



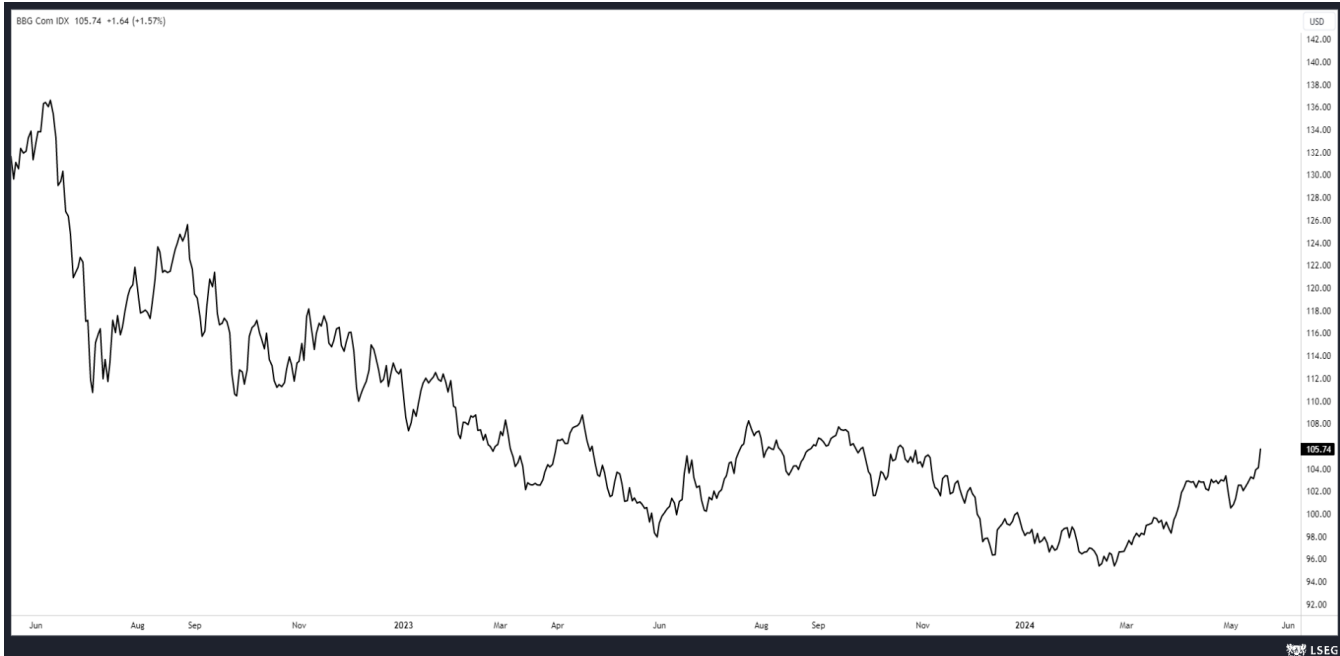
# Commodities Weekly

Issue 14-2024

Date: 19 May 2024

# Bloomberg Commodity Index

105.74 ▲



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

487.6743 ▲



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	651.25	▲ 0.85%	▲ 11.32%	▲ 9.64%	697.00	519.50
<a href="#">Sugar</a>	\$c/LBS	18.13	▲ -6.06%	▼ -8.02%	▼ -27.65%	24.62	17.95
<a href="#">Soybean</a>	\$c/BSH	1,228.00	▲ 1.91%	▲ 7.20%	▼ -5.52%	1,289.50	1,115.00
<a href="#">Palm Oil</a>	\$/Ton	830.74	▲ 3.31%	▲ 3.79%	▲ 19.72%	929.30	754.44
<a href="#">Cotton</a>	\$c/LBS	75.89	▼ -1.84%	▼ -2.61%	▼ -9.09%	107.25	73.68
<a href="#">Brent Crude</a>	\$/BBL	83.98	▲ 1.44%	▼ -4.42%	▲ 15.58%	92.18	74.79
<a href="#">LNG</a>	\$/MMBTU	10.90	▲ 3.81%	▲ 6.86%	▲ 14.74%	11.20	8.30
<a href="#">Steel</a>	\$/Ton	787.00	▲ 0.90%	▼ -3.20%	▼ -15.74%	1,135.00	779.00
<a href="#">SHFE Zinc</a>	\$/Ton	3,335.69	▲ 3.90%	▲ 15.69%	▲ 22.90%	3,428.44	2,775.70
Indonesian Coal*	\$/Ton	121.13	0.00%	▼ -3.06%	▼ -41.24%	125.85	109.77
Australian Coal	\$/Ton	238.00	▼ -2.46%	▲ -0.34%	▲ 3.11%	336.00	227.50
Gold	\$/Ozs	2,414.89	▲ 2.32%	▲ 5.66%	▲ 23.06%	2,431.29	1,984.09

