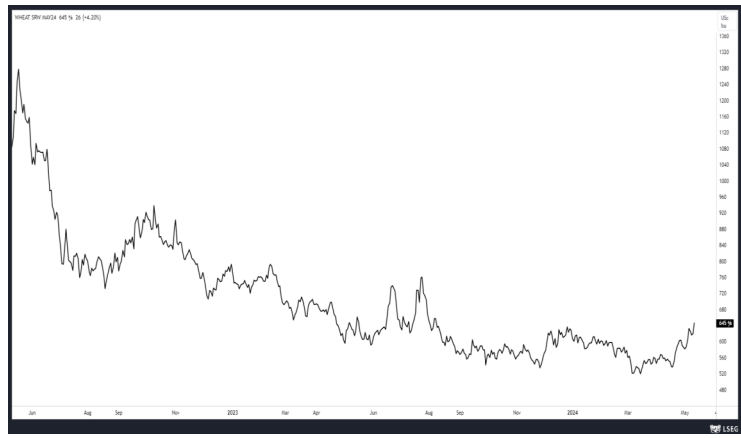
Commodity	Unit	Closing Price	% Δ Weekly	% Δ MoM	% Δ YoY	YTD High	YTD Low
Wheat	\$c/BSH	645.75	▲ 6.56%	▲ 10.38%	▲ 8.71%	647.00	519.50
Sugar	\$c/LBS	19.30	▲ 0.10%	▼ -2.08%	▼ -22.98%	24.62	19.09
Soybean	\$c/BSH	1,205.00	▲ 0.27%	▲ 5.19%	▼ -7.29%	1,289.50	1,115.00
Palm Oil	\$/Ton	804.10	▼ -0.89%	▲ 0.46%	▲ 15.88%	929.30	754.44
Cotton	\$c/LBS	77.31	▼ -0.06%	▼ -0.78%	▼ -7.39%	107.25	77.36
Brent Crude	\$/BBL	82.79	▼ -0.20%	▼ -5.77%	▲ 13.94%	92.18	74.79
LNG	\$/MMBTU	10.50	▲ 0.96%	▲ 2.94%	▲ 10.53%	11.20	8.30
Steel	\$/Ton	780.00	▼ -4.06%	▼ -4.06%	▼ -16.49%	1,135.00	779.00
SHFE Zinc	\$/Ton	3,210.58	▼ -0.41%	▲ 11.35%	▲ 18.29%	3,264.46	2,769.22
Indonesian Coal*	\$/Ton	121.13	0.00%	▼ -3.06%	▼ -41.24%	125.85	109.77
Australian Coal	\$/Ton	244.00	▼ -0.20%	▲ 2.17%	▲ 5.71%	336.00	227.50
Gold	\$/Ozs	2,360.14	▲ 2.55%	▲ 3.26%	▲ 20.27%	2,431.29	1,984.09

*Price published monthly once by Indonesian Govt

Wheat

Last Price USc **645.75**/BSH

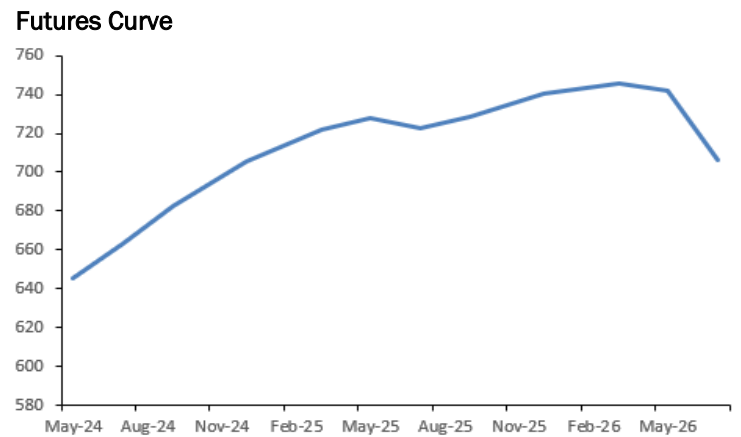
CBOT wheat turned higher on Friday, as frosts continued to impact wheat-producing regions in Russia. In the 2024-2025 marketing year, the U.S. will see larger supplies, slightly higher domestic use, increased exports and higher stocks, the U.S. Department of Agriculture on Friday reported in its monthly agricultural supply and demand estimates. Most-active CBOT July wheat [WN24](#) settled up 26 cents at \$6.63-1/2 per bushel. For the week, the contract rose 41 cents, or 6.59%, to mark its third straight weekly advance. K.C. July hard red winter wheat [KWN24](#) settled up 21-1/2 cents at \$6.73-1/4 per bushel. MGEX July spring wheat [MWEN24](#) settled up 16-1/4 cents at \$7.20 a bushel.



