



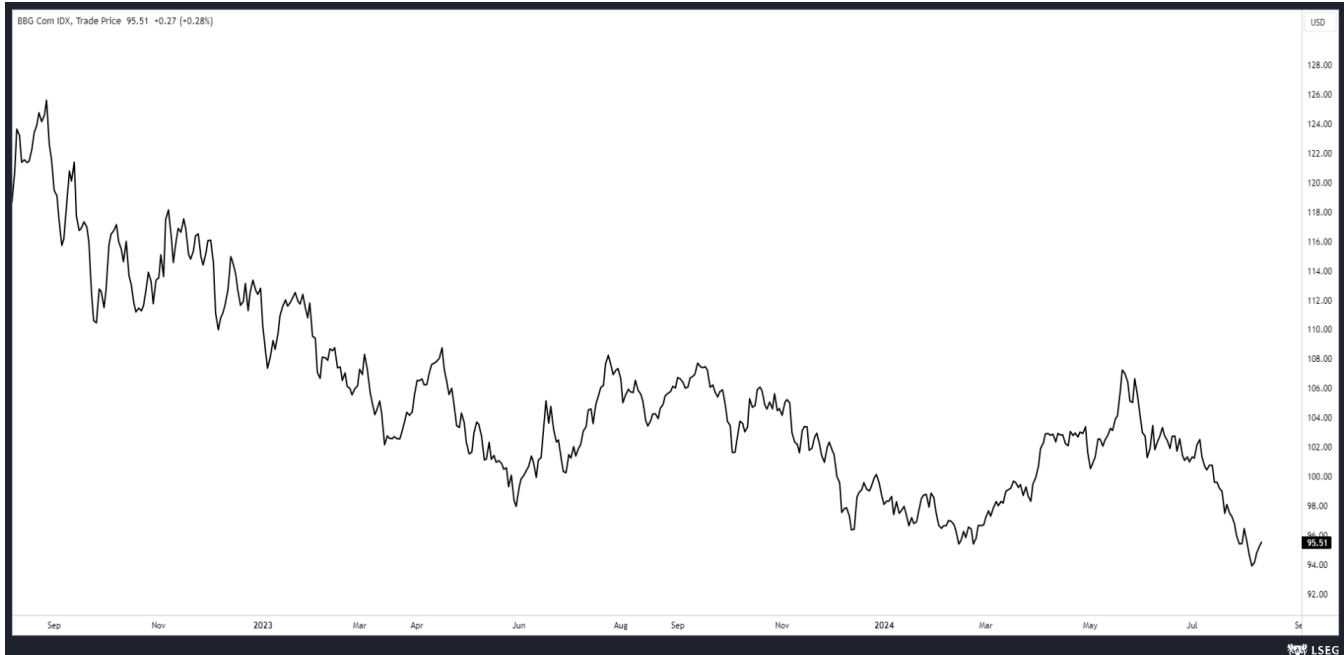
Commodities Weekly

Issue 17-2024

Date: 11 Aug 2024

Bloomberg Commodity Index

95.51 ▲



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

459.5815 ▲



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	542.50	▲ 0.65%	▲ 2.89%	▼ -5.32%	720.00	514.25
Sugar	\$c/LBS	18.48	▲ 2.10%	▼ -2.43%	▼ -26.26%	24.62	17.64
Soybean	\$c/BSH	1,028.00	▼ -0.12%	▼ -0.05%	▼ -24.41%	1,289.50	1,010.00
Palm Oil	\$/Ton	848.70	▼ -2.61%	▼ -0.28%	▼ -1.86%	929.30	754.44
Cotton	\$c/LBS	67.09	▼ -0.13%	▼ -1.31%	▼ -23.85%	107.25	65.30
Brent Crude	\$/BBL	79.66	▲ 3.71%	▼ -1.31%	▼ -8.29%	92.18	74.79
LNG	\$/MMBTU	12.90	▲ 0.78%	▲ 7.50%	▼ -0.77%	12.90	8.30
Steel	\$/Ton	680.00	▼ -0.15%	▼ -3.41%	▼ -6.72%	1,135.00	654.00
SHFE Zinc	\$/Ton	3,127.27	▼ -1.73%	▼ -0.32%	▲ 7.19%	3,490.86	2,766.47
Indonesian Coal*	\$/Ton	130.44	0.00%	▲ 6.05%	▼ -27.49%	130.44	109.77
Australian Coal	\$/Ton	207.00	▼ -5.48%	▼ -12.70%	▼ -19.00%	336.00	207.00
Gold	\$/Ozs	2,430.93	▼ -0.51%	▼ -0.70%	▲ 25.32%	2,483.60	1,984.09

