



Commodities Weekly

Issue 29-2024

Date: 17 Nov 2024

Bloomberg Commodity Index

96.10 ▼



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

419.7693 ▼



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	536.50	▼ -6.29%	▼ -5.96%	▼ -5.92%	720.00	493.50
Sugar	\$c/LBS	21.58	▼ -1.10%	▼ -5.10%	▼ -17.13%	24.62	17.52
Soybean	\$c/BSH	998.50	▼ -1.79%	▲ 1.63%	▼ -25.64%	1,289.50	936.25
Palm Oil	\$/Ton	1,138.76	▼ -2.22%	▲ 6.09%	▲ 36.15%	1,165.30	872.09
Cotton	\$c/LBS	66.80	▼ -5.89%	▼ -3.98%	▼ -15.87%	107.25	65.30
Brent Crude	\$/BBL	71.04	▼ -3.83%	▼ -2.90%	▼ -14.23%	92.18	68.68
LNG	\$/MMBTU	13.60	▲ 1.49%	▼ -1.45%	▼ -17.07%	14.10	8.30
Steel	\$/Ton	691.00	▼ -2.26%	▼ -3.36%	▼ -33.81%	1,135.00	654.00
SHFE Zinc	\$/Ton	3,384.78	▼ -4.17%	▼ -4.70%	▲ 13.96%	3,608.62	2,859.79
Indonesian Coal*	\$/Ton	131.17	0.00%	▲ 4.81%	▲ 5.82%	131.17	109.77
Australian Coal	\$/Ton	204.33	▼ -1.45%	▼ -1.05%	▼ -36.31%	336.00	176.00
Gold	\$/Ozs	2,561.24	▼ -4.57%	▼ -6.65%	▲ 2.68%	2,790.15	1,984.09

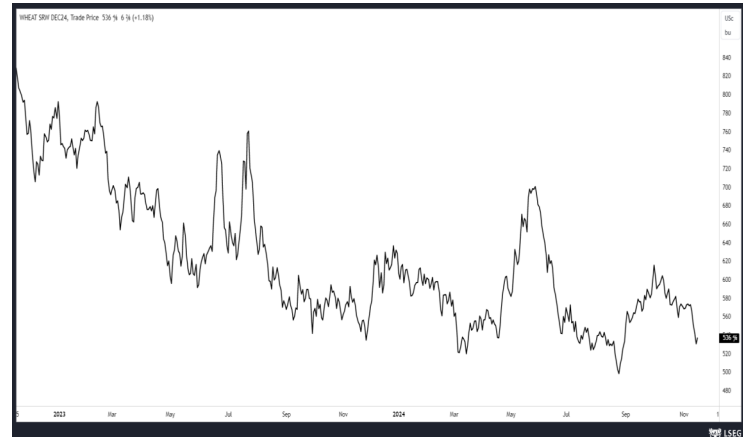
*Price published monthly once by Indonesian Govt

Wheat

Last Price

USc **536.50**/BSH

U.S. wheat futures recovered on technical trading on Friday after a week of multi-month lows driven by a days-long rally in the U.S. dollar, according to analysts. Wheat futures rose after reaching lows not seen since late August this week on a surge in the U.S. dollar. The greenback hit one-year highs as President-elect [Donald Trump's selection win](#), U.S. inflation data and comments by Federal Reserve head Jerome Powell fueled expectations of a slower pace for U.S. interest rate cuts. A stronger dollar tends to make U.S. exports less competitive because they become more expensive to holders of other currencies. CBOT December soft red winter wheat [WZ24](#) rose 6-1/4 cents to settle at \$5.36-1/2 per bushel. For the week, most-active wheat [Wv1](#) dropped about 6.30%.



Technical:

Wheat rises on technical trading after dollar fueled downturn. Next level to watch 520.00.

Support:

519.50 = Mar 2024 Low

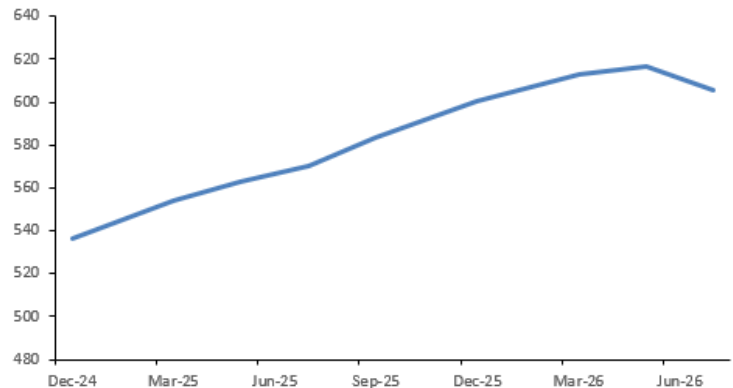
493.50 = Aug 2024 Low

Resistance:

596.25 = Sep 2024 High

614.50 = Apr 2024 High

Futures Curve



Sugar

Last Price USc **21.58**/LBS

March raw sugar [SBc1](#) settled up 0.02 cents, or 0.1%, at 21.58 cents per lb. December white sugar [LSUc1](#) settled down \$0.10 at \$545.20 a tonne.