\*Price published monthly once by Indonesian Govt

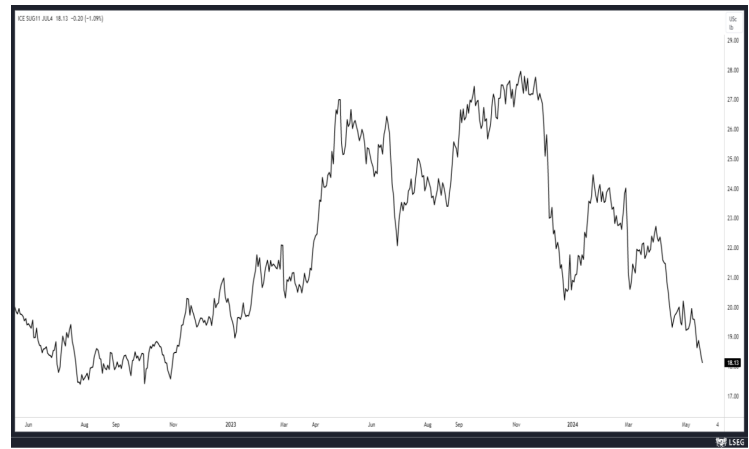


# Sugar

Last Price USc **18.13**/LBS

July raw sugar [SBc1](#) fell 0.65% to 18.21 cents per lb at 1345 GMT after slumping to an 18-month low of 17.95 cents on Thursday. Sugar industry group UNICA reported on Wednesday that sugar production in the [Centre-South region](#) totalled 1.84 million tons in the second half of April, up 84.25% from the same period a year earlier. August white sugar [LSUc1](#) fell 0.1% to \$535.90 a ton.

Germany's farmers have increased their [sugar beet sowings](#) for the new 2024/25 season for processing later this year by 6.5% to 421,600 hectare.



**Technical:**

Raw sugar prices slip, next level to watch 17.50.

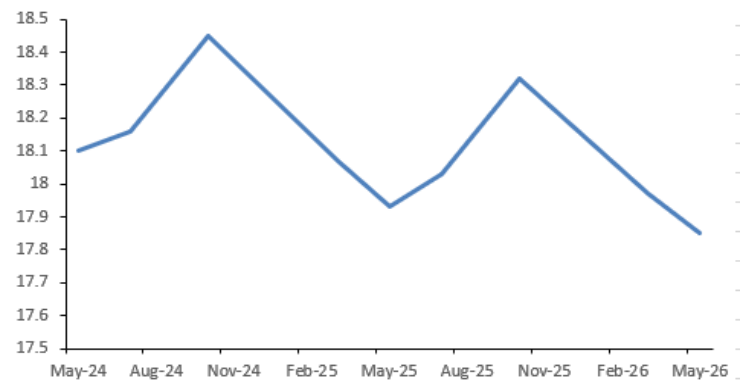
**Support:**

17.50 = Sep 2022 Low  
 16.19 = Jun 2021 Low

**Resistance:**

19.15 = Jan 2022 High  
 20.60 = Jan 2024 Low

## Futures Curve



# Soybean

Last Price

USc **1,228.00**/BSH

CBOT soybeans closed higher on Friday on concerns over crop losses due to flooding in Brazil. CBOT July soybean futures [SN24](#) settled 11-3/4 cents higher at \$12.28 per bushel. For the week, CBOT July soybeans [SN24](#) rose 9 cents per bushel, or 0.7%, for a fourth straight weekly advance. CBOT July soyoil [BON24](#) ended up 0.75 cent at 45.27 cents per pound, while CBOT July soymeal [SMN24](#) settled \$1.1 higher at \$368.80 per short ton. Gains in CBOT soyoil also supported soybean futures.