Technical:
 Wheat futures surge amid more Russian frost forecasts. Next level to watch 628.75.

Support:
 577.75 = Mar 2024 High
 488.00 = Aug 2020 Low

Resistance:
 684.00 = Aug 2023 High
 710.00 = Apr 2023 High

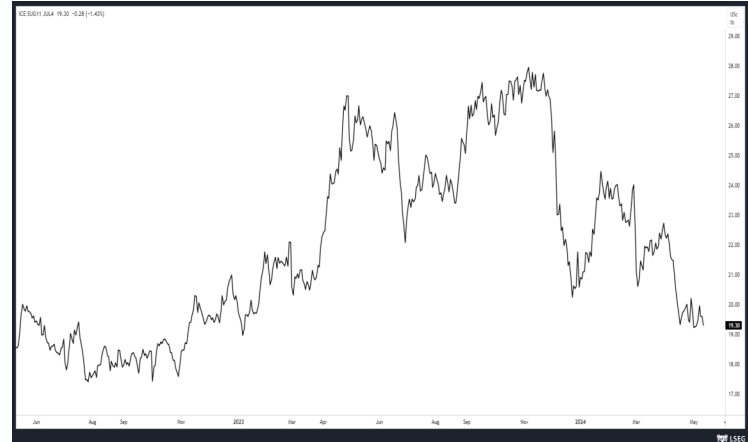


Sugar

Last Price

USc **19.30**/LBS

July raw sugar [SBc1](#) rose 0.5% to 19.69 cents per lb. The market was stuck between solid support around 19 cents and resistance at 20 cents, prices had held in that band for the last couple of weeks. August white sugar [LSuc1](#) rose 0.9% to \$577.80 a ton. The global sugar market is heading to a [small surplus](#) of 1.62 million metric tons in the 2024/25 season (Oct-Sept), after posting a deficit of 1.79 million tons in 2023/24, as production in Thailand recovers.



Technical:

Raw sugar rises slightly, next level to watch 20.60.

Support:

19.15 = Jan 2022 High

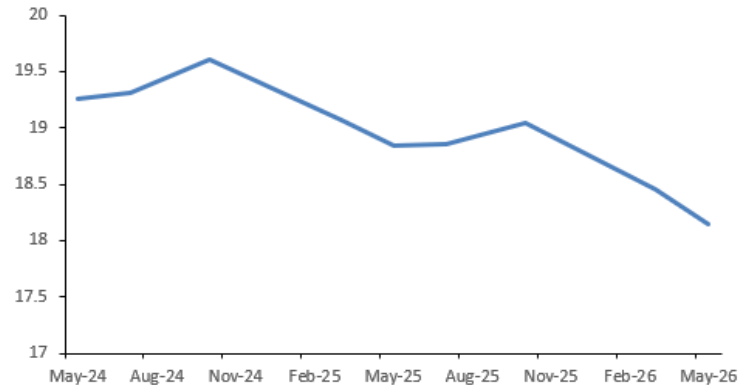
18.92 = Jan 2023 Low

Resistance:

20.60 = Jan 2024 Low

21.88 = Mar 2024 High

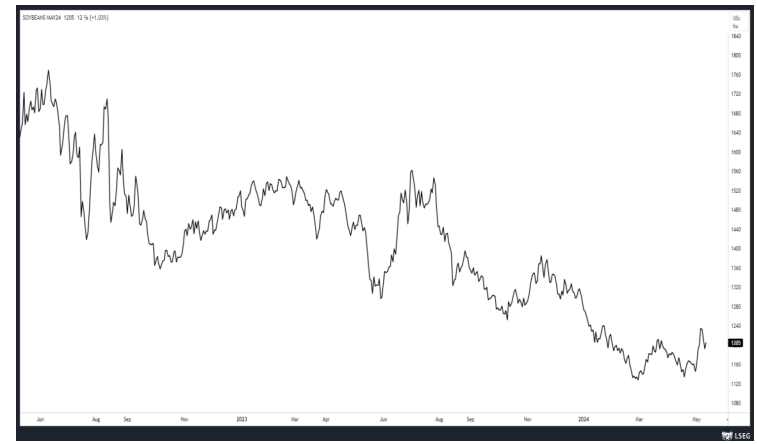
Futures Curve



Soybean

Last Price USc **1,205.00**/BSH

CBOT soybeans turned higher Friday, following corn futures up, after the U.S. Department of Agriculture said U.S. farmers are expected to produce their second biggest soybean harvest ever this year. [Forecasts for abundant supplies](#) of soybeans and corn are keeping U.S. crop prices near three-year lows, despite some production losses in South America due to extreme weather. Soybean ending stocks for 2024/25 [were projected](#) at a five-year high of 445 million bushels, up from 340 million estimated for 2023/24. CBOT July soybean futures [SN24](#) settled 10-1/2 cents higher at \$12.19 per bushel. The contract also marked its third straight weekly advance. CBOT July soyoil [BON24](#) ended up 1.8 cents at 44.44 cents per pound, while CBOT July soymeal [SMN24](#) settled \$1.00 lower at \$371.90 per short ton.



Technical:

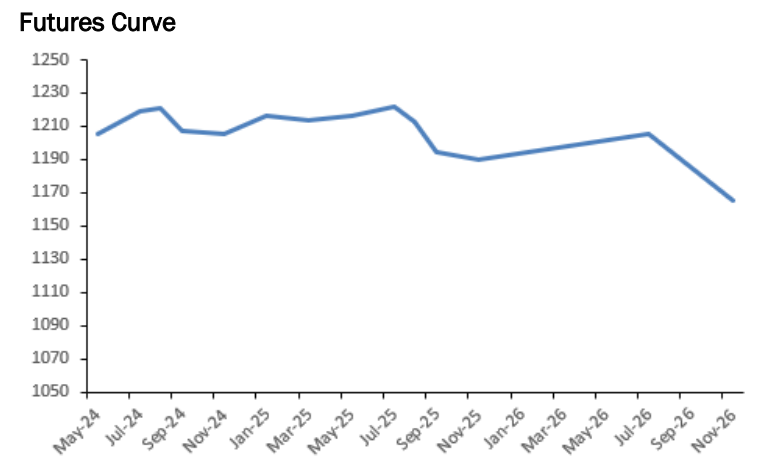
Soybeans end higher after USDA forecasts huge US crop, next level to watch 1,221.00.

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 **804.10**/Ton

Malaysian palm oil futures fell for a third consecutive session to close at a three-month low on Friday, tracking weaker Dalian rivals, while palm oil data from the Malaysia Palm Oil Board (MPOB) earlier in the day weighed on sentiment. The benchmark palm oil contract [FCPOc3](#) for July delivery on the Bursa Malaysia Derivatives Exchange closed down 21 ringgit, or 0.55%, to 3,810 ringgit (\$804.31) a metric ton, the lowest close since mid-February. The contract lost 0.88% this week, marking a fifth consecutive week-on-week decline, its longest weekly losing streak since December 2017. Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market. Malaysia's palm oil stocks [increased](#) at the end of April for the first time in six months as production jumped despite a drop in exports.



Technical:

Palm oil logs longest weekly losing streak in more than 6 years, next level to watch 900.00.

