



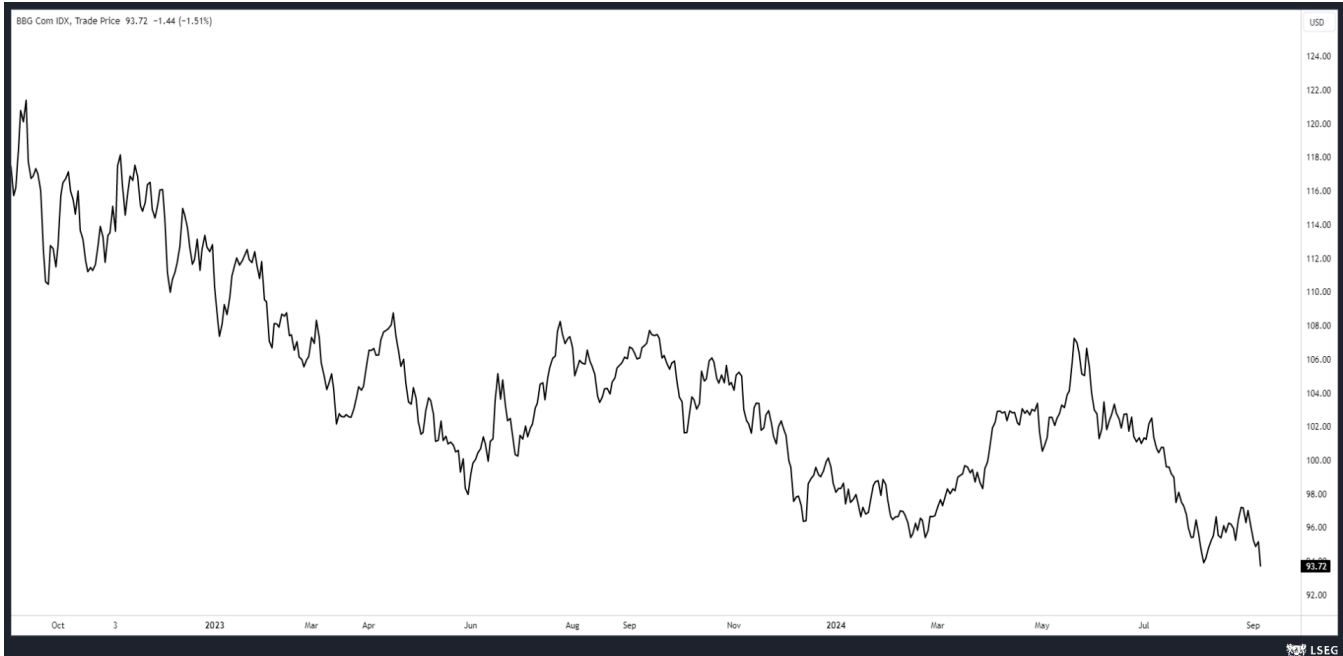
# Commodities Weekly

Issue 21-2024

Date: 08 Sep 2024

# Bloomberg Commodity Index

93.72 ▼



**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

413.4253 ▼



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>553.25</b>	▲ 3.85%	▲ 3.85%	▲ 2.17%	<b>720.00</b>	<b>502.25</b>
<a href="#">Sugar</a>	\$c/LBS	<b>18.91</b>	▼ -2.43%	▼ -2.43%	▼ -28.02%	<b>24.62</b>	<b>17.64</b>
<a href="#">Soybean</a>	\$c/BSH	<b>989.25</b>	▲ 0.74%	▲ 0.74%	▼ -22.41%	<b>1,289.50</b>	<b>936.25</b>
<a href="#">Palm Oil</a>	\$/Ton	<b>900.65</b>	▼ -2.21%	▼ -2.21%	▲ 12.22%	<b>929.30</b>	<b>754.44</b>
<a href="#">Cotton</a>	\$c/LBS	<b>67.12</b>	▼ -3.83%	▼ -3.83%	▼ -22.73%	<b>107.25</b>	<b>65.30</b>
<a href="#">Brent Crude</a>	\$/BBL	<b>71.06</b>	▼ -9.82%	▼ -9.82%	▼ -25.44%	<b>92.18</b>	<b>70.61</b>
<a href="#">LNG</a>	\$/MMBTU	<b>13.40</b>	▼ -4.29%	▼ -4.29%	▼ -10.67%	<b>14.10</b>	<b>8.30</b>
<a href="#">Steel</a>	\$/Ton	<b>700.00</b>	▼ -1.96%	▼ -1.96%	▼ -0.57%	<b>1,135.00</b>	<b>654.00</b>
<a href="#">SHFE Zinc</a>	\$/Ton	<b>3,212.65</b>	▼ -5.45%	▼ -5.45%	▲ 7.58%	<b>3,490.86</b>	<b>2,766.47</b>
Indonesian Coal*	\$/Ton	<b>115.29</b>	▼ -11.61%	▼ -11.61%	▼ -35.91%	<b>130.44</b>	<b>109.77</b>
Australian Coal	\$/Ton	<b>176.00</b>	▼ -14.36%	▼ -14.36%	▼ -42.40%	<b>336.00</b>	<b>200.00</b>