## Technical:

Soybeans rise on Brazil flooding, soyoil gains, next level to watch 1,240.00.

## Support:

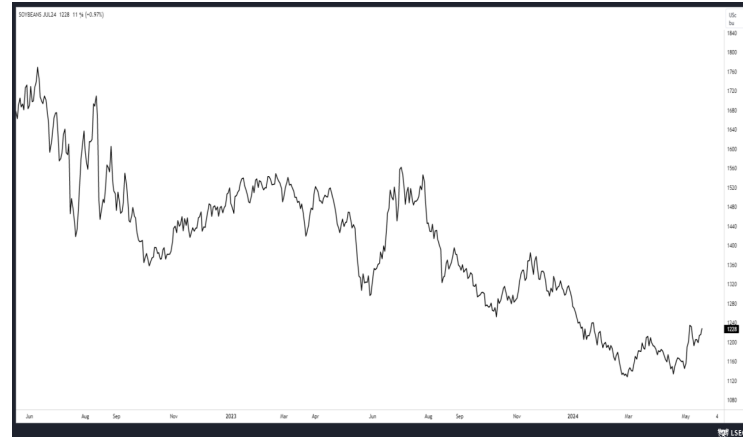
1,131.75 = Apr 2024 Low

1,094.00 = Oct 2020 High

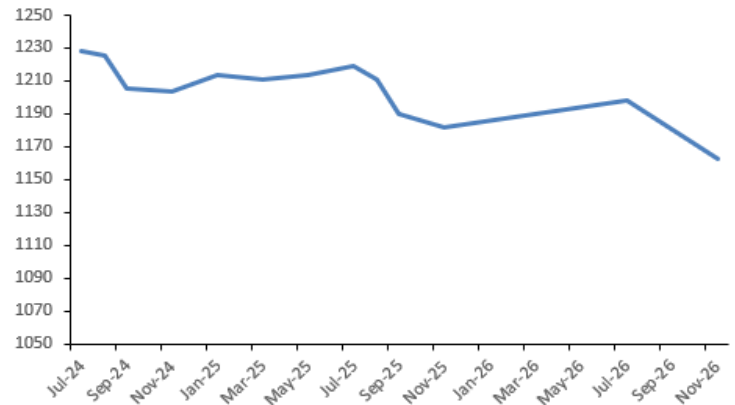
## Resistance:

1,240.50 = May 2024 High

1,262.50 = Oct 2021 High



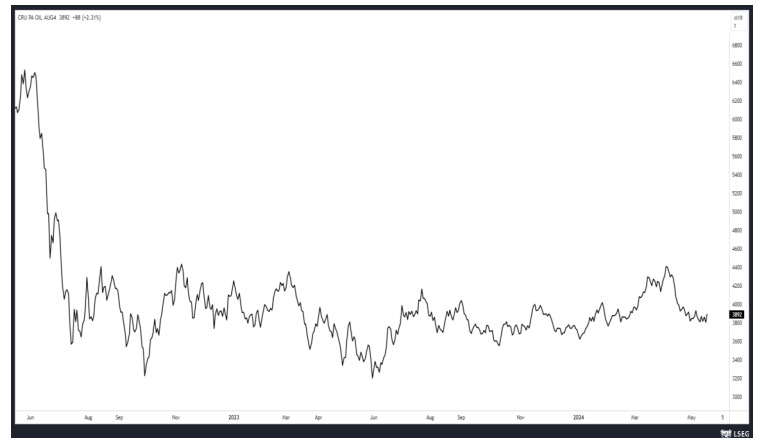
## Futures Curve



# Palm Oil

Last Price USD **830.74**/Ton

Malaysian palm oil futures closed higher and recorded a weekly gain on Friday, tracking the strength in rival oils at the Dalian and Chicago markets. The benchmark palm oil contract [FCPOc3](#) for August delivery on the Bursa Malaysia Derivatives Exchange was up 86 ringgit, or 2.26%, at 3,890 ringgit (\$830.31) a metric ton on the closing. The contract gained 2.13% this week. Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market. Malaysia maintained its June [export tax for crude palm oil at 8%](#) and lowered its reference price to 3,956.06 ringgit (\$845.13) per metric ton for June, compared with May's 4,273.93 ringgit a ton. Stronger crude oil futures make palm a more attractive option for biodiesel feedstock.