Support:

803.60 = Oct 2023 High

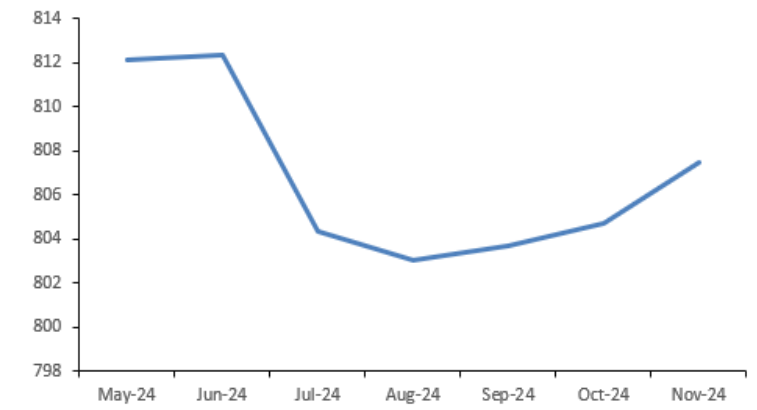
787.87 = Jul 2021 Low

Resistance:

903.20 = Dec 2021 High

931.58 = Mar 2023 High

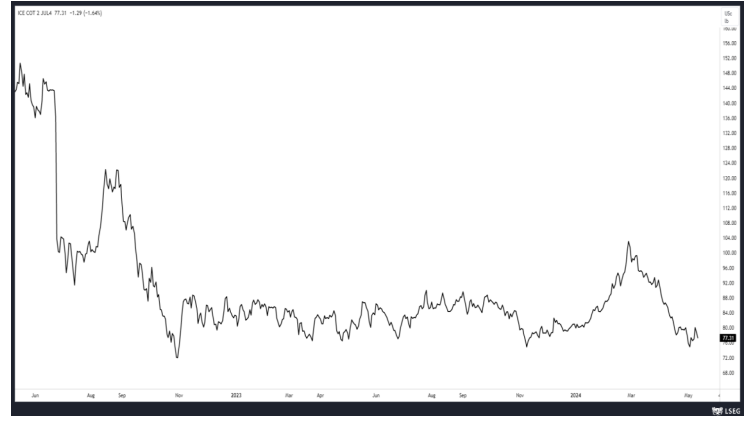
Futures Curve



Cotton

Last Price USc **77.31**/LBS

ICE cotton futures fell more than 2% on Friday, weighed down by an overall stronger dollar and as a federal monthly supply and demand report failed to inspire sentiment among investors. Cotton contracts for July [CTc1](#) fell 1.2 cents, or 1.5%, to 77.42 cents per lb. The U.S. 2023/24 cotton supply and demand projections were unchanged this month, with ending stocks forecast at 2.5 million bales. Oil prices wavered between positive and negative territory in a narrow trading range as investors grappled with conflicting demand signals out of China and the U.S. Higher oil prices make cotton-substitute polyester more expensive.

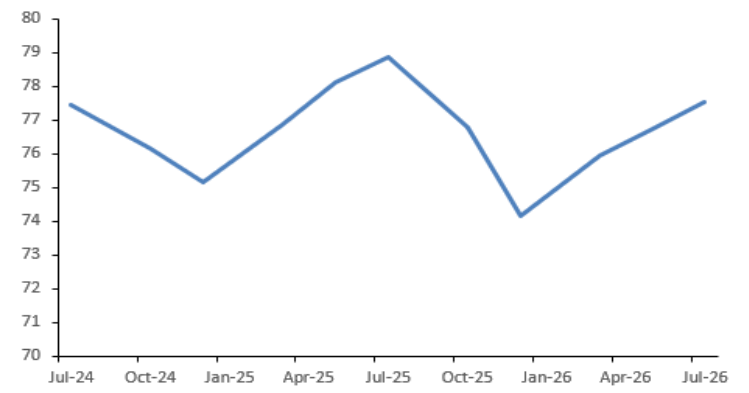


Technical:
Cotton drops over 2% on firm dollar. Next level to watch 88.00.

