



 **BRAC BANK**

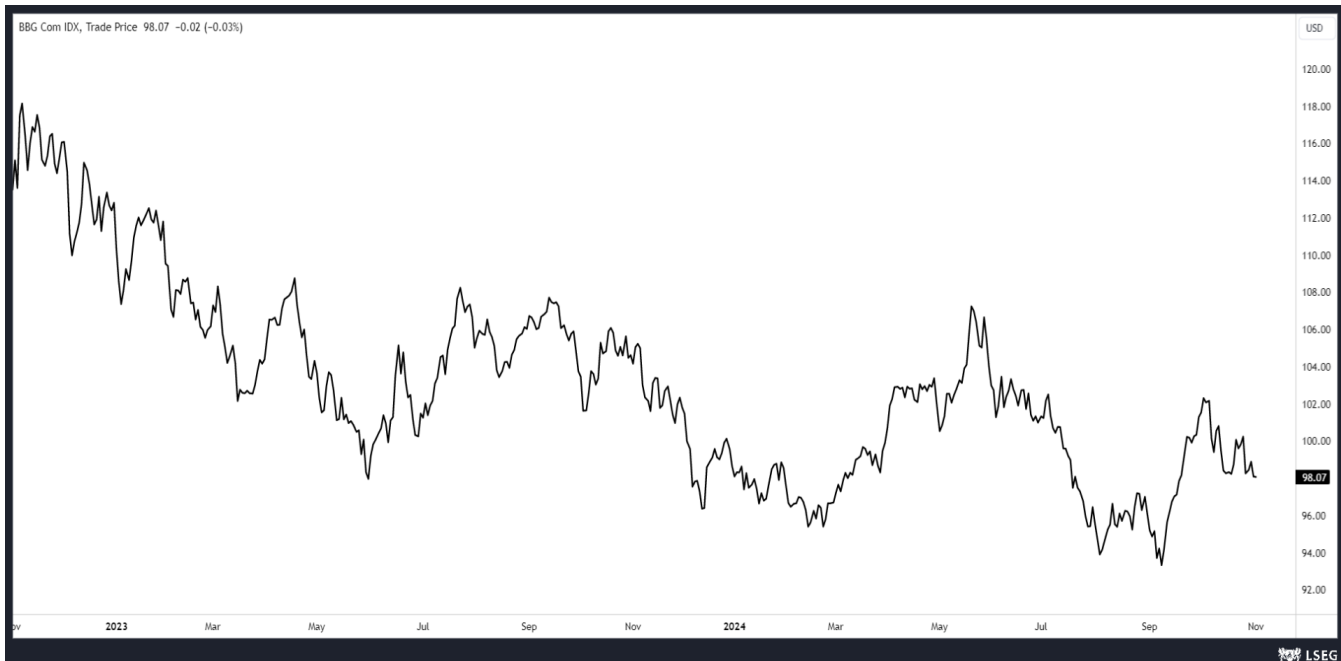
Commodities Weekly

Issue 27-2024

Date: 03 Nov 2024

Bloomberg Commodity Index

98.07 ▼



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

429.0564 ▼



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	568.00	▼ -0.18%	▼ -0.44%	▼ -0.39%	720.00	493.50
Sugar	\$c/LBS	22.07	▼ -0.32%	▼ -2.95%	▼ -15.25%	24.62	17.52
Soybean	\$c/BSH	982.50	▼ -0.53%	0.00%	▼ -26.83%	1,289.50	936.25
Palm Oil	\$/Ton	1,112.69	▲ 6.39%	▲ 3.66%	▲ 33.04%	1,114.34	872.09
Cotton	\$c/LBS	70.17	▼ -0.69%	▲ 0.86%	▼ -11.62%	107.25	65.30
Brent Crude	\$/BBL	73.10	▼ -3.88%	▼ -0.08%	▼ -11.75%	92.18	68.68
LNG	\$/MMBTU	13.80	0.00%	0.00%	▼ -15.85%	14.10	8.30
Steel	\$/Ton	714.00	▲ 1.42%	▼ -0.14%	▼ -31.61%	1,135.00	654.00
SHFE Zinc	\$/Ton	3,558.29	▲ 1.02%	▲ 0.19%	▲ 19.80%	3,608.62	2,859.79
Indonesian Coal*	\$/Ton	131.17	0.00%	▲ 4.81%	▲ 5.82%	131.17	109.77
Australian Coal	\$/Ton	206.50	▲ 1.47%	0.00%	▼ -35.63%	336.00	176.00
Gold	\$/Ozs	2,735.16	▼ -0.46%	▼ -0.32%	▲ 2.68%	2,758.37	1,984.09

