



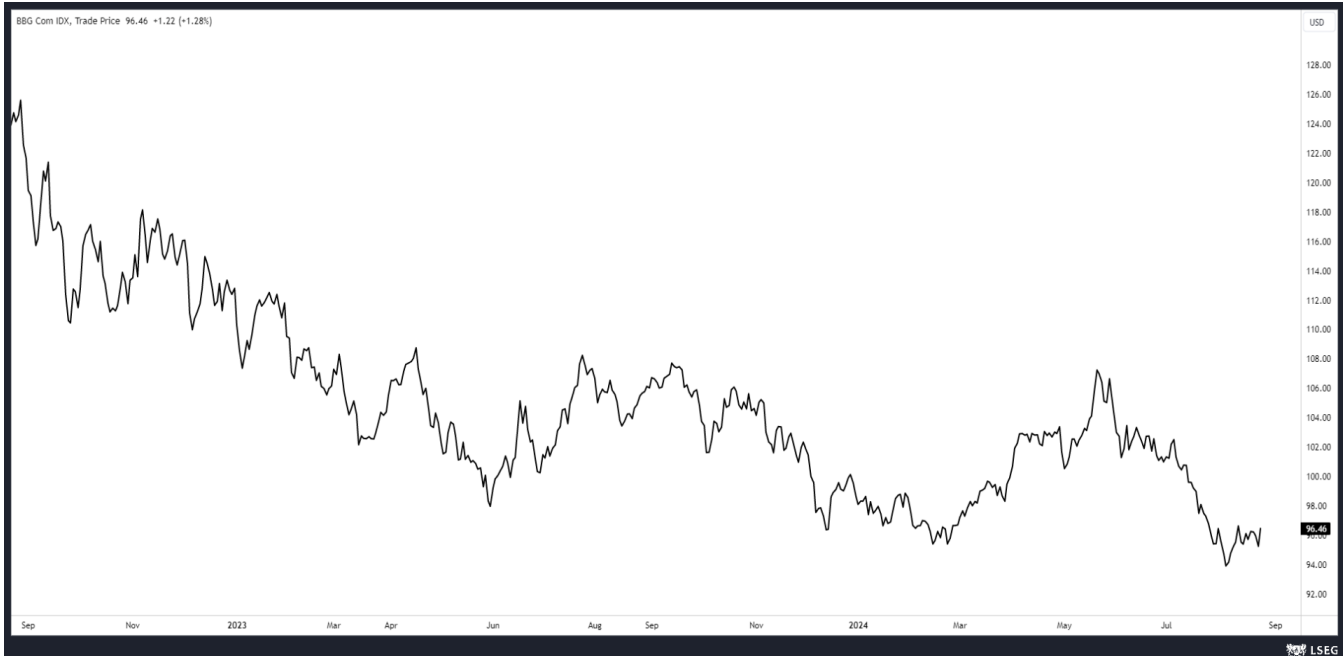
Commodities Weekly

Issue 19-2024

Date: 25 Aug 2024

Bloomberg Commodity Index

96.46 ▲



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)