Support:
72.00 = Nov 2022 Low
63.69 = Mar 2020 High

Resistance:
88.88 = Jan 2023 High
100.00 = Jun 2022 Low

Futures Curve

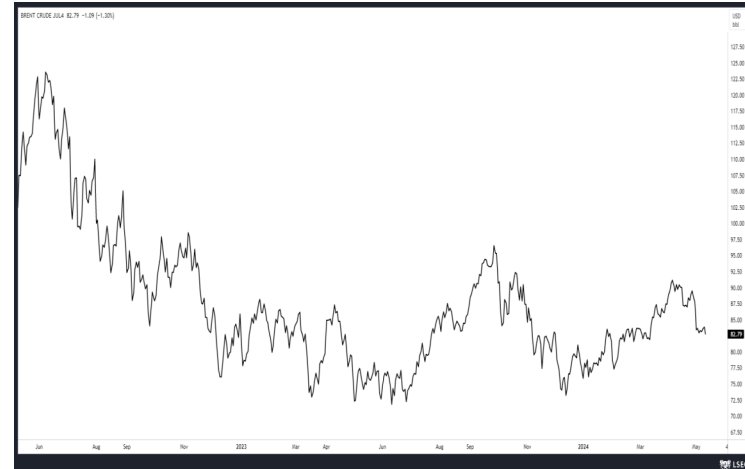


Brent Crude

Last Price

USD **82.79**/BBL

Oil prices fell by nearly \$1 a barrel on Friday as comments from U.S. central bank officials indicated higher-for-longer interest rates, which could hinder demand from the world's largest crude consumers. Brent crude futures [LCOc1](#) settled at \$82.79 a barrel, down \$1.09, or 1.3%. U.S. West Texas Intermediate crude [CLc1](#) settled at \$78.26 a barrel, down \$1.00, or 1.3%. For the week, Brent logged a 0.2% loss, while WTI recorded a rise of 0.2%. Next week, U.S. inflation data could influence Fed decisions on rates. Oil drew little support from the U.S. oil rig count, which is an indicator of future supply, despite energy services firm Baker Hughes data showing the number of oil rigs fell by three to 496 this week, their lowest since November.



Technical:

Oil falls on prospect of higher for longer US rates, stronger dollar, next level to watch 91.70.

Support:

76.60 = Nov 2023 Low

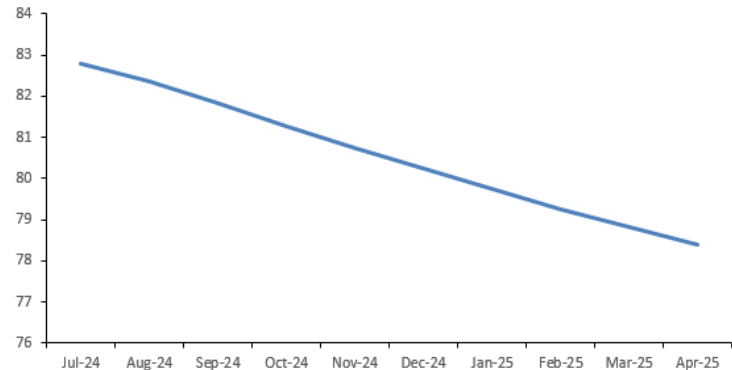
74.79 = Jan 2024 Low

Resistance:

91.70 = Jan 2022 High

93.79 = Oct 2023 High

Futures Curve

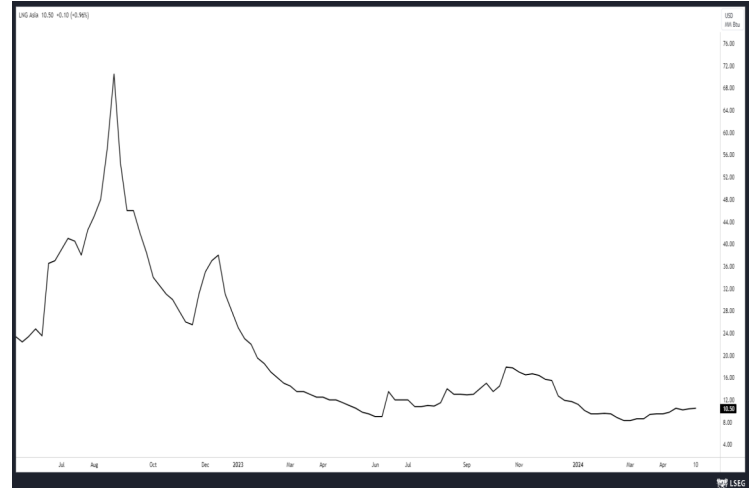


LNG

Last Price

USD **10.50**/MMBTU

Asian spot liquefied natural gas prices rose this week on stronger demand amid high temperatures in north and south China, pushing European buyers to bid at relatively narrow discounts to attract sellers. The average LNG price for June delivery into north-east Asia [LNG-AS](#) rose to \$10.50 per million British thermal units (mmBtu), from \$10.40/mmBtu in the previous week. In Europe, gas storage facilities were last seen nearly 63% full, leaving the continent in a strong position during the net injection season. S&P Global Commodity Insights assessed its daily North West Europe LNG Marker (NWM) price benchmark for cargoes delivered in June on an ex-ship (DES) basis at \$9.587/mmBtu on May 9, a \$0.19/mmBtu discount to the June gas price at the Dutch TTF hub. Argus assessed the June delivery price at \$9.60/mmBtu, while Spark Commodities assessed it at \$9.548/mmBtu.

**Technical:**

Asia spot LNG price rise on signs of stronger demand. Next level to watch 10.90.

Support:

8.85 = Apr 2021 High

8.10 = Dec 2020 Low

Resistance:

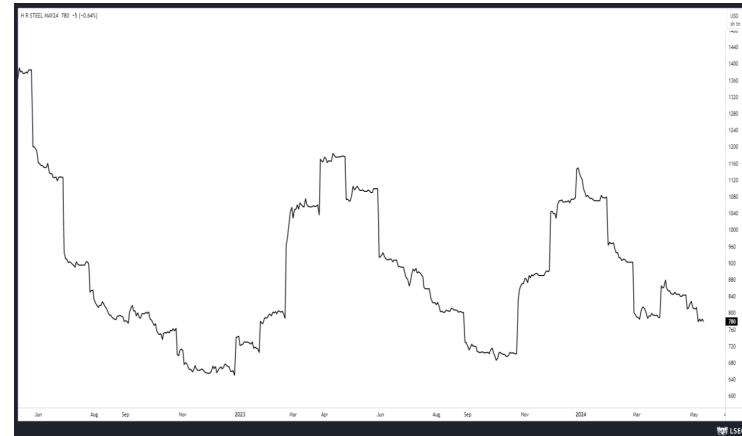
10.90 = Aug 2023 Low

11.20 = Jan 2024 High

Steel (HRC)

Last Price USD **780.00**/ tons

Iron ore futures fell to their lowest in more than two weeks, pressured by an inventory accumulation at Chinese ports and caution about demand outlook, but property support measures in China lent some support. The most-traded September iron ore on China's Dalian Commodity Exchange (DCE) [DClOcv1](#) fell as much as 1.6% to 857 yuan (\$118.62) a metric ton, the lowest since April 24, earlier in the session. It declined 0.7% on a weekly basis. The contract, however, rebounded to close 0.3% higher at 873.50 yuan. Other steel-making ingredients on the DCE fell, with coking coal [DJMcv1](#) down 1% at 1,753.50 yuan a ton, and coke [DCJcv1](#) falling 1.5% to 2,269 yuan. SHFE rebar [SRBcv1](#) slid 0.3% to 3,662 yuan a ton, hot-rolled coil [SHHCcv1](#) eased 0.1% to 3,806 yuan, wire rod [SWRcv1](#) shed 0.9% to 3,849 yuan, while stainless steel [SHSScv1](#) gained 0.9% to 14,290 yuan.



Technical:

Iron ore hits more than 2-week low on rising inventory, demand caution. Next level to watch 780.00.