**Technical:**

Palm oil ends higher tracking rival oils, logs 2% weekly gain, next level to watch 900.00.

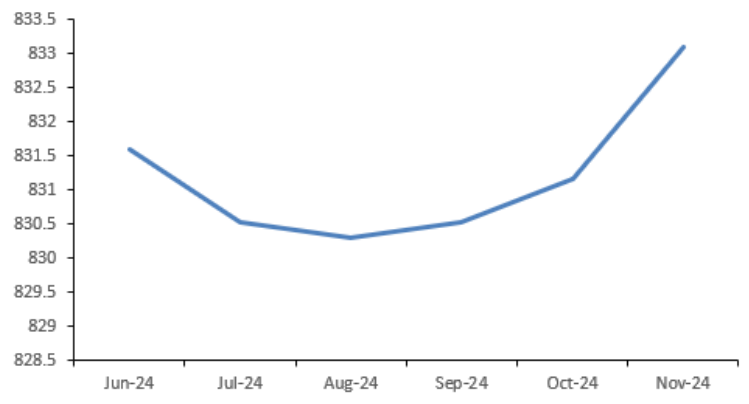
**Support:**

803.60 = Oct 2023 High  
 787.87 = Jul 2021 Low

**Resistance:**

903.20 = Dec 2021 High  
 931.58 = Mar 2023 High

## Futures Curve



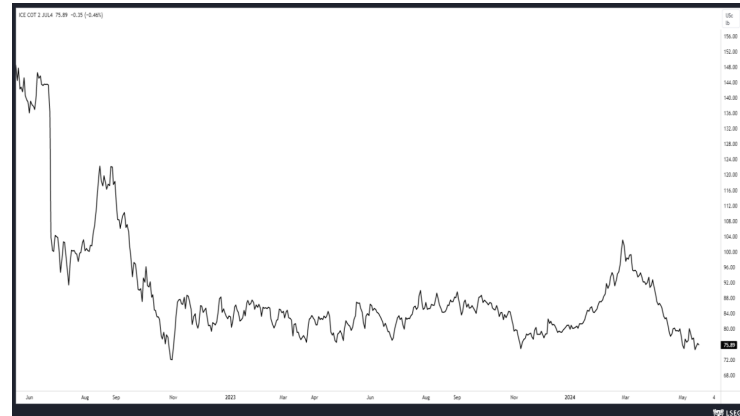


# Cotton

Last Price

USc **75.89**/LBS

ICE cotton futures edged lower on Friday and were headed for a weekly loss, hurt by weak demand and as investors booked profit ahead of the weekend after prices rose about 2% in the previous session. Cotton contracts for July [CTc1](#) fell 0.23 cents, or 0.3%, to 76.01 cents per lb by 11:09 a.m. ET (1509 GMT). It traded in a range of 75.55 and 76.83 cents a lb. The contract has lost about 1.7% so far this week. Cotton rose over 2% on Thursday as some investors took advantage of a [recent price drop](#) to buy the natural fibre.



## Technical:

Cotton heads for weekly loss on weak demand, profit taking. Next level to watch 88.00.