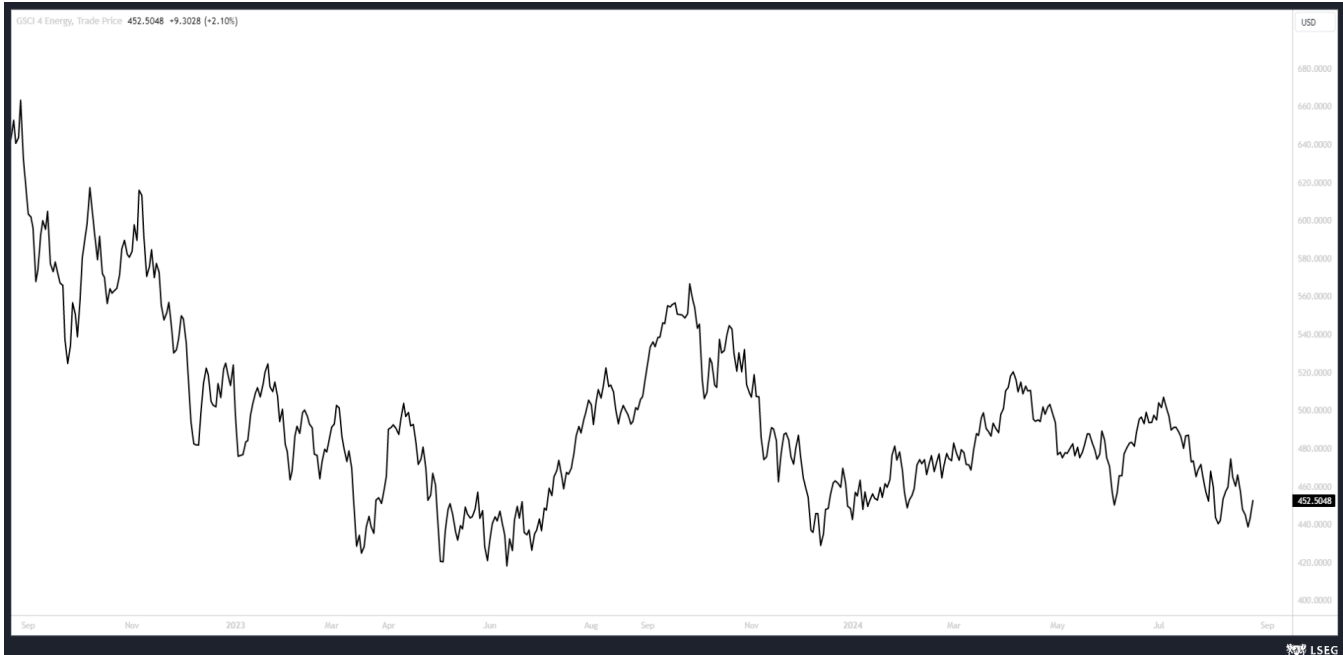
Precious Metals: (Gold, Silver)

Softs: (Sugar, Coffee, Cotton)

Livestock: (Live Cattle, Lean Hogs)

S&P GSCI

452.5048 ▼



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.

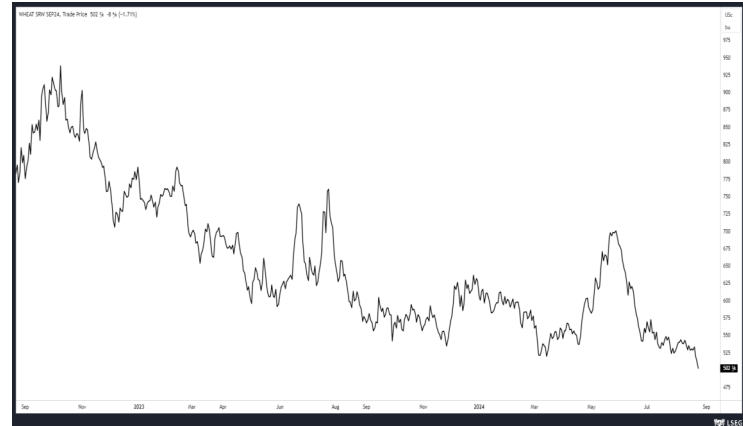
Commodity	Unit	Closing Price	% Δ Weekly	% Δ MoM	% Δ YoY	YTD High	YTD Low
Wheat	\$c/BSH	502.25	▼ -5.24%	▼ -4.74%	▼ -12.35%	720.00	502.25
Sugar	\$c/LBS	18.39	▲ 2.00%	▼ -2.90%	▼ -26.62%	24.62	17.64
Soybean	\$c/BSH	952.00	▲ 1.41%	▼ -7.44%	▼ -30.00%	1,289.50	936.25
Palm Oil	\$/Ton	884.49	▲ 6.40%	▲ 3.93%	▲ 2.28%	929.30	754.44
Cotton	\$c/LBS	71.29	▲ 7.27%	▲ 4.87%	▼ -19.08%	107.25	65.30
Brent Crude	\$/BBL	79.02	▼ -0.83%	▼ -2.11%	▼ -9.03%	92.18	74.79
LNG	\$/MMBTU	13.80	▼ -2.13%	▲ 15.00%	▲ 6.15%	14.10	8.30
Steel	\$/Ton	672.00	▲ 2.44%	▼ -4.55%	▼ -7.82%	1,135.00	654.00
SHFE Zinc	\$/Ton	3,384.85	▲ 3.90%	▲ 7.89%	▲ 16.02%	3,490.86	2,766.47
Indonesian Coal*	\$/Ton	130.44	0.00%	▲ 6.05%	▼ -27.49%	130.44	109.77
Australian Coal	\$/Ton	200.00	▼ -3.85%	▼ -15.65%	▼ -21.74%	336.00	200.00
Gold	\$/Ozs	2,512.07	▲ 0.19%	▲ 2.61%	▲ 29.51%	2,531.60	1,984.09