*Price published monthly once by Indonesian Govt

Wheat

Last Price

USc **542.50**/BSH

CBOT wheat futures turned higher on Friday on expectations of a poor crop in France and as traders positioned for Monday's government supply and demand report. CBOT's most-active September soft red winter wheat [WU24](#) settled up 5 cents at \$5.42-1/2 per bushel. For the week, most active wheat futures [Wv1](#) ended up about 0.65%. K.C. September hard red winter wheat [KWU24](#) ended up 2-1/2 cents at \$5.54 per bushel, while MGEX September spring wheat [MWEU24](#) rose 4-1/2 cents to \$5.89-3/4 per bushel. France's farm ministry on Friday [lowered its estimate](#) of the country's 2024 soft wheat output, now expected to be 25% below last year's volume. Russia, the world's biggest wheat exporter, [slashed export duties for wheat](#) by 42% in the week starting Aug. 14. The cuts come amid low international wheat prices due to oversupply.

Technical:

Wheat futures rise ahead of USDA supply-demand report. Next level to watch 573.00.

Support:

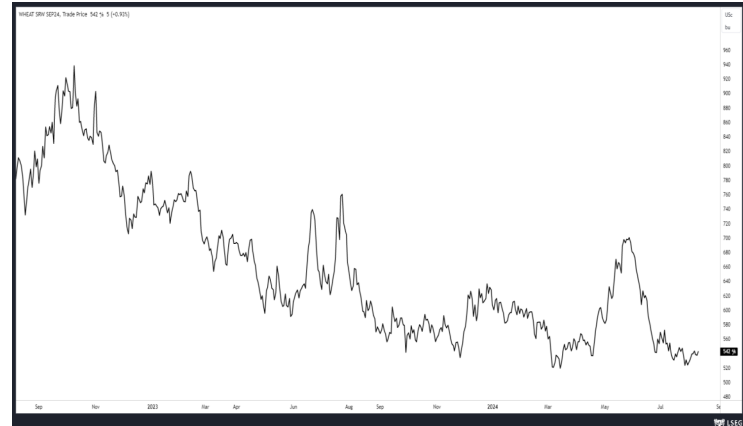
519.75 = Aug 2024 Low

488.00 = Aug 2020 Low

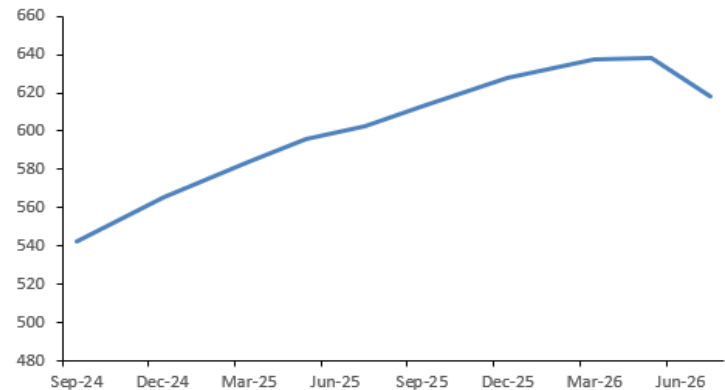
Resistance:

573.00 = Jul 2024 High

614.75 = Apr 2024 High



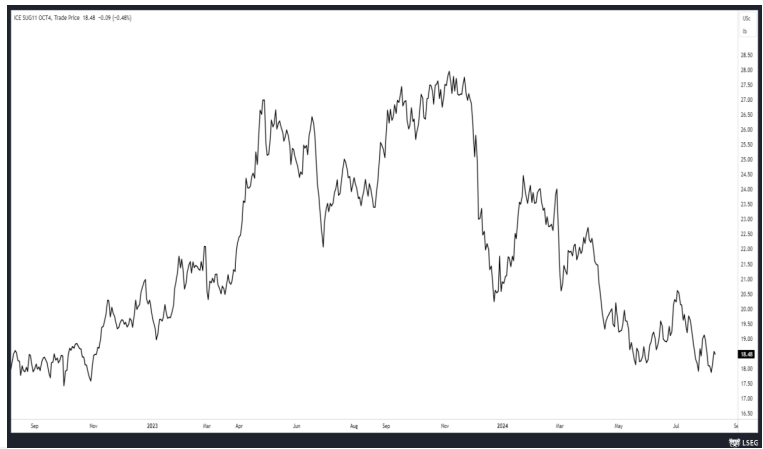
Futures Curve



Sugar

Last Price USc **18.48**/LBS

October raw sugar [SBc1](#) settled down 0.09 cents, or 0.5%, at 18.48 cents per lb. Dealers were awaiting the release in the next few days of data from industry group Unica on cane and sugar production in the key Centre-South region of Brazil. Median forecast for sugar production in the second half of July of 3.6 million tons, down 2.4% from a year earlier. October white sugar [LSUc1](#) was little changed at \$526.00 a ton.

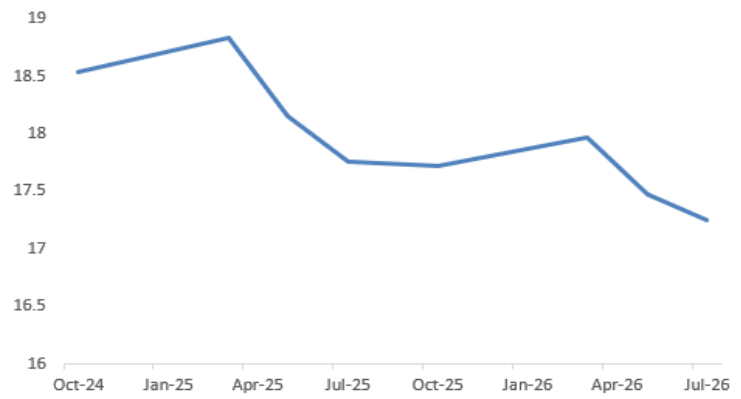


Technical:
Sugar futures on the rise, next level to watch 20.00.