## Support:

72.00 = Nov 2022 Low

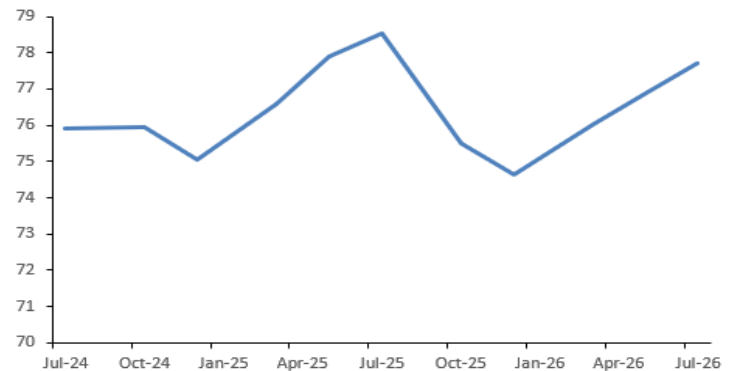
63.69 = Mar 2020 High

## Resistance:

88.88 = Jan 2023 High

100.00 = Jun 2022 Low

## Futures Curve

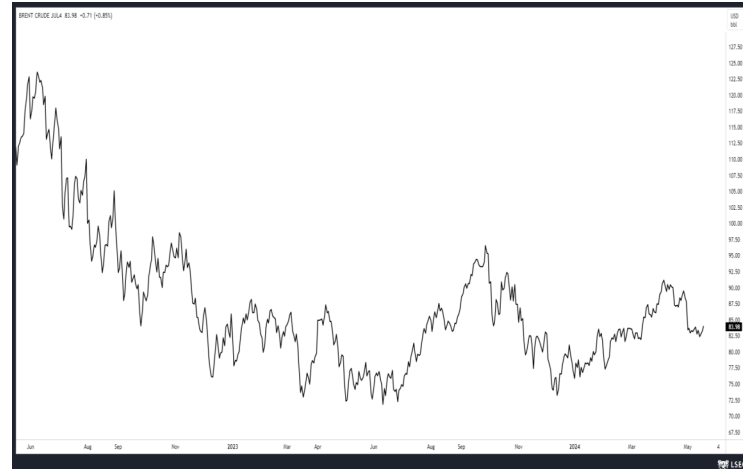


# Brent Crude

Last Price

USD **83.98**/BBL

Oil prices settled about 1% higher on Friday, with global benchmark Brent crude recording its first weekly gain in three weeks, after economic indicators from the world's top two oil consumers - China and the U.S. - bolstered hopes for higher demand. Brent [LC0c1](#) settled 71 cents higher, or 0.9%, at \$83.98 a barrel. U.S. West Texas Intermediate crude (WTI) [CLc1](#) gained 83 cents, or 1.1%, to \$80.06. For the week, Brent gained about 1%, while WTI rose 2%. Lower U.S. interest rates could help soften the dollar, which would make greenback-denominated oil cheaper for buyers holding other currencies. Meanwhile, a fire started at Russia's [Tuapse oil refinery](#) overnight after a wave of Ukrainian drone attacks. The extent of the damage was unclear. On the supply side, investors were mostly looking for direction from the upcoming [OPEC+ meeting](#) on June 1.



## Technical:

Oil gains 1% on hopes of firmer demand, next level to watch 91.70.