*Price published monthly once by Indonesian Govt

Wheat

Last Price USc **502.25**/BSH

CBOT wheat futures [Wv1](#) dipped on Friday as cheap Black Sea exports continued to loom over the market. CBOT's December soft red winter wheat [WZ24](#) settled down 7-1/2 cents at \$5.28 per bushel and settled down 0.3% for the week. K.C. December hard red winter wheat [KWZ24](#) settled down 10 cents at \$5.35 per bushel. MGEX December spring wheat [MWEZ24](#) settled down 11-3/4 cents at \$5.72-1/4 per bushel. Wheat futures found support at the psychological \$5 threshold.



Technical:

Wheat down as Black Sea supplies weigh. Next level to watch 480.00.

Support:

488.00 = Aug 2020 Low

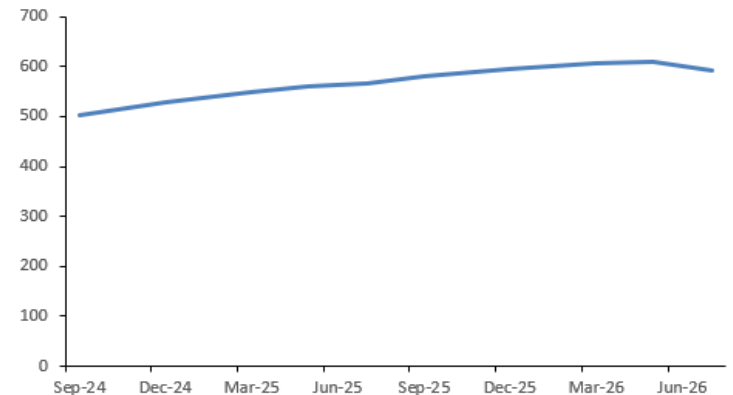
468.25 = jUN 2020 Low

Resistance:

573.00 = Jul 2024 High

614.75 = Apr 2024 High

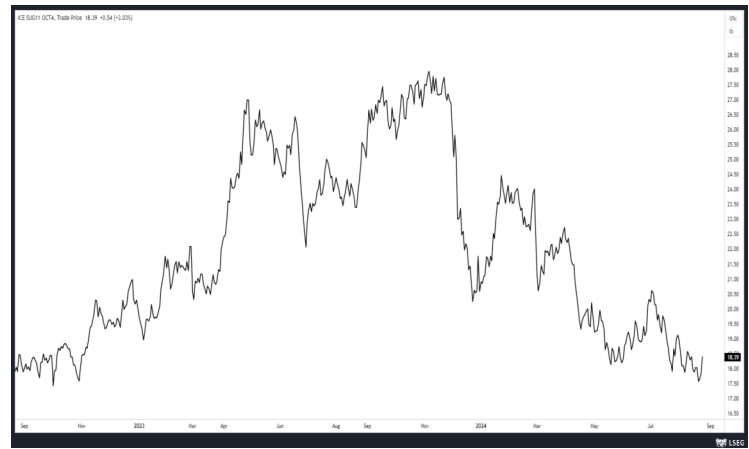
Futures Curve



Sugar

Last Price USc **18.39**/LBS

Raw sugar futures on ICE posted strong gains on Friday as investors increased allocation to agricultural commodities after dovish comments from [Federal Reserve chair Jerome Powell](#) about interest rates. October raw sugar [SBc1](#) settled up 0.54 cent, or 3%, at 18.39 cents per lb. The contract gained 2% in the week. The recovery from the almost two-year low of 17.52 cents - hit on both Tuesday and Wednesday - was largely technically driven with a boost from the macroeconomic news. [Fires on cane fields](#) in the main sugar producing region in Brazil led to the closure of a large mill owned by Raizen [RAIZ4.SA](#). October white sugar [LSUc1](#) rose 2.7% at \$525.70 a metric ton.



Technical:

Raw sugar gains 3%, next level to watch 18.75.