Gold	\$/Ozs	<b>2,516.36</b>	▲ 0.53%	▲ 0.53%	▲ 36.14%	<b>2,531.60</b>	<b>1,984.09</b>

\*Price published monthly once by Indonesian Govt

# Wheat

Last Price

USc **553.25**/BSH

CBOT wheat futures [Wv1](#) slipped as funds sought profits following a rally earlier in the week but still gained from the previous week. CBOT's December soft red winter wheat [WZ24](#) settled down 7-3/4 cents to \$5.67 per bushel but settled up 2.8% for the week. K.C. December hard red winter wheat [KWZ24](#) ended down 11-1/4 cents to \$5.77-1/2 per bushel. MGEX December spring wheat [MWEZ24](#) settled down 12 cents to \$6.13-3/4 per bushel. Russia, the world's biggest wheat exporter, introduced a [state of emergency](#) for the farm sector in the Tomsk region of Siberia because of weather damage to the harvest. Wheat prices have been supported by reports of poor harvests [in Europe](#), notably in the largest producer France, set to yield the [smallest volume](#) in more than 40 years while also producing mixed grain quality.

## Technical:

Wheat down on profit taking but notches weekly gain. Next level to watch 573.00.

## Support:

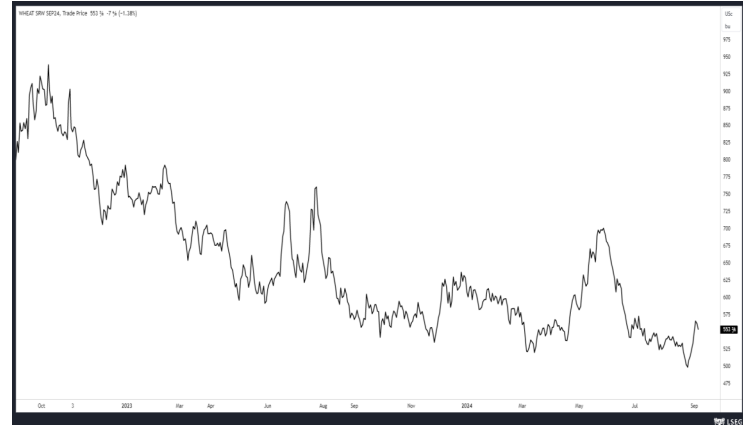
488.00 = Aug 2020 Low

468.25 = jUN 2020 Low

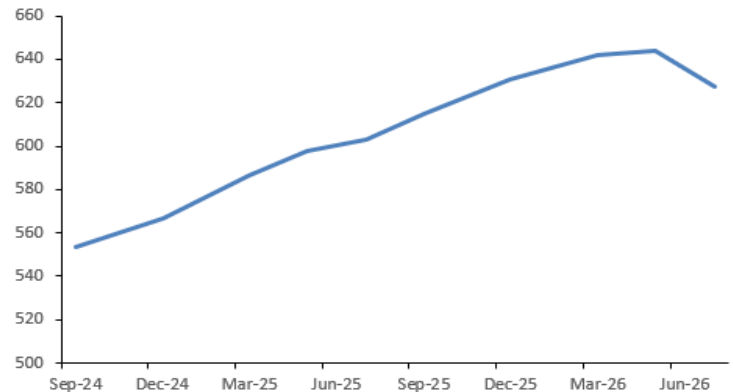
## Resistance:

573.00 = Jul 2024 High

614.75 = Apr 2024 High



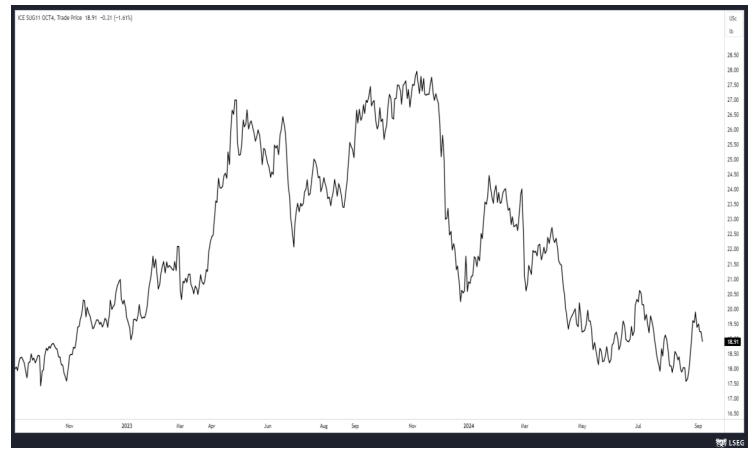
## Futures Curve



# Sugar

Last Price USc **18.91**/LBS

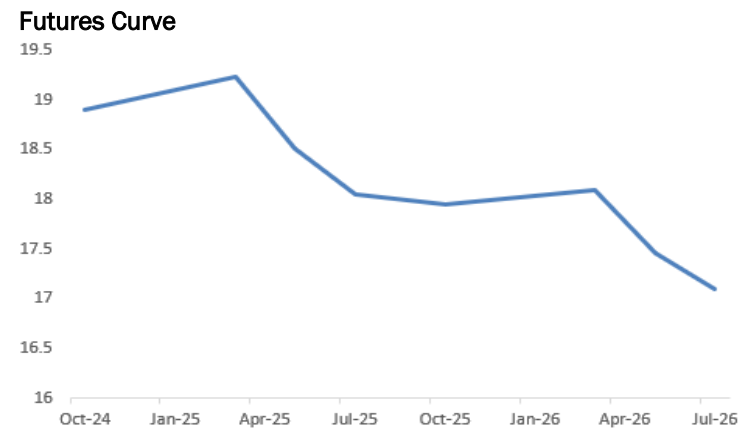
October raw sugar [SBc1](#) settled down 0.31 cents, or 1.6%, at 18.91 cents per lb. It lost 2.4% in the week. India plans to extend the ban on [sugar exports](#) for a second straight year as the world's biggest consumer of the sweetener grapples with the prospects of lower cane output, government sources said. Forecast for rains in Brazil, however, were seen as bearish as they could improve next year's crop. October white sugar [LSUc1](#) fell 0.7% at \$533.00 a ton.