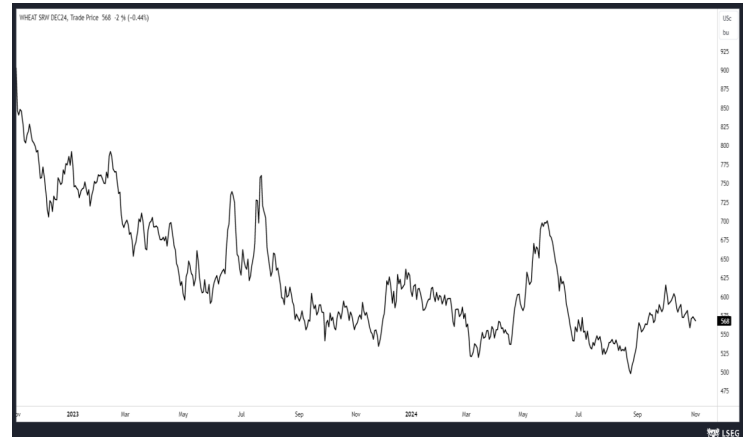
*Price published monthly once by Indonesian Govt

Wheat

Last Price

USc **568.00**/BSH

CBOT wheat futures eased as rains over dry regions of the U.S. weighed on prices, though continued drought in the U.S. Plains as well as poor Australian crop prospects provided a floor for prices. CBOT December soft red winter wheat [WZ24](#) settled down 2-1/2 cents at \$5.68 per bushel, settling down 0.17% for the week. K.C. December hard red winter wheat [KWZ24](#) ended down 2-1/2 cents at \$5.66-3/4 and Minneapolis December spring wheat [MWEZ24](#) ended down 4-1/2 cents at \$5.99-3/4 per bushel. Forecasts called for increased showers over the next two weeks in the U.S. Plains and Midwest, which will bring much-needed moisture for the emerging winter wheat crop. Although rains have hit the U.S. Plains, drought remains a concern.



Technical:

Wheat falls as rain relieves drought. Next level to watch 550.00.

Support:

555.25 = Feb 2024 Low

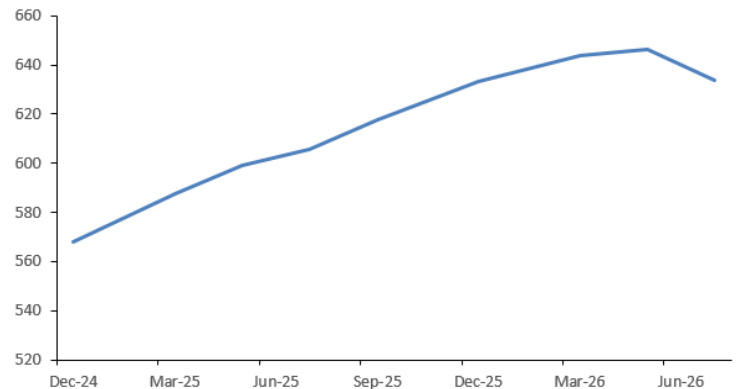
519.50 = Mar 2024 Low

Resistance:

614.50 = Apr 2024 High

639.75 = Nov 2023 High

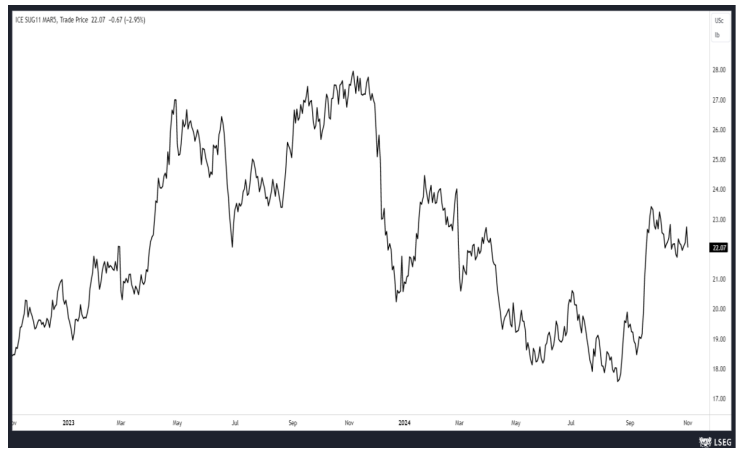
Futures Curve



Sugar

Last Price USc **22.07** /LBS

March raw sugar [SBc1](#) fell 1.5% to 22.39 cents per lb, retreating from an earlier three-week peak of 23 cents. The market remained on track for a weekly gain, boosted by tightening supplies which could leave the market susceptible to price spikes if any significant crop problems occur in key producing countries. December white sugar [LSUc1](#) fell 1.4% to \$568.60 a metric ton.



Technical:

Raw sugar slips on Brazil data, next level to watch 22.10.

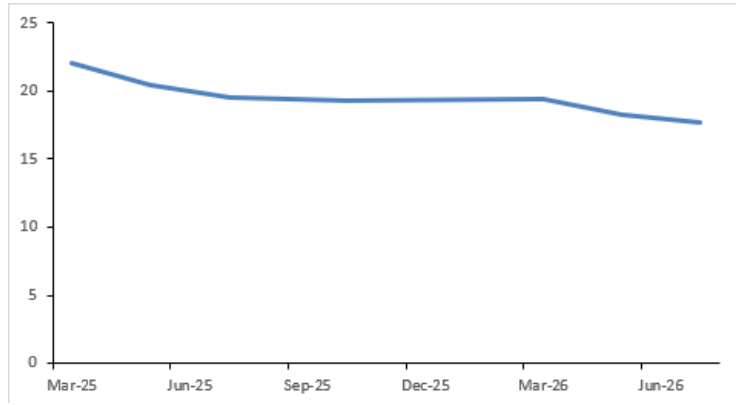
Support:

21.82 = Jan 2023 High
 20.78 = Jul 2024 High

Resistance:

22.78 = Jul 2023 Low
 23.45 = Oct 2024 High

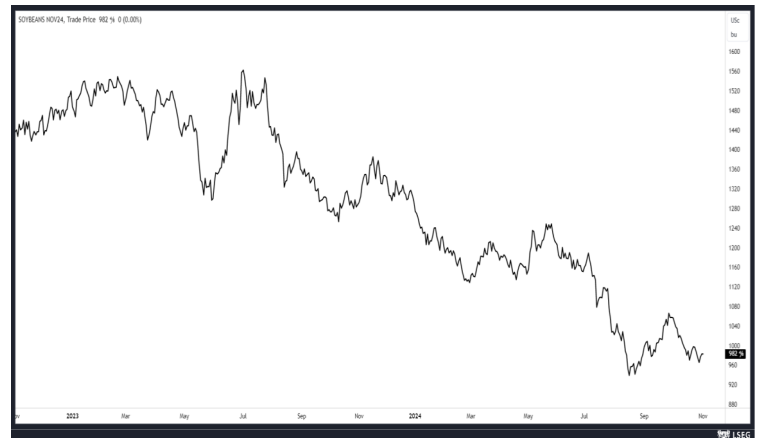
Futures Curve



Soybean

Last Price USc **982.50**/BSH

CBOT most-active soybean futures drifted slightly lower in choppy trading on Friday after rising earlier on strong U.S. export sales. CBOT November soybeans [SX24](#) were unchanged at \$9.82-1/2 per bushel, settling down 0.53% for the week. Most-active January soybeans [SF25](#) lost 3/4 cent to \$9.93-3/4 per bushel. CBOT December soy meal [SMZ24](#) ended down \$4.20 at \$295.30 per short ton and December soy oil [BOZ24](#) rose 1.16 cents to finish at 46.30 cents per pound. Improved crop weather in top global soybean producer Brazil limited rallies. CBOT soy oil gained on spillover strength from crude oil and helped to support soybeans.