## Support:

76.60 = Nov 2023 Low

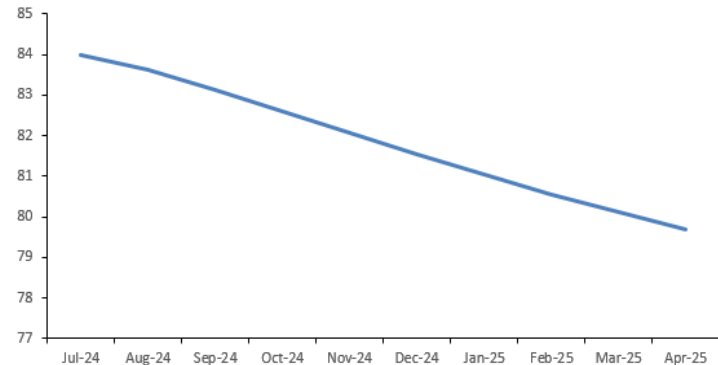
74.79 = Jan 2024 Low

## Resistance:

91.70 = Jan 2022 High

93.79 = Oct 2023 High

## Futures Curve

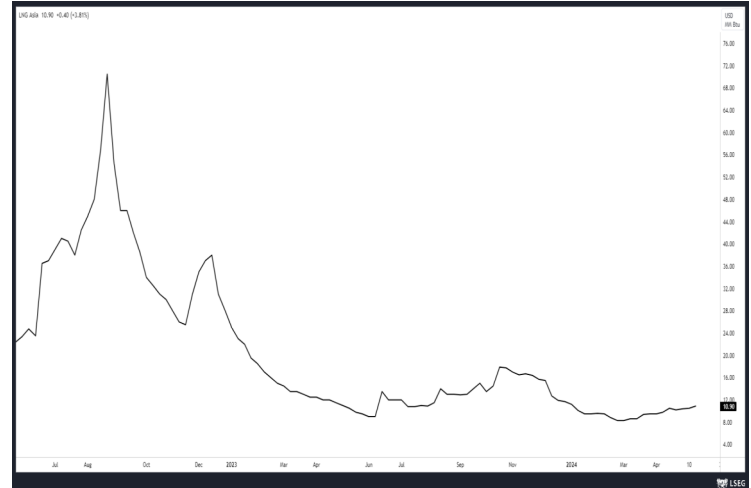


# LNG

Last Price

USD **10.90**/MMBTU

Asian spot liquefied natural gas (LNG) prices rose this week to its highest levels since January, as hot weather across the region spurred more demand for the super-chilled fuel, and as it tracked gains in European gas prices on the back of maintenance outages and lower wind output. The average LNG price for July delivery into north-east Asia [LNG-AS](#) rose to \$10.90 per million British thermal units (mmBtu), up from \$10.50/mmBtu in the previous week and its strongest levels since Jan 5. S&P Global Commodity Insights assessed its daily North West Europe LNG Marker (NWM) price benchmark for cargoes delivered in July on an ex-ship (DES) basis at \$9.649/mmBtu on May 16, a \$0.15/mmBtu discount to the July gas price at the Dutch TTF hub. Argus assessed the July delivery price at \$9.60/mmBtu, while Spark Commodities assessed it at \$9.451/mmBtu.



## Technical:

Asia spot LNG edges up as hot weather spurs demand. Next level to watch 11.20.

## Support:

9.50 = Apr 2024 Low

8.85 = Apr 2021 High

## Resistance:

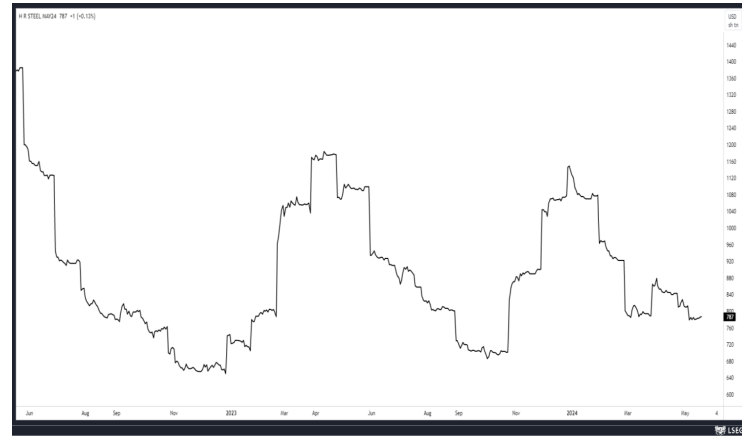
11.20 = Jan 2024 High

11.70 = Dec 2023 Low

# Steel (HRC)

Last Price USD **787.00**/ tons

Iron ore futures extended gains on Friday to their highest in more than one week and were on track for a weekly gain, supported by resilient consumption and a brighter demand outlook in top consumer China thanks to its latest property stimulus efforts. The most-traded September iron ore contract on China's Dalian Commodity Exchange (DCE) [DCIOcv1](#) ended daytime trade 2.18% higher at 891.5 yuan (\$123.47) a metric ton, the highest since May 8. It has logged a gain of 2.8% week-on-week. Other steelmaking ingredients on the DCE advanced further, with coking coal [DJMcv1](#) and coke [DCJcv1](#) up 2.37% and 2.96%, respectively. Steel benchmarks on the Shanghai Futures Exchange were higher. Rebar [SRBcv1](#) added 1.34%, hot-rolled coil [SHHCcv1](#) rose 0.97%, wire rod [SWRcv1](#) climbed 1.16% and stainless steel [SHSScv1](#) gained 1.84%.



## Technical:

Iron ore jumps to over one week high on China's property stimulus efforts. Next level to watch 848.00.