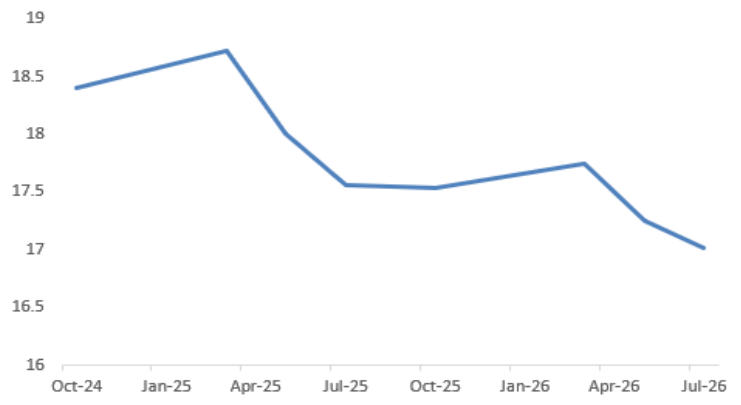
Support:

- 17.50 = Sep 2022 Low
- 17.36 = Oct 2022 Low

Resistance:

- 18.75 = Sep 2022 High
- 19.17 = Apr 2024 Low

Futures Curve



Soybean

Last Price

USc **952.00**/BSH

CBOT soybeans [Sv1](#) rose on Friday as traders covered short positions ahead of the weekend while monitoring an incoming heat wave that could threaten some crops in the U.S. Midwest, traders said. Most-active November soybeans [SX24](#) ended up 11-1/2 cents to \$9.73 per bushel and settled up for the week by 1.6%. CBOT most-active December soybean [SMZ24](#) settled up \$0.4 to \$304.5 per short ton. CBOT most-active December soyoil [BOZ24](#) increased by 1.4 cents to finish at 40.38 cents per pound. The U.S. Department of Agriculture [confirmed private sales](#) of 120,000 metric tons of U.S. soybeans to undisclosed destinations for shipment in the 2024/25 marketing year.

Technical:

Soybeans lift on short covering ahead of heat wave, next level to watch 1013.00.

Support:

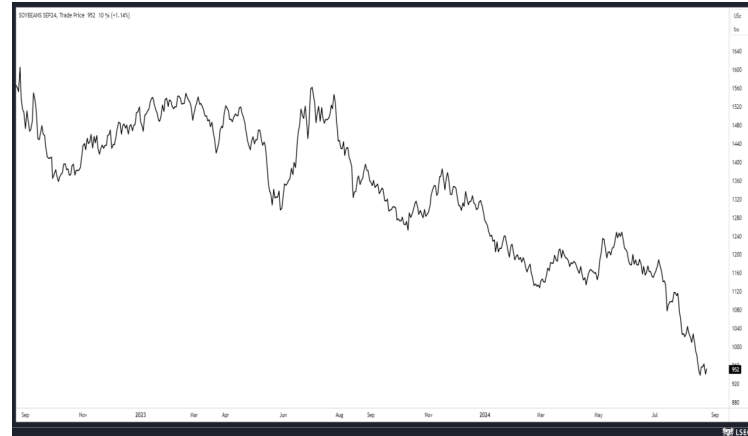
910.00 = Jul 2020 High

869.50 = Aug 2020 Low

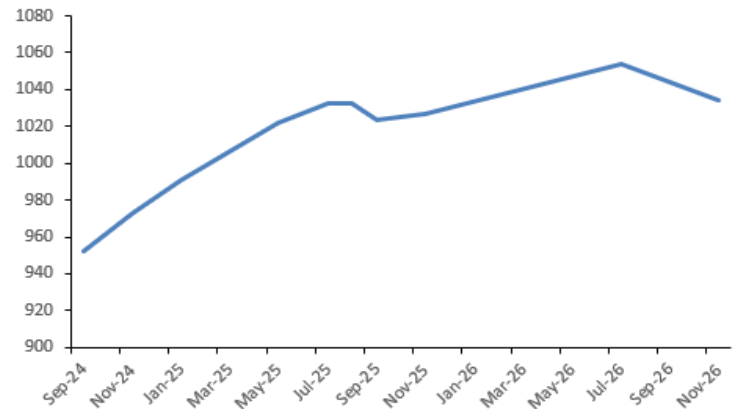
Resistance:

1,013.00 = Oct 2020 Low

1,115.00 = Feb 2024 Low



Futures Curve



Palm Oil

Last Price USD **884.49**/Ton

Malaysian palm oil futures climbed for a third straight session on Friday to their highest in nearly three weeks as expectations of weak output in August and improving demand underpinned the contract. The benchmark palm oil contract [FCPOc3](#) for November delivery on the Bursa Malaysia Derivatives Exchange gained 43 ringgit, or 1.12%, to 3,869 ringgit (\$884.95) a metric ton at closing. The contract gained 5.1% for the week, its biggest weekly gain since mid-June 2023. Dalian's palm oil contract [DCPcv1](#) gained 0.96%, while the most-active soyoil contract [DBYcv1](#) was down 0.21%. Soyoil prices on the Chicago Board of Trade [BOc2](#) rose 1.09%. Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market.