Technical:

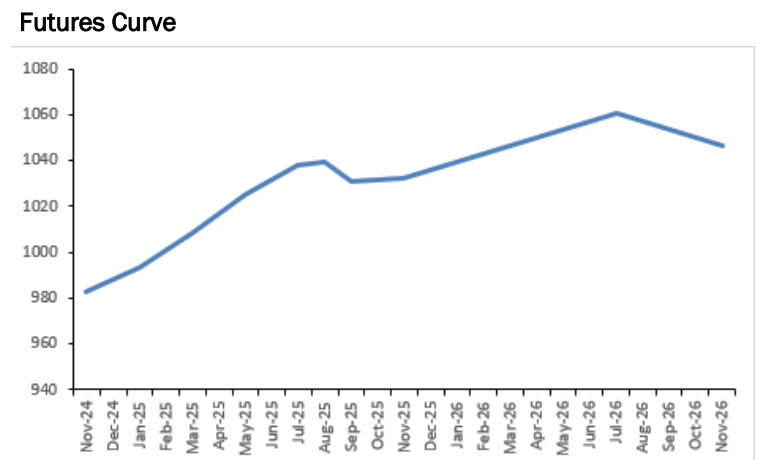
Soybeans tip down amid choppy trading, next level to watch 1,000.00.

Support:

936.25 = Aug 2024 Low
 910.00 = Jul 2020 High

Resistance:

1,020.50 = Jul 2024 Low
 1,065.50 = Oct 2024 High

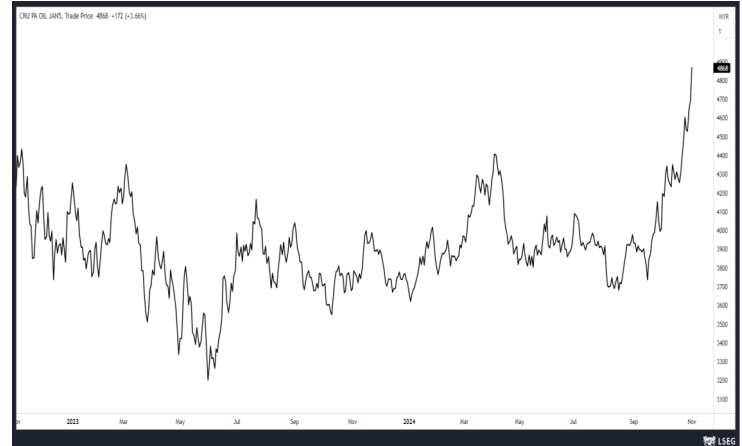


Palm Oil

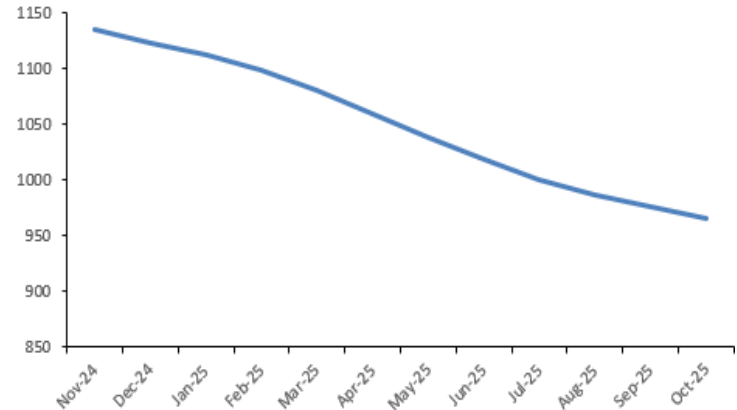
Last Price

USD **1,112.69**/Ton

Malaysian palm oil futures jumped more than 3% on Friday, reaching the highest in almost two and a half years in response to stronger soyoil and crude oil prices, along with positive domestic export estimates. The benchmark palm oil contract [FCPOc3](#) for January delivery on the Bursa Malaysia Derivatives Exchange gained 169 ringgit, or 3.6%, to 4,865 ringgit (\$1,112.00) a metric ton, its highest close since June 30, 2022. The contract logged a 7.25% gain this week, its second consecutive weekly increase and its strongest performance since mid-June 2023. Palm oil tracks price movements of rival edible oils as it competes for a share in the global vegetable oils market.



Futures Curve



Technical:

Palm closes 3% higher, hits highest level in almost two and half years, next level to watch 1066.00.