Support:
18.05 = Nov 2022 Low
17.50 = Sep 2022 Low

Resistance:
19.17 = Apr 2024 Low
20.00 = May 2024 High

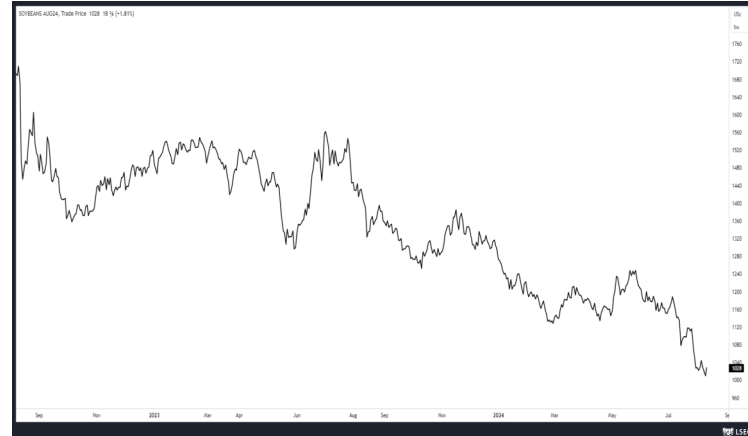
Futures Curve



Soybean

Last Price USc **1,028.00**/BSH

CBOT Soybean futures set a flurry of new contract lows on Friday, and closed out the week lower, amid continued U.S. farmer selling and a sluggish U.S. export pace. Most of CBOT's soybean futures contracts, except August futures SQ24, set new contract lows on the day. The most-active soybean futures contract on a continuous chart Sv1 dropped to the lowest price since September 2020. CBOT August soybeans [SQ24](#) ended up 18-1/4 cents at \$10.28 per bushel, in a move that several market analysts described as an anomaly. A higher forecast of U.S. soybean production in Monday's USDA report would add to large global supplies of the oilseed. An ongoing [oilseed workers strike](#) in Argentina could extend beyond Friday, as wage negotiations with firms continue to stall, affecting shipments from one of the world's major grain exporters.



Technical:

Soybeans slump, end week lower, ahead of USDA report, next level to watch 1,115.00.

Support:

1,013.00 = Oct 2020 Low

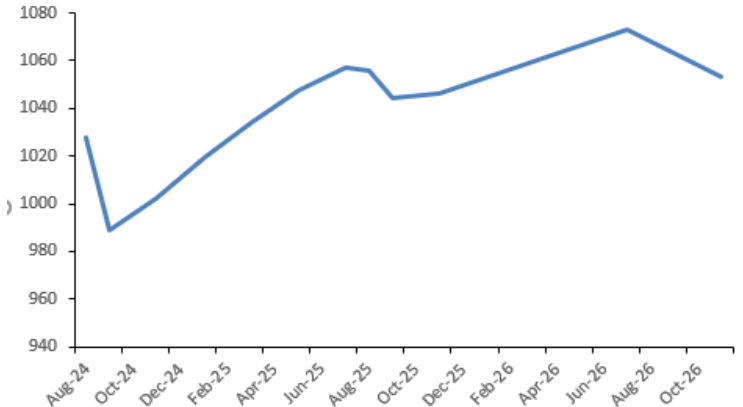
967.00 = Aug 2020 High

Resistance:

1,115.00 = Feb 2024 Low

1,240.50 = May 2024 High

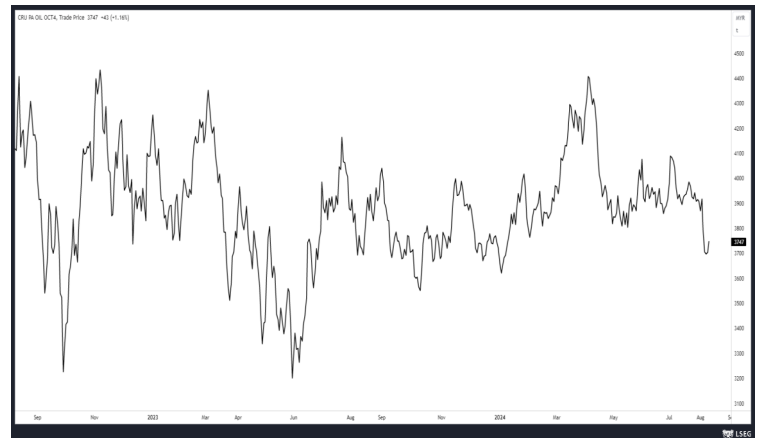
Futures Curve



Palm Oil

Last Price USD **848.70**/Ton

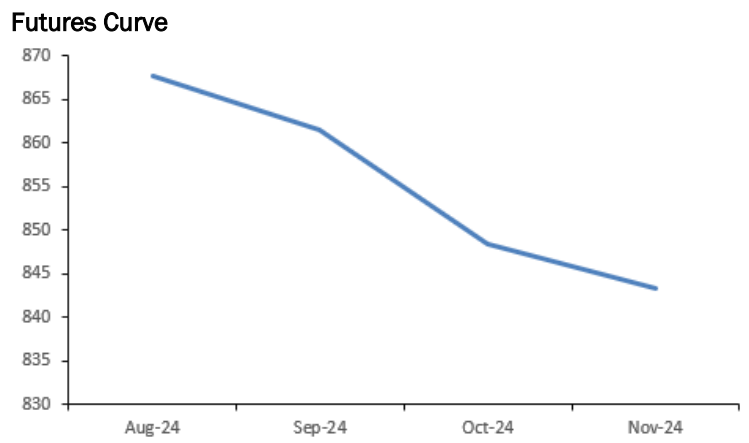
Malaysian palm oil futures rose on Friday, buoyed by stronger rival Dalian and Chicago contracts and firmer crude oil prices, but chalked up a third consecutive weekly loss. The benchmark palm oil contract [FCPOc3](#) for October delivery on the Bursa Malaysia Derivatives Exchange was up by 42 ringgit, or 1.13%, at 3,746 ringgit (\$848.47) a metric ton by the close. The contract lost 4.37% on the week after falling 1% over the previous two weeks. Malaysian palm oil futures opened higher, lifted by a recovery in the soyoil, rapeseed oil and energy markets overnight, as well as a bullish recovery in Chinese vegetable oil futures in Asian hours. Palm oil tracks the prices of rival edible oils competing for a share of the global vegetable oils market.



Technical:
 Palm oil closes higher but logs third weekly decline, 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

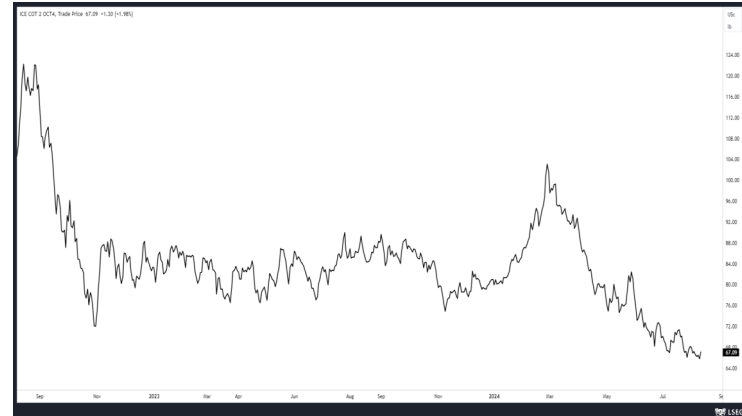


Cotton

Last Price

USc **67.09**/LBS

ICE cotton futures rose nearly 2% on Friday, helped by higher oil prices and short covering as investors looked forward to the upcoming monthly World Agriculture Supply and Demand Estimates report from the U.S. Department of Agriculture. Cotton contracts for December [CTZ4](#) rose 1.13 cent, or 1.68%, to 68.37 cents per lb at 1507 GMT. Oil prices edged higher on Friday and were on course for a weekly gain of more than 3% as U.S. jobs data eased demand concerns while fears of a widening Middle East conflict continue to raise supply risks. [O/R](#) The U.S. dollar index [.DXY](#) fell 0.2%, making cotton less expensive for overseas buyers.



Technical:

Cotton gains on higher oil, short covering ahead of WASDE report. Next level to watch 63.00.

Support:

63.69 = Mar 2020 High

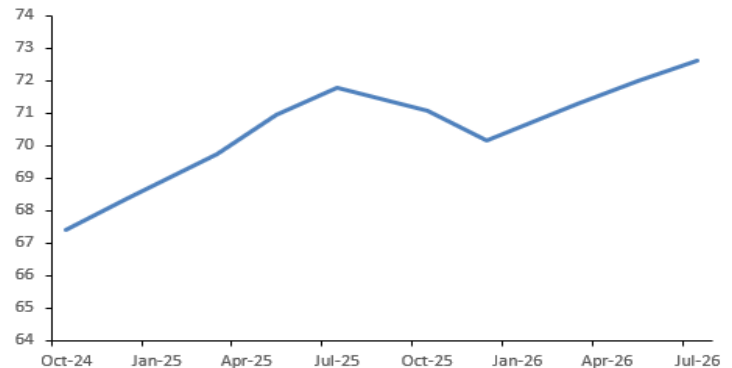
59.85 = May 2020 High

Resistance:

88.88 = Jan 2023 High

100.00 = Jun 2022 Low

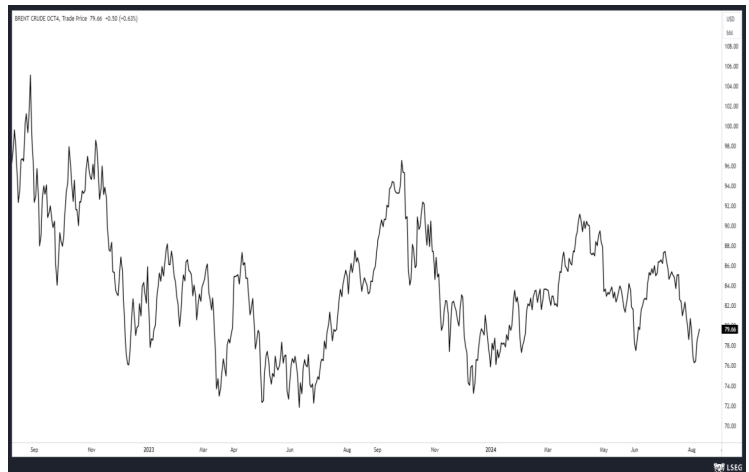
Futures Curve



Brent Crude

Last Price **USD 79.66/BBL**

Oil prices settled higher on Friday and notched over 3.5% in weekly gains as positive economic data and signals from Fed policymakers that they could cut interest rates as early as September eased demand concerns, while fears of a widening Middle East conflict continue to raise supply risks. Brent [LCOc1](#) crude futures settled 50 cents up, or 0.6%, at \$79.66 a barrel, while U.S. West Texas Intermediate crude futures [CLc1](#) rose 65 cents, or 0.9%, to \$76.84, both benchmarks. Brent gained more than 3.5% in the week, while WTI rose more than 4%. Meanwhile, the dollar index [=USD](#), which measures the currency against six others, was down 0.136% at 103.14 following three days of gains. A weaker greenback helps demand as oil becomes cheaper for foreign buyers. However, U.S. oil rigs, an indicator of future production, rose by three to 485 this week.



Technical:

Oil posts 3% weekly gains on positive economic data, rate cut hopes, next level to watch 91.70.

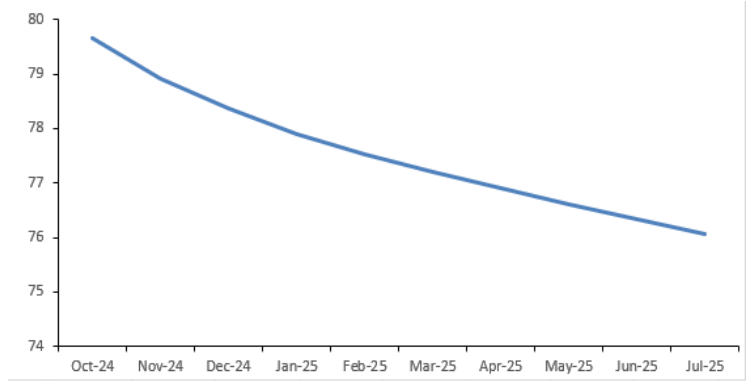
Support:

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

Resistance:

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

Futures Curve

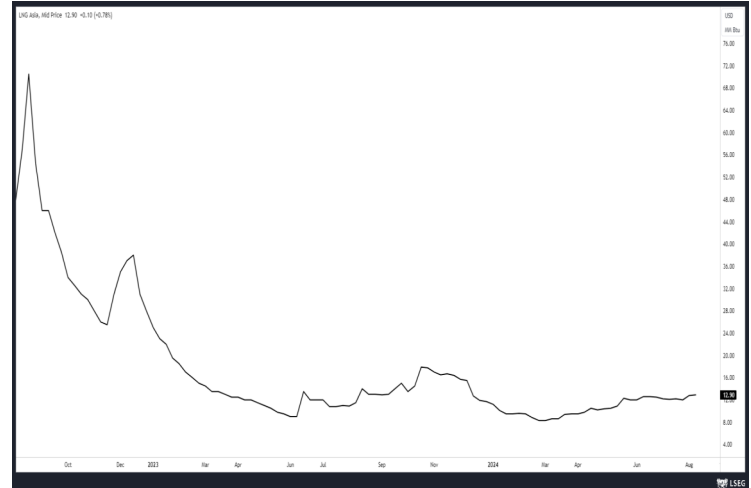


LNG

Last Price

USD **12.90**/MMBTU

Asian spot liquefied natural gas (LNG) prices remained at their highest level in over seven months, tracking European gains amid concerns over supply disruption. The average LNG price for September delivery into north-east Asia [LNG-AS](#) was at \$12.90 per million British thermal units (mmBtu), industry sources estimated. This is the highest level since mid-December and up from \$12.80/mmBtu last week. In Europe, gas prices have risen this week on heightened geopolitical risk in the Middle East and after Ukraine mounted a surprise [incursion](#) into Russia's Kursk region, where Russian natural gas flows into Ukraine. Atlantic LNG freight rates rose for the first time in a month to \$75,250/day on Friday, while the Pacific rates rose for the seventh week running to \$86,750/day.



Technical:

Asian spot LNG prices remain at 7-month high amid Russian supply concerns. Next level to watch 13.00.

Support:

12.00 = Jun 2024 Low

11.70 = Dec 2023 Low

Resistance:

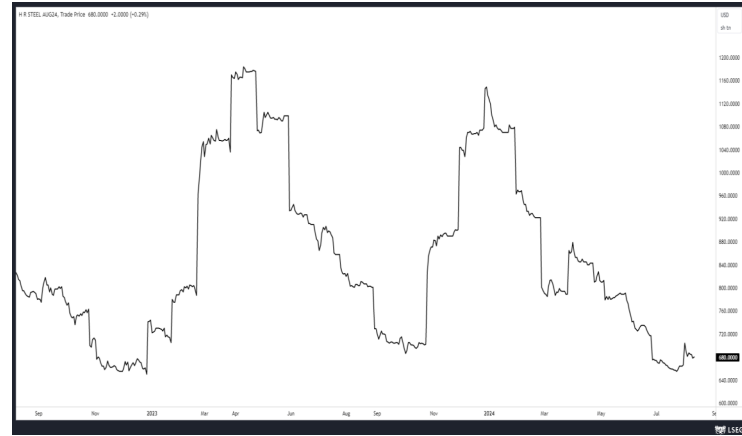
13.50 = Oct 2023 Low

14.00 = Aug 2023 High

Steel (HRC)

Last Price USD **680.00**/ tons

Iron ore futures recovered on Friday, boosted by better-than-expected inflation data out of top consumer China, although lingering worries around demand and high supply kept prices on track for another weekly loss. The most-traded January iron ore contract on China's Dalian Commodity Exchange (DCE) [DCIOcv1](#) ended morning trade 1.35% higher at 749.5 yuan (\$104.54) a metric ton. For the week, it is down 1.6% so far. Other steelmaking ingredients on the DCE advanced, with coking coal [DJMcv1](#) and coke [DCJcv1](#) up 1.11% and 0.2%, respectively. Steel benchmarks on the Shanghai Futures Exchange were mixed. Rebar [SRBcv1](#) gained 0.7%, hot-rolled coil [SHHCcv1](#) ticked 0.35% higher, stainless steel [SHSScv1](#) was flat, while wire rod [SWRCv1](#) dipped 0.27%.



Technical:

Iron ore recovers on better than expected China inflation. Next level to watch 650.00.