Technical:

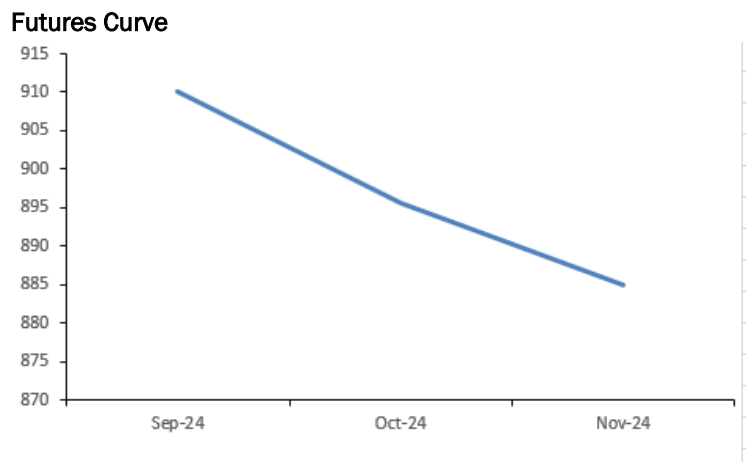
Palm rises on supply concern, strong demand; set to post weekly gain, next level to watch 900.00.

Support:

803.60 = Oct 2023 High
 787.87 = Jul 2021 Low

Resistance:

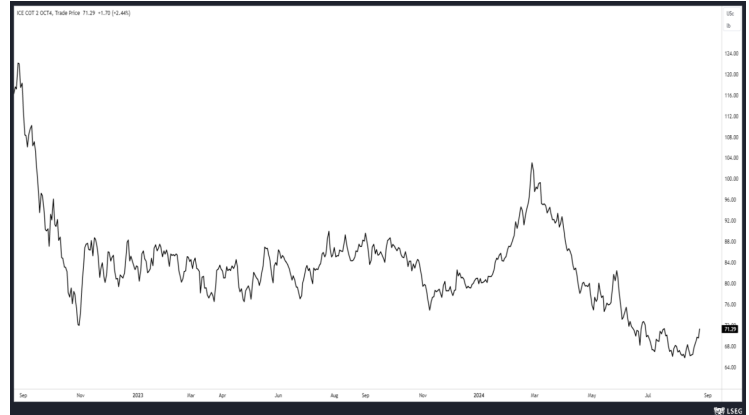
903.20 = Dec 2021 High
 931.58 = Mar 2023 High



Cotton

Last Price USc **71.29**/LBS

ICE cotton futures rose more than 2% on Friday, hitting their highest level in a month, and were on track for their best week in three months on lower U.S. dollar and upbeat sentiment in wider financial and commodity markets. Cotton contracts for December [CTZ4](#) rose 1.74 cent, or 2.51%, to 71.08 cents per lb at 11:40 a.m. EDT (1540 GMT), having hit their highest level since July 22 earlier in the session. The contract was up 5.8% so far this week. The dollar index [.DXY](#) dropped to its lowest level in nearly eight months, down 0.8% against its rivals, making cotton less expensive for overseas buyers. Oil prices rose more than 1%, making cotton-substitute polyester more expensive.



Technical:

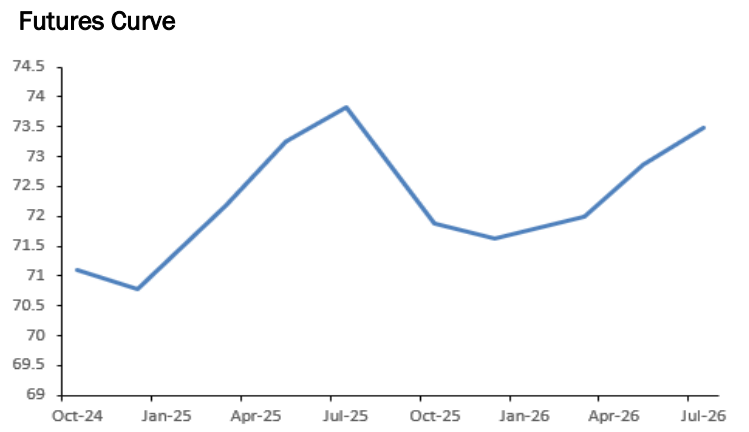
Cotton hits one month high on dollar slide, strong risk appetite. Next level to watch 88.00.