Support:

783.00 = Mar 2024 Low

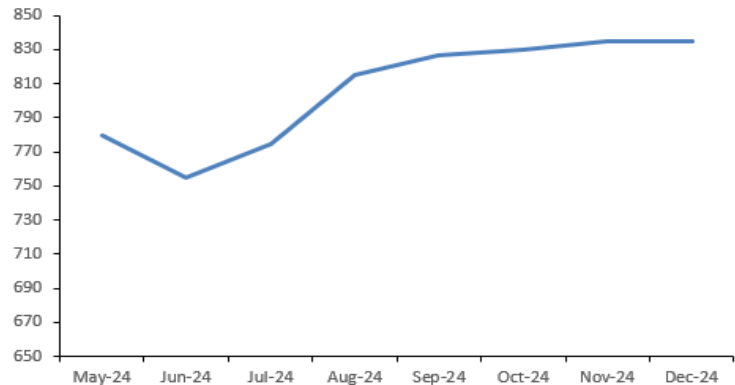
765.00 = Sep 2022 Low

Resistance:

848.00 = Aug 2022 High

885.00 = Oct 2023 High

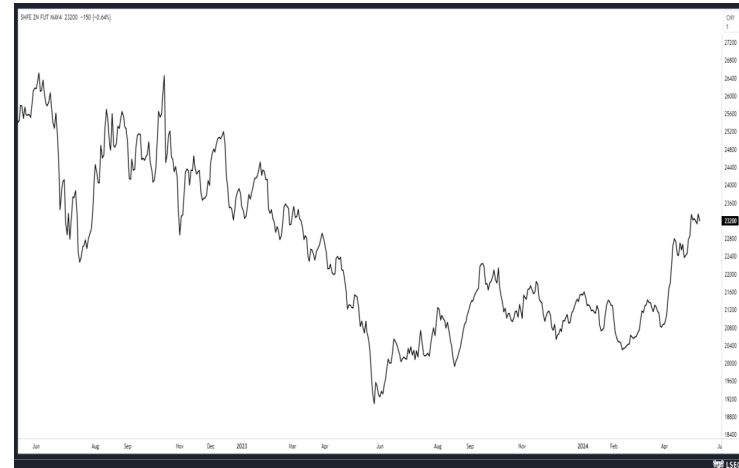
Futures Curve of SHFE Steel Futures



SHFE Zinc

Last Price USD **3,210.58**/Tons

The most-traded SHFE 2406 zinc contract opened at 23265 yuan/mt overnight and fell to 22915 yuan/mt before rallying to a peak of 23215 yuan/mt. It eventually closed at 23345 yuan/mt, up 140 yuan/mt or 0.6%. Trading volume grew to 73254 lots, and open interest decreased by 3355 lots to 79691 lots. According to SMM research, as of Thursday this week, the total zinc ingot inventory of seven regions in China was 212,900 tons, a decrease of 3,400 tons from May 6. Domestic inventory decreased, and domestic zinc concentrate TCs continued to decline, providing bottom support for zinc prices. On the macro side, the US dollar weakened and was more bullish, and SHFE zinc is expected to fluctuate rangebound.



Technical:

Zinc is expected to fluctuate rangebound, next level to watch 3,262.00.

Support:

3,066.17 = Oct 2023 High

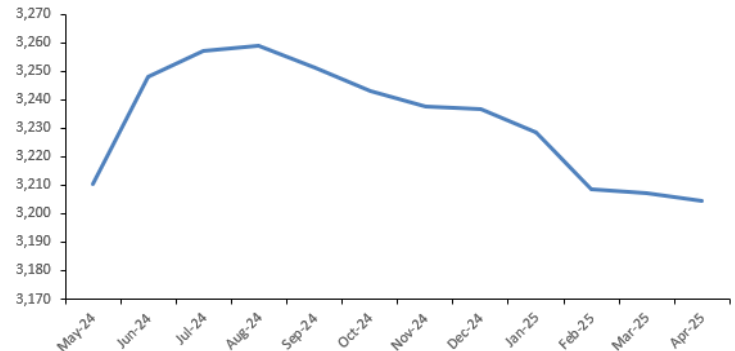
2,991.59 = May 2023 High

Resistance:

3,262.99 = Mar 2023 High

3,367.95 = Jul 2022 High

SHFE Zinc Forward Curve



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