Support:

970.69 = Mar 2024 Low

945.74 = Jul 2024 Low

Resistance:

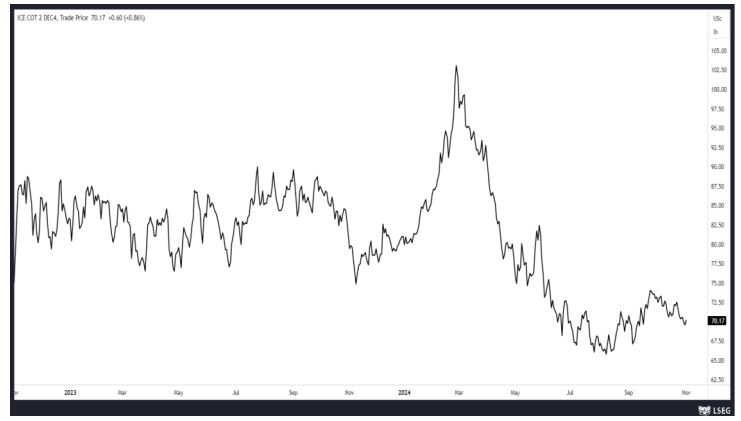
1,132.58 = Jul 2022 High

1,193.14 = Oct 2021 High

Cotton

Last Price USc **70.17** /LBS

ICE cotton futures rebounded from a seven-week low hit in the previous session, driven by short-covering and robust open interest ahead of options expiration, while positive sentiment in the wider oil and financial markets also helped. Cotton contract for December [CTZ4](#) was up 0.75 cent, or 1.1%, at 70.32 cents per lb at 12:31 p.m. ET (1631 GMT), after hitting its lowest level since Sept. 12 in the previous session. The contract is up about 1.4% so far this week. Oil prices rose about 1% to a one-week high on reports Iran was preparing a retaliatory strike on Israel from Iraq in the coming days. [O/R](#) Higher oil prices make cotton-substitute polyester more expensive.



Technical:

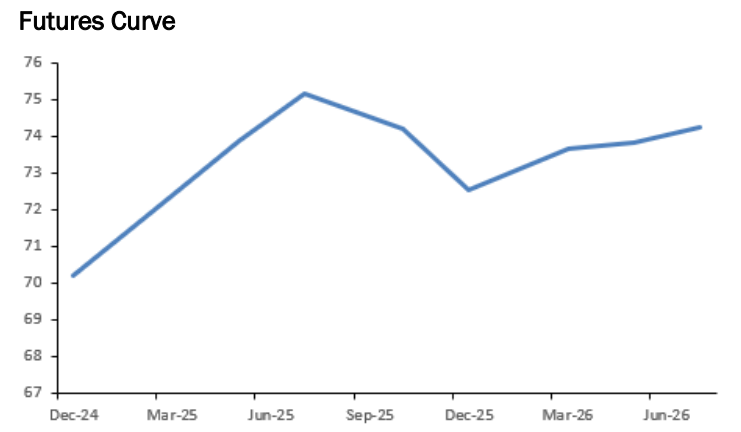
Cotton futures rebound on short covering, broader market support. Next level to watch 74.00.

Support:

66.93 = Sep 2024 Low
65.30 = Aug 2024 Low

Resistance:

74.58 = Sep 2024 High
76.53 = Jun 2024 High



Brent Crude

Last Price USD **73.10**/BBL

Oil prices edged up on Friday on reports Iran was preparing a retaliatory strike on Israel from Iraq in coming days, but record U.S. output weighed on prices. Brent [LCOc1](#) futures were up 29 cents, or 0.4%, to settle at \$73.10 a barrel. U.S. West Texas Intermediate (WTI) crude [CLc1](#) gained 23 cents, or 0.3%, to settle at \$69.49. At their session highs, both benchmarks were up over \$2 a barrel. Brent posted a weekly decline of about 4% with WTI down about 3%. Oil prices were also supported by expectations [OPEC+ could delay](#) December's planned increase to oil production by a month or more on concern over soft oil demand and rising supply. A decision could be made as early as next week.



Technical:

Oil prices settle up slightly on Iran worries, but prices down for the week, next level to watch 78.50.