## Support:

783.00 = Mar 2024 Low

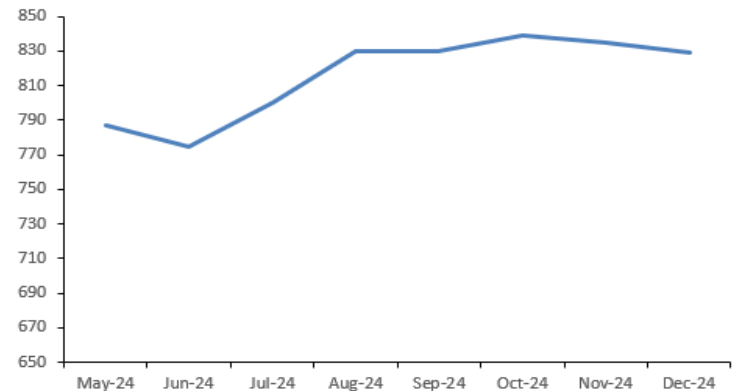
765.00 = Sep 2022 Low

## Resistance:

848.00 = Aug 2022 High

885.00 = Oct 2023 High

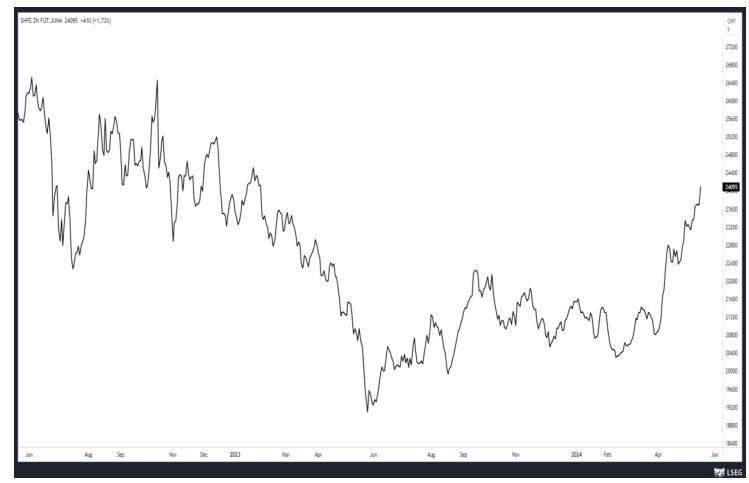
Futures Curve of SHFE Steel Futures



# SHFE Zinc

Last Price USD **3,335.69**/Tons

The most active SHFE 2407 zinc contract prices opened at 23600 yuan/mt and closed at 23820 yuan/mt last evening, up 130 yuan/mt or 0.55%. The trading volume was down to 75819 lots, and open interest increased 3952 lots to 114,000 lots. The loosening of real estate restrictions has initially shown results, and market confidence has gradually recovered. In addition, the ore supply maintained a tight pattern, which supported the upward movement of SHFE zinc. However, the high zinc price suppressed downstream consumption, and the upward space of SHFE zinc will be limited.

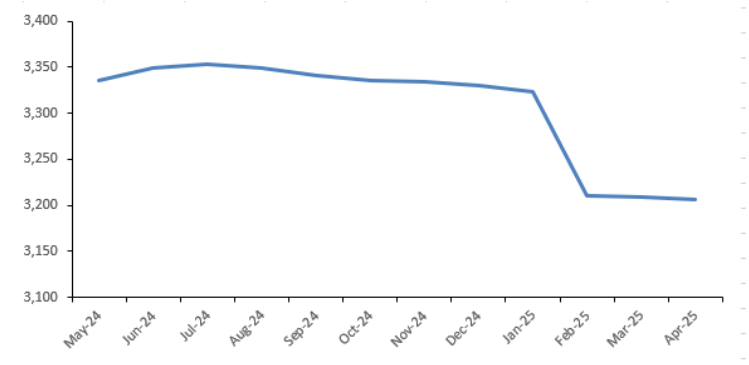


**Technical:**  
 High zinc price suppressed downstream consumption, next level to watch 3,262.00.

**Support:**  
 3,262.99 = Mar 2023 High  
 3,066.17 = Oct 2023 High

**Resistance:**  
 3,367.95 = Jul 2022 High  
 3,386.91 = Feb 2023 High

SHFE Zinc Forward Curve



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