**Technical:**  
Raw sugar prices fall, next level to watch 20.00.

**Support:**  
18.75 = Sep 2022 High  
18.21 = Jun 2024 Low

**Resistance:**  
20.00 = Apr 2024 High  
20.78 = Jun 2024 High

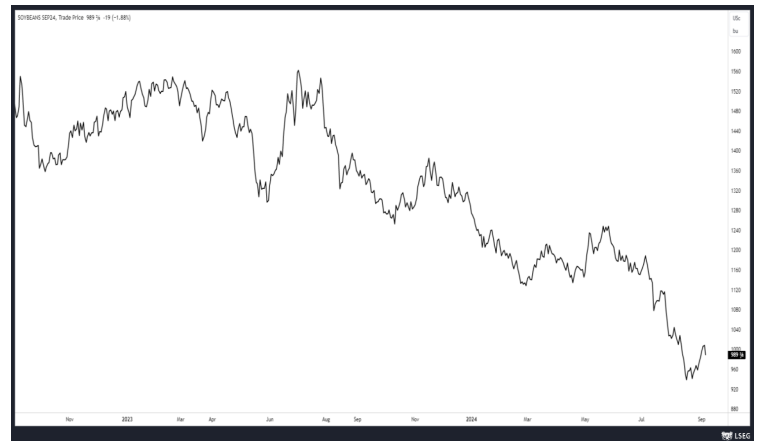


# Soybean

Last Price

USc **989.25**/BSH

CBOT soybean futures [Sv1](#) slid on Friday on expectations of large U.S. yields and profit taking following a rally earlier in the week sparked by speculators unwinding large short positions. CBOT most-active November soybeans [SX24](#) settled down 18-1/2 cents to \$10.05 per bushel and settled up 0.5% for the week. CBOT most-active December soybean [SMZ24](#) settled down \$2.10 at \$324.40 per short ton. CBOT most-active December soyoil [BOZ24](#) ended down 1.54 cents at 39.63 cents per pound. Light rain is expected across chunks of the U.S. Midwest, a note from Commodity Weather Group said, but it may be too little too late to ensure the soybean crop has enough moisture to reach its yield potential.



**Technical:**

Soybeans dip on profit taking, next level to watch 1013.00.

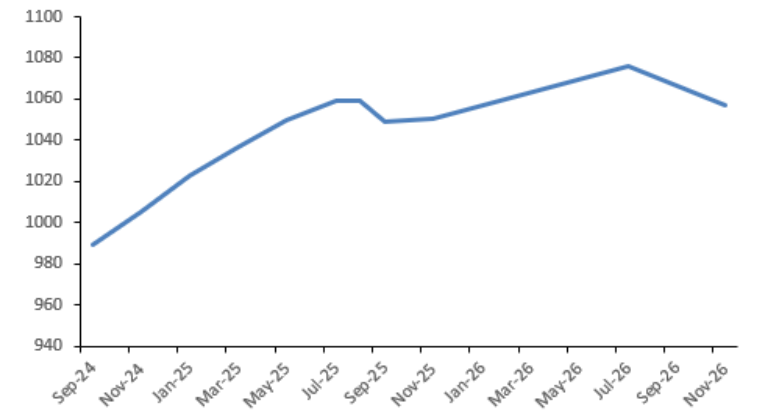
**Support:**

- 910.00 = Jul 2020 High
- 869.50 = Aug 2020 Low

**Resistance:**

- 1,013.00 = Oct 2020 Low
- 1,115.00 = Feb 2024 Low

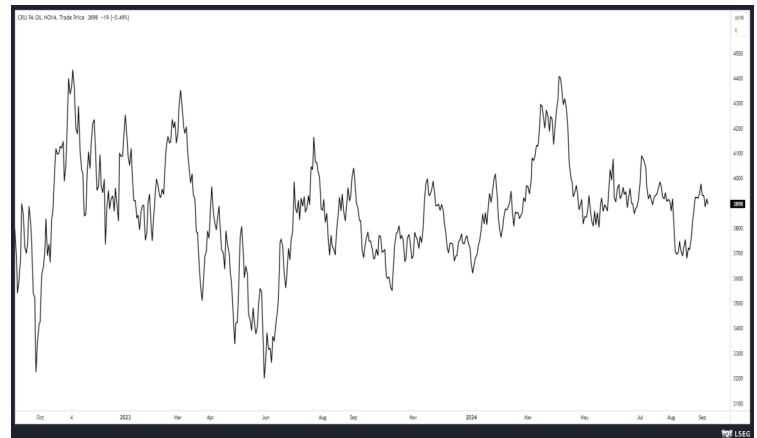
**Futures Curve**



# Palm Oil

Last Price USD **900.65**/Ton

Malaysian palm oil booked a weekly loss on Friday, while the market is expecting the Malaysian Palm Oil Board's (MPOB) data next week. The benchmark palm oil contract [FCPOc3](#) for November delivery on the Bursa Malaysia Derivatives Exchange dropped 16 ringgit, or 0.41%, to close at 3,901 ringgit (\$901.34) a metric ton. The contract has declined 1.91% this week. Malaysia's palm oil inventories are expected to have climbed 7.31% to a [six-month high](#) of 1.86 million metric tons at end-August due to lacklustre export demand. Indonesia, the biggest palm oil exporter, [plans to lower export duties](#) to improve competitiveness and raise farmers' income. Stronger crude oil futures make palm a more attractive option for biodiesel feedstock.