Support:

650.00 = Dec 2022 Low

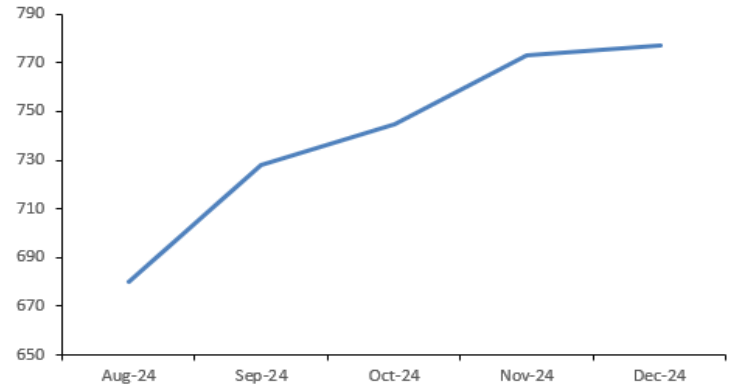
645.00 = Nov 2022 Low

Resistance:

765.00 = Sep 2022 Low

783.00 = Mar 2024 Low

Futures Curve of SHFE Steel Futures



SHFE Zinc

Last Price USD **3,127.27**/Tons

The main SHFE zinc 2409 contract opened higher at 21,900 yuan/mt. After quickly touching 21,990 yuan/mt initially, SHFE zinc fluctuated downward to a low of 21,820 yuan/mt due to long positions entering and short positions closing. Subsequently, with longs entering at lower levels, SHFE zinc's focus moved above the daily moving average. By the end of the session, it dropped slightly, finally closing down at 21,865 yuan/mt, down 140 yuan/mt, a drop of 0.64%. Trading volume decreased to 61,094 lots, and open interest decreased by 350 lots to 82,197 lots. Overnight, SHFE zinc recorded a small bearish candlestick, with the 5-day moving average forming resistance above. Zinc prices fell below the support level of 22,000 yuan/mt, with weak macro sentiment and insufficient momentum for zinc price rebound during the off-season for consumption.

Technical:

SHFE Zinc falls, next level to watch 3,185.18.

Support:

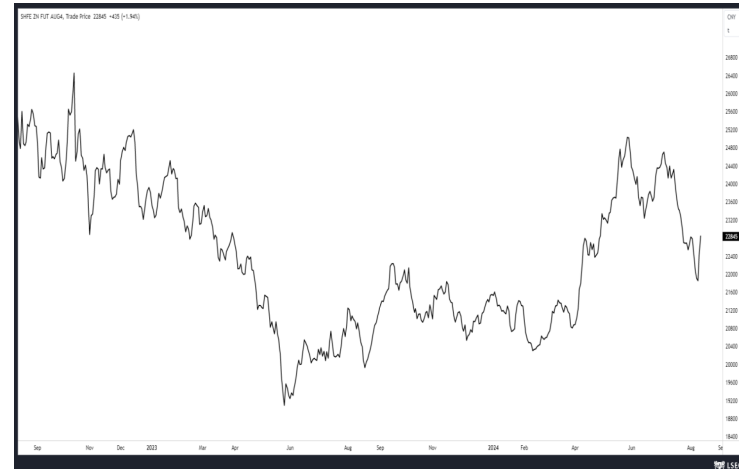
3,097.96 = Oct 2023 High

2,981.44 = Aug 2023 High

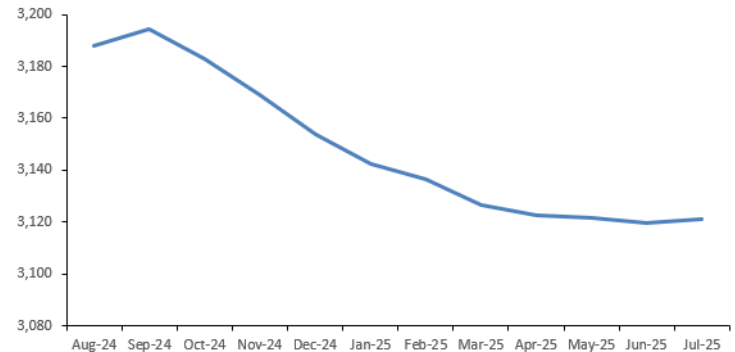
Resistance:

3,185.18 = Apr 2023 High

3,201.93 = Sep 2023 High



SHFE Zinc Forward Curve



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