Support:

63.69 = Mar 2020 High
 59.85 = May 2020 High

Resistance:

88.88 = Jan 2023 High
 100.00 = Jun 2022 Low

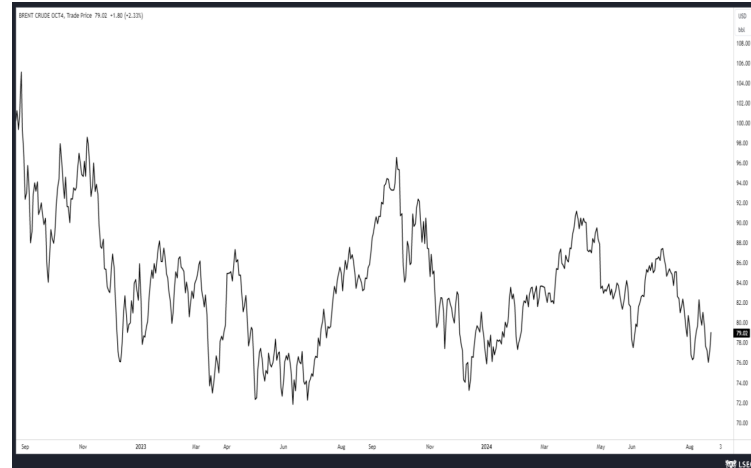


Brent Crude

Last Price

USD **79.02**/BBL

U.S. light crude oil [CLc1](#) gained more than 2% a barrel on Friday after comments by U.S. Federal Reserve Chair Jerome Powell indicated the central bank was preparing to cut interest rates. Brent crude futures [LCOc1](#) settled up by \$1.80, or 2.33%, at \$79.02 a barrel. U.S. West Texas Intermediate (WTI) crude futures [CLc1](#) finished up \$1.82, or 2.49%, at \$74.83. This week, both benchmarks hit their lowest since early January, after the U.S. government [sharply lowered](#) its estimate of jobs employers added this year through March, raising fears of a possible recession. Recent data from China, the top oil importer, has pointed to a [struggling economy](#) and slowing oil demand from refiners. A renewed push for a ceasefire in Gaza between Israel and Hamas has also helped ease supply worries and weighed on oil prices.



Technical:

Oil climbs over 2% after Fed's Powell indicates US rate cuts, next level to watch 76.60.

Support:

76.60 = Nov 2023 Low

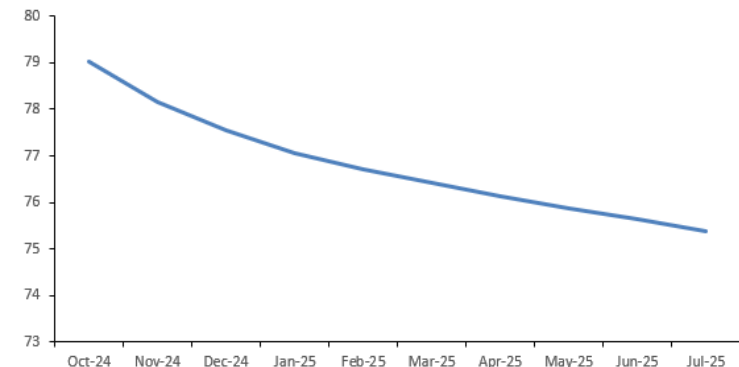
74.79 = Jan 2024 Low

Resistance:

91.70 = Jan 2022 High

93.79 = Oct 2023 High

Futures Curve

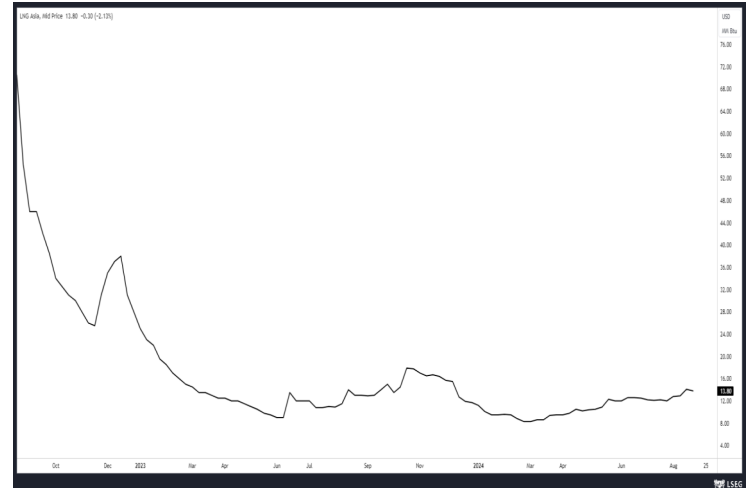


LNG

Last Price

USD **13.80**/MMBTU

Asian spot liquefied natural gas (LNG) prices eased this week from a more than eight-month top on the back of easing spot demand and as European gas prices also fell. The average LNG price for October delivery into north-east Asia [LNG-AS](#) was at \$13.80 per million British thermal units (mmBtu), down from \$14.10/mmBtu last week. In Europe, S&P Global Commodity Insights assessed its daily North West Europe LNG Marker (NWM) price benchmark for cargoes delivered in October on an ex-ship (DES) basis at \$12.047/mmBtu on Aug. 22, a \$0.15/mmBtu discount to the October gas price at the Dutch TTF hub. Argus assessed it at \$12.00/mmBtu, while Spark Commodities assessed the September price at \$11.794/mmBtu.



Technical:

Asian spot LNG prices ease from 8-month top on weaker demand. Next level to watch 13.50.

Support:

13.50 = Oct 2023 Low

12.60 = Jun 2024 High

Resistance:

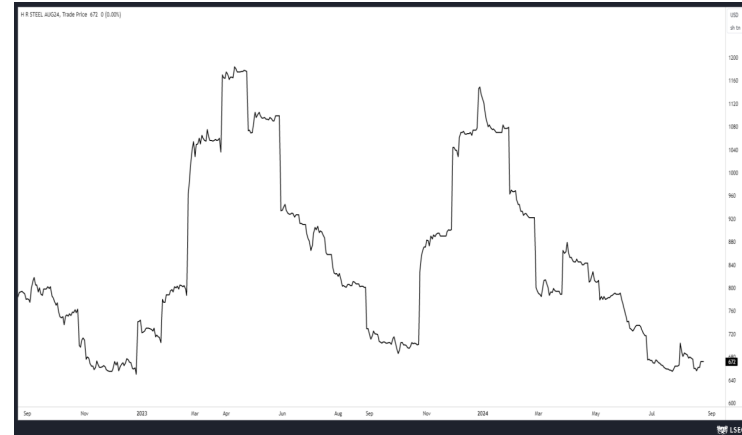
15.00 = Sep 2023 High

15.70 = Dec 2023 High

Steel (HRC)

Last Price USD **672.00**/ tons

Iron ore futures prices fell on Friday as a continuous fall in near-term China demand sparked renewed caution among investors, although expectations of improved intake in the coming peak construction season kept prices heading for a weekly gain. The most-traded January iron ore contract on China's Dalian Commodity Exchange (DCE) [DCIOcv1](#) ended daytime trade 2.24% lower at 719.5 yuan (\$100.81) a metric ton. It posted gains of 1.8% week-on-week, but was still 23.2% lower from the beginning of the year. Steel benchmarks on the Shanghai Futures Exchange extended loss. Rebar [SRBcv1](#) retreated 1.56%, hot-rolled coil [SHHCcv1](#) slid 1.86%, wire rod [SWRcv1](#) lost 1.75%, and stainless steel [SHSScv1](#) dipped 0.29%.



Technical:

Iron ore slips on falling near term demand but heads for weekly gain. Next level to watch 650.00.