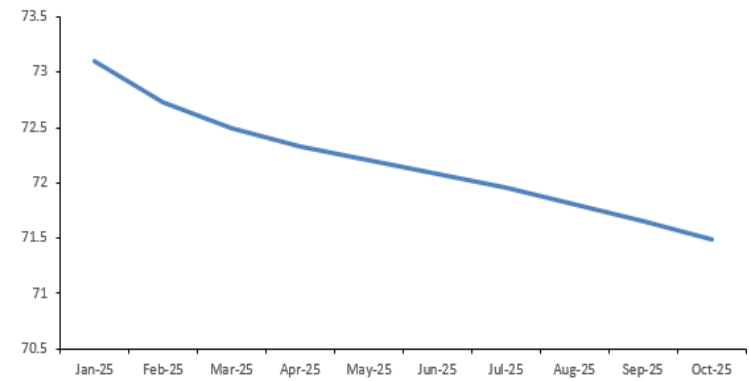
Support:

- 68.68 = Sep 2024 Low
- 64.60 = Aug 2021 Low

Resistance:

- 78.73 = Jun 2023 High
- 79.30 = Oct 2024 High

Futures Curve



LNG

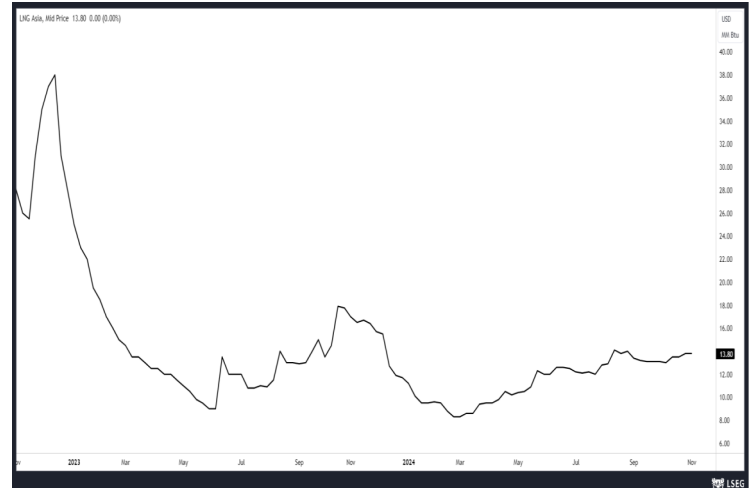
Last Price

USD **13.80**/MMBTU

Asian spot liquefied natural gas (LNG) prices held steady this week as forecasts of warmer-than-average temperatures in both north-east Asia and northwest Europe capped demand expectations. The average LNG price for December delivery into north-east Asia [LNG-AS](#) was at \$13.80 per million British thermal units (mmBtu).

In Europe, S&P Global Commodity Insights assessed its daily North West Europe LNG Marker (NWM) price benchmark for cargoes delivered in December on an ex-ship (DES) basis at \$12.664/mmBtu on Oct. 31, a \$0.20/mmBtu discount to the December gas price at the Dutch TTF hub.

Argus assessed the price for December delivery at \$12.650/mmBtu, while Spark Commodities assessed it at \$12.699/mmBtu.

**Technical:**

Asian spot LNG steady on warmer than average temperature forecasts. Next level to watch 14.00.

Support:

12.60 = Jun 2024 High

12.00 = Jun 2024 Low

Resistance:

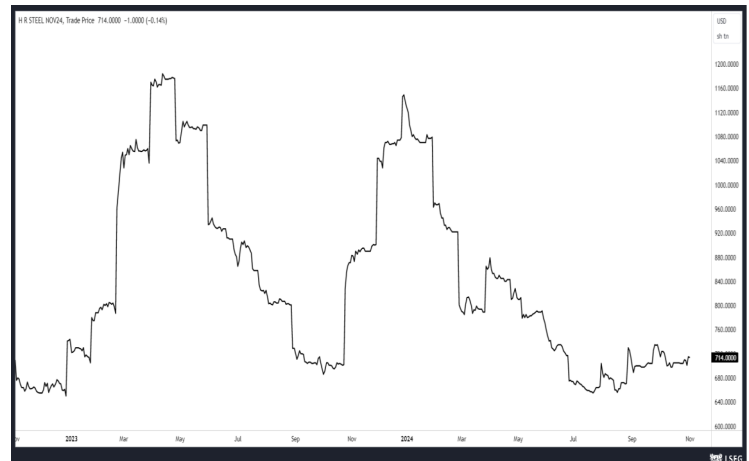
15.00 = Sep 2023 High

15.70 = Dec 2023 High

Steel (HRC)