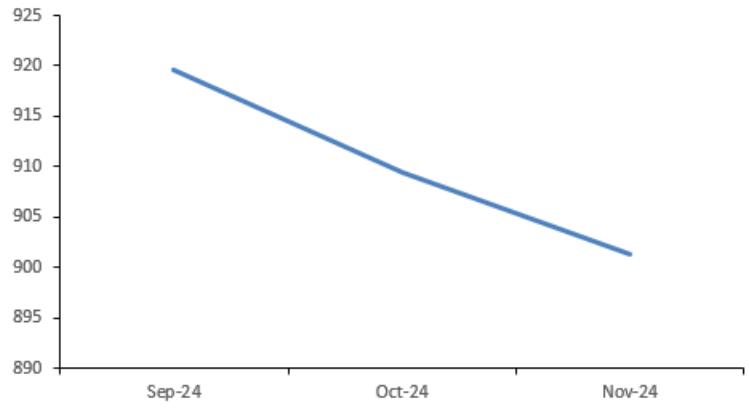


**Technical:**  
 Palm oil ends with weekly loss, Malaysia data eyed, next level to watch 946.00.

**Support:**  
 803.60 = Oct 2023 High  
 787.87 = Jul 2021 Low

**Resistance:**  
 946.50 = May 2024 High  
 1,002.08 = Mar 2024 High

## Futures Curve





# Cotton

Last Price

USc **67.12**/LBS

ICE cotton futures dipped to a more than two-week low on Friday, weighed down by downbeat sentiment in the equities, oil, and grains market, and as speculators reasserted a bearish stance ahead of harvests. Cotton contracts for December [CTZ4](#) fell 1.35 cent, or 1.94%, to 68.09 cents per lb at 12:41 p.m. EDT (1641 GMT), having hit its lowest level since Aug. 18 earlier in the session. The contract was headed for a second consecutive weekly loss and is down 2.8% so far. Oil pared gains, making cotton-substitute polyester less expensive. The U.S. Department of Agriculture's weekly report showed exports of cotton running bales rose 13.8% to 164,100 from a week ago, while net sales of upland cotton for 2024/2025 rose 53.48% to 207,500.

## Technical:

Cotton slips as negative sentiment in wider markets weighs. Next level to watch 88.00.

## Support:

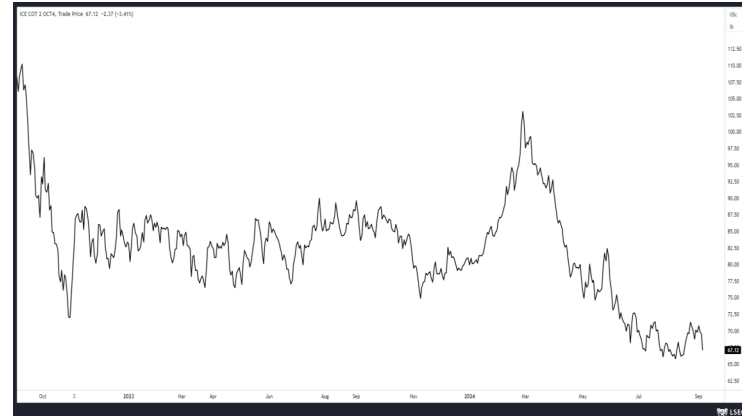
63.69 = Mar 2020 High

59.85 = May 2020 High

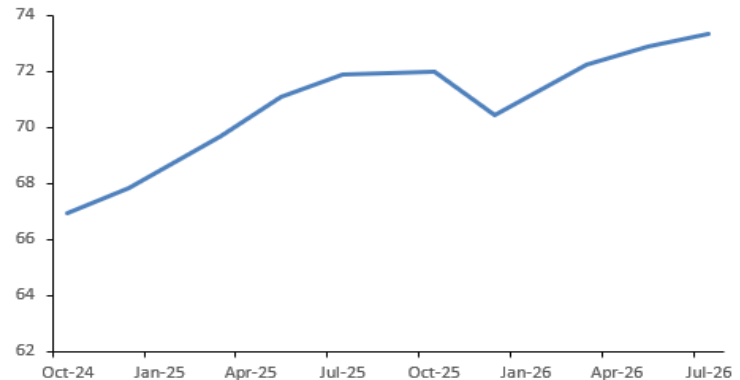
## Resistance:

88.88 = Jan 2023 High

100.00 = Jun 2022 Low



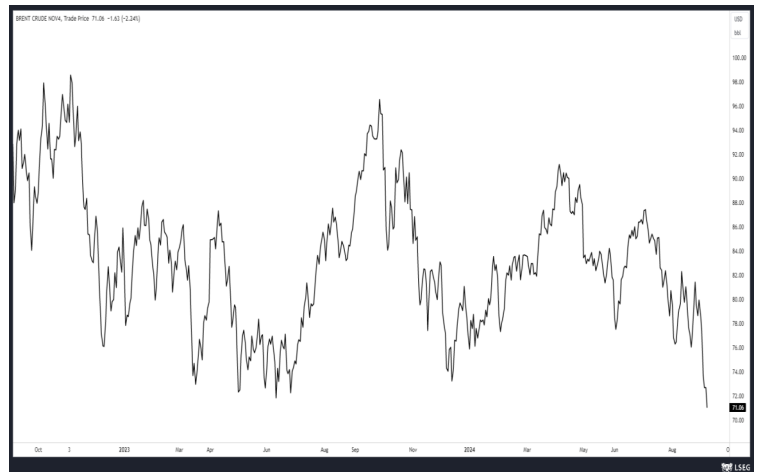
## Futures Curve



# Brent Crude

Last Price USD **71.06**/BBL

Oil prices settled 2% lower on Friday, with a big weekly loss after data U.S. jobs data was weaker than expected in August, which outweighed price support from a delay to supply increases by OPEC+ producers. Brent crude futures [LCOc1](#) were down \$1.63, or 2.24%, to \$71.06 a barrel, their lowest level since Dec. 2021. U.S. West Texas Intermediate crude futures [CLc1](#) fell \$1.48, or 2.14%, to \$67.67, their lowest since June 2023. For the week, Brent declined 10%, while WTI dropped around 8%. Bank of America lowered its Brent price forecast for the second half of 2024 to \$75 a barrel from almost \$90 previously, it said in a note on Friday, citing building global inventories, weaker demand growth and OPEC+ spare production capacity. The U.S. active oil rig count, an early indicator of future output, [remained unchanged](#) at 483 this week.



### Technical:

Oil settles down 2%, big weekly drop after US jobs data, next level to watch 76.60.

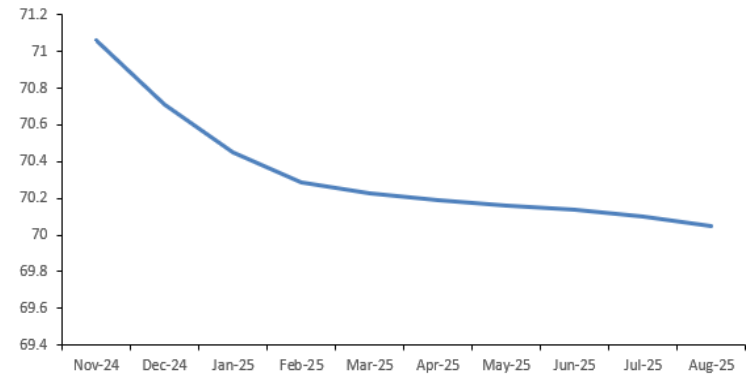
### Support:

- 65.72 = Dec 2021 Low
- 54.60 = Feb 2021 Low

### Resistance:

- 76.60 = Nov 2023 Low
- 91.70 = Jan 2022 High

### Futures Curve

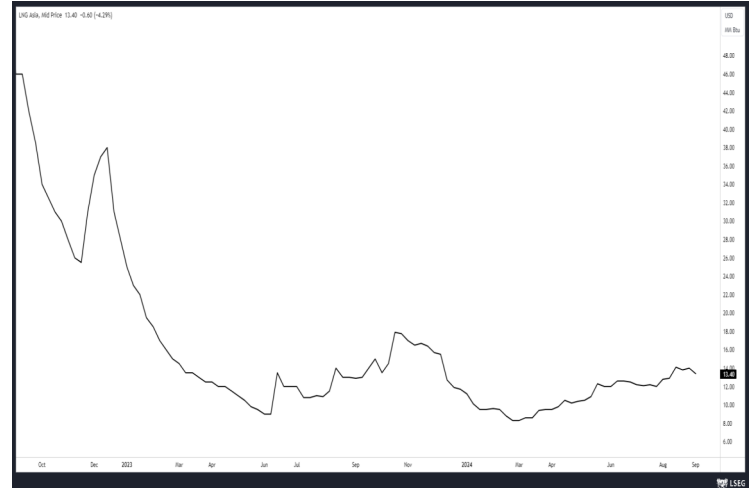


# LNG

Last Price

USD **13.40**/MMBTU

Asian spot liquefied natural gas (LNG) prices fell this week on signals of weak economic growth in China while above-average temperatures across China, Japan and South Korea are coming to an end, which would reduce cooling demand. The average LNG price for October delivery into north-east Asia [LNG-AS](#) was at \$13.40 per million British thermal units (mmBtu), industry sources estimated, down from \$14.00/mmBtu last week. 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 \$11.534/mmBtu on Sept. 5, a \$0.20/mmBtu discount to the October gas price at the Dutch TTF hub. Spark Commodities assessed the price at \$11.607/mmBtu, while Argus assessed it at \$11.550/mmBtu.



## Technical:

Asia spot LNG prices down on muted demand, cooler weather. Next level to watch 13.50.

## Support:

12.60 = Jun 2024 High

12.00 = Jun 2024 Low

## Resistance:

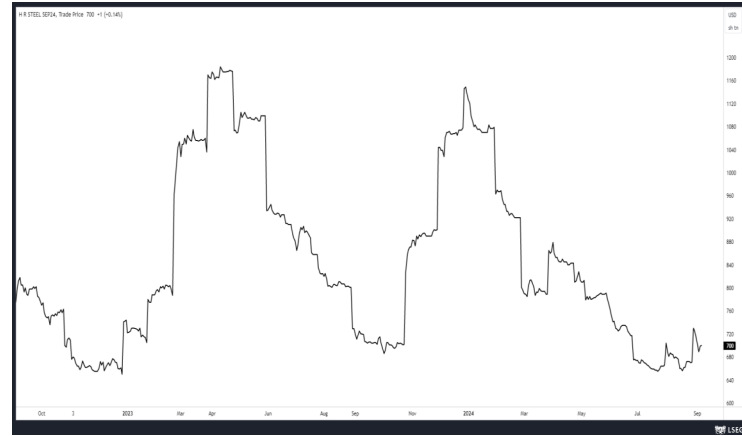
15.00 = Sep 2023 High

15.70 = Dec 2023 High

# Steel (HRC)

Last Price USD **700.00**/ tons

Dalian iron ore futures fell to their lowest in more than a year on Thursday, weighed down by a batch of dismal Chinese economic data and weak demand prospects in the top consumer's steel market. The most-traded January iron ore contract on China's Dalian Commodity Exchange (DCE) [DCIOcv1](#) ended morning trade 2.66% lower at 678 yuan (\$95.48) a metric ton. The contract fell to as low as 677.5 yuan, its weakest level since Aug. 22, 2023. The benchmark October iron ore [SZZFV4](#) on the Singapore Exchange was 1.71% lower at \$90.95 a ton. Other steelmaking ingredients on the DCE also fell, with coking coal [DJMcv1](#) and coke [DCJcv1](#) down 3.03% and 3.54%, respectively. Steel benchmarks on the Shanghai Futures Exchange were mixed. Hot-rolled coil [SHHCcv1](#) lost 1.56%, rebar [SRBcv1](#) shed about 0.8%, while stainless steel [SHSScv1](#) ticked around 0.1% higher, and wire rod [SWRcv1](#) was flat.



## Technical:

Iron ore slides to over one-year low on bleak China steel prospects. Next level to watch 765.00.