Support:

650.00 = Dec 2022 Low

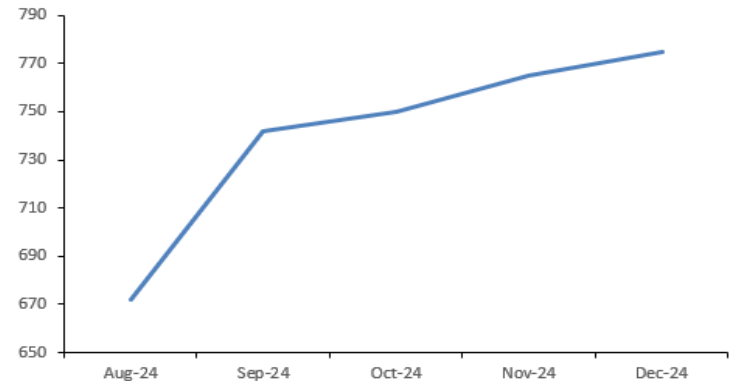
645.00 = Nov 2022 Low

Resistance:

765.00 = Sep 2022 Low

783.00 = Mar 2024 Low

Futures Curve of SHFE Steel Futures



SHFE Zinc

Last Price USD **3,384.85**/Tons

Overnight, the most-traded SHFE zinc 2410 contract opened at 23,740 yuan/mt, rose after the opening, then fell back from highs to fluctuate below the daily moving average, hitting a low of 23,645 yuan/mt. Near the close, SHFE zinc surged again, reaching a night session high of 23,835 yuan/mt, finally closing up at 23,825 yuan/mt, up 155 yuan/mt, an increase of 0.65%. Trading volume decreased to 101,000 lots, and open interest increased by 7,806 lots to 120,000 lots. Overnight, SHFE zinc recorded a bullish candlestick, with the upper Bollinger Bands forming resistance. SMM reported on Thursday that zinc ingot social inventory continued to decrease, coupled with news of joint production cuts by smelters, which continued to boost market bullish sentiment, driving SHFE zinc to continue rising.

Technical:

Joint production cuts continue to boost bullish sentiment, SHFE Zinc moves higher, next level to watch 3,300.00

Support:

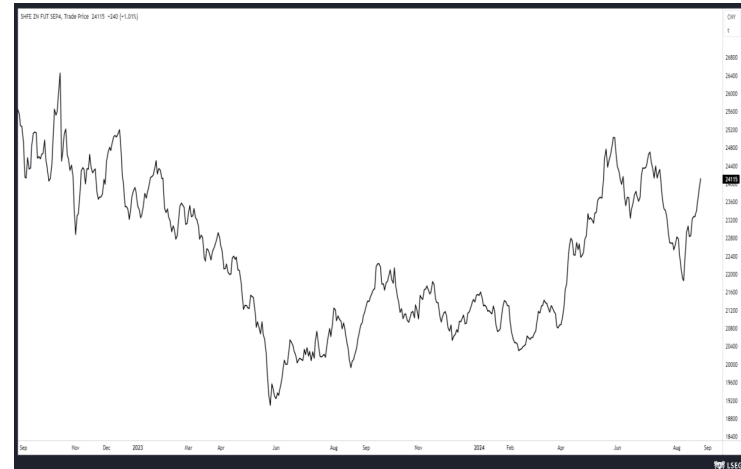
3,298.95 = Apr 2024 High

3,097.96 = Oct 2023 High

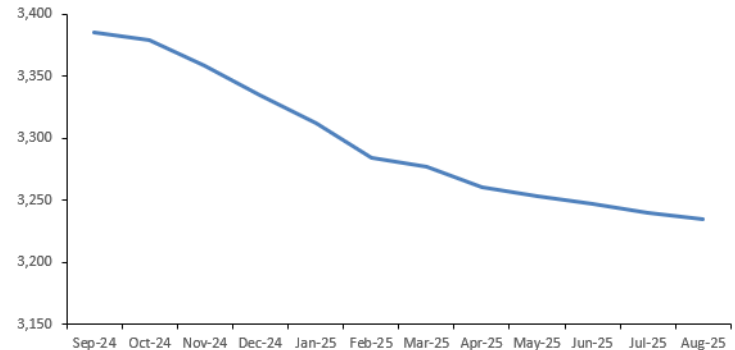
Resistance:

3,467.84 = Jul 2024 High

3,551.18 = Jul 2024 High



SHFE Zinc Forward Curve



Contact

Swift: BRAKBDDH, Reuters Dealing Code: "BRAC", Group email: dealing.room@bracbank.com
Web: www.bracbank.com

Md. Shaheen Iqbal

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

Fouzia Rahman

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

Nawshaba Aziz

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

Lailun Nahar Tonny

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

Mohammad Humayun Rashid

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

Maruf Hassan

Manager, Treasury & Financial Institutions
E-mail: maruf.hassan29443@bracbank.com
Cell: +8801847419487

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