Last Price USD **714.00**/ tons

Dalian iron ore futures posted weekly gains, even as prices hit one-week lows on Friday as investors weighed a softer global demand outlook against better economic data from top consumer China and prospects of further stimulus from Beijing. The most-traded January iron ore contract on China's Dalian Commodity Exchange (DCE) [DCIOcv1](#) ended daytime trade 1.47% lower at 770.5 yuan (\$108.17) a metric ton. The contract earlier fell to 764.5 yuan, its weakest since Oct. 25. It gained 0.65% for the week. Other steelmaking ingredients on the DCE lost ground, with coking coal [DJMcv1](#) and coke [DCJcv1](#) down 1.33% and 1.46%, respectively. Steel benchmarks on the Shanghai Futures Exchange were weaker. Rebar [SRBcv1](#) lost almost 1.2%, hot-rolled coil [SHHCcv1](#) weakened nearly 0.9%, wire rod [SWRcv1](#) shed 1.67% and stainless steel [SHSScv1](#) edged around 0.1% lower.



Technical:

Iron ore falls to one week low but logs weekly gain. Next level to watch 760.00.

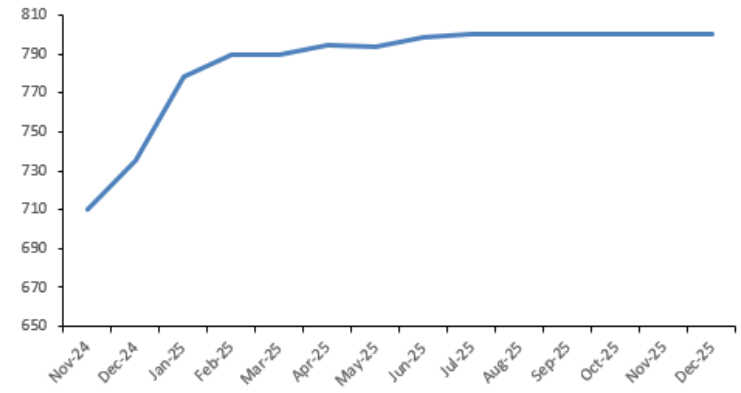
Support:

- 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 **3,558.29**/Tons

The most-traded SHFE zinc 2412 contract opened at 25,235 yuan/mt. At the beginning of the session, SHFE zinc fluctuated range-bound around the daily moving average, reaching a high of 25,260 yuan/mt. Subsequently, longs reduced positions, and SHFE zinc fluctuated downward below the daily moving average to a low of 24,810 yuan/mt. By the end of the session, shorts increased positions, and SHFE zinc slightly moved up, closing down at 24,875 yuan/mt, down 400 yuan/mt, a decline of 1.58%. Trading volume decreased to 106,000 lots, and open interest decreased by 6,946 lots to 115,000 lots. Currently, domestic supply remains tight, and TC is still at a low level, while overall domestic demand is also weak. SHFE zinc is expected to maintain a fluctuating trend, with more macro data anticipated in the future.

Technical:

Zinc recorded a bearish candle, expected to maintain fluctuating trend, next level to watch 3,600.00

Support:

3,485.95 = Feb 2022 Low

3,415.34 = Jan 2022 Low

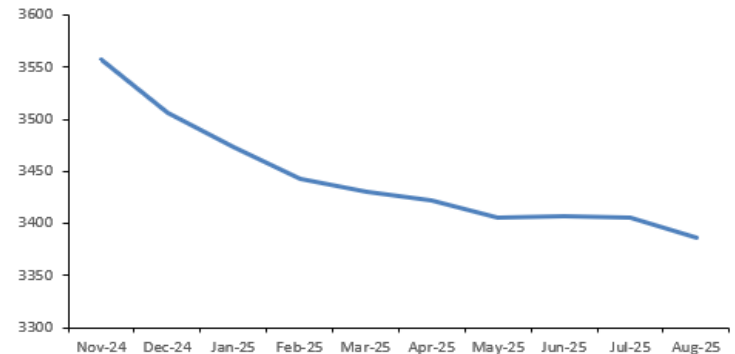
Resistance:

3,608.61 = May 2024 High

3,651.40 = Jan 2022 High



SHFE Zinc Forward Curve



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