## Support:

650.00 = Dec 2022 Low

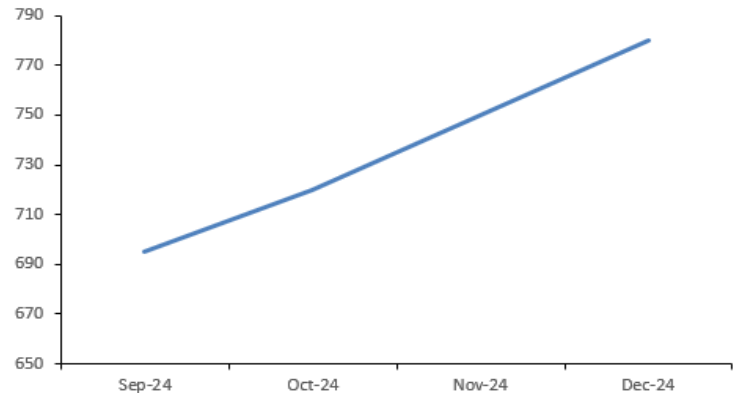
645.00 = Nov 2022 Low

## Resistance:

765.00 = Sep 2022 Low

783.00 = Mar 2024 Low

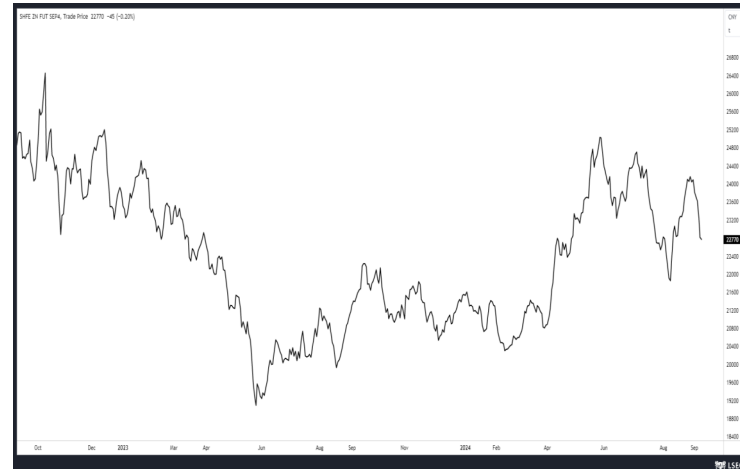
Futures Curve of SHFE Steel Futures



# SHFE Zinc

Last Price USD **3,212.65**/Tons

The most-traded SHFE zinc 2410 contract opened at 22,810 yuan/mt. Initially, longs reduced positions, causing SHFE zinc to plunge to a low of 22,590 yuan/mt. Subsequently, SHFE zinc's focus shifted upward, fluctuating around the daily moving average, ultimately closing up at 22,745 yuan/mt, an increase of 50 yuan/mt or 0.22%. Trading volume decreased to 138,000 lots, and open interest decreased by 1,678 lots to 101,000 lots. Overnight, SHFE zinc recorded a bearish candlestick. On the fundamentals side, the long-term ore supply tightness has eased, weakening the support for zinc prices from the supply side. The market awaits more macroeconomic guidance, with expectations of a downward fluctuation today.



**Technical:**

Zinc slightly dipped as US ADP employment growth slows, next level to watch 3,300.00

**Support:**

3,154.81 = Jul 2024 Low

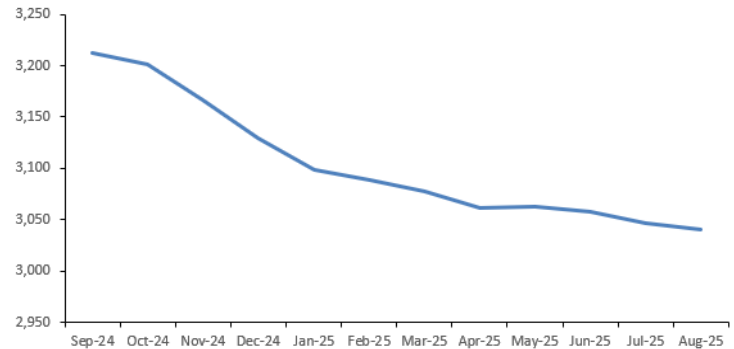
3,071.56 = Aug 2024 Low

**Resistance:**

3,467.84 = Jul 2024 High

3,551.18 = Jul 2024 High

**SHFE Zinc Forward Curve**



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