Technical:

Raw sugar slips further, next level to watch 21.00.

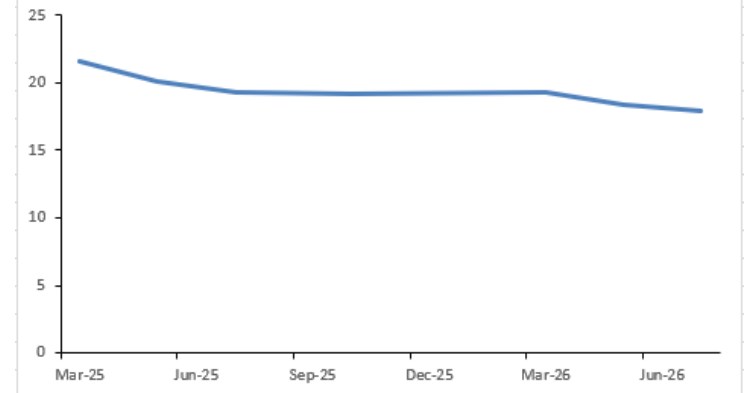
Support:

- 20.78 = Jul 2024 High
- 20.00 = May 2024 High

Resistance:

- 22.78 = Jul 2023 Low
- 23.45 = Oct 2024 High

Futures Curve



Soybean

Last Price USc **998.50**/BSH

CBOT soybean futures climbed back from four days of losses, driven by a round of short covering and news that China will cut its export incentives for used cooking oil, a move that could curtail the flood of imports into the U.S. market. The proliferation of imported used cooking oil in the U.S. biofuel market has been a drag on demand for U.S. soyoil, but a slowdown in used cooking oil exports from China could boost that demand. January soybeans [SF25](#) finished up 11 cents at \$9.98-1/2 per bushel. CBOT December soyoil [BOZ24](#) settled up 0.91 cent to 45.35 cents per pound. CBOT December soymeal [SMZ24](#) rose \$2.60 to close at \$289.60 per short ton. For the week, most-active soybeans [Sv1](#) fell by about 3.08%.



Technical:

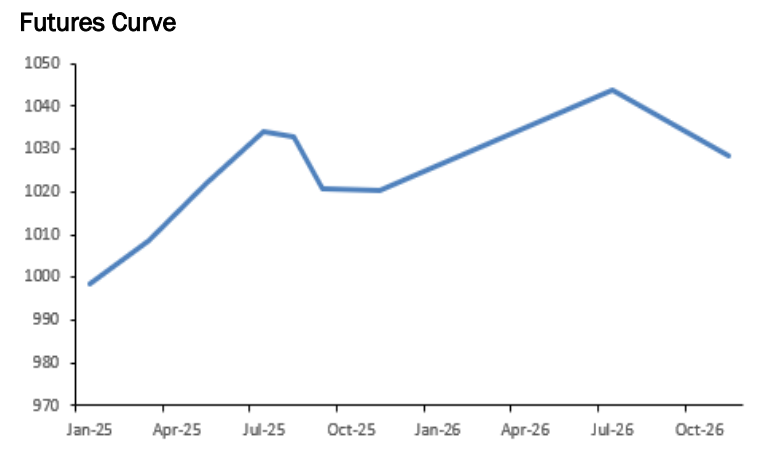
Soybeans recover on short covering, change in China export incentives, next level to watch 950.00.

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 **1,138.76**/Ton

Malaysian palm oil futures rose on Friday after three straight sessions of losses, supported by recovery in rival vegetable oils and talks of possible changes in Indonesia's export levy, yet it posted the first weekly decline in four weeks. The benchmark palm oil contract [FCPOc3](#) for January delivery on the Bursa Malaysia Derivatives Exchange gained 118 ringgit, or 2.38%, to 5,081 ringgit (\$1,137.20) a metric ton at closing. The contract fell 0.37% for the week. Palm oil tracks price movements of rival edible oils, as it competes for a share in the global vegetable oils market.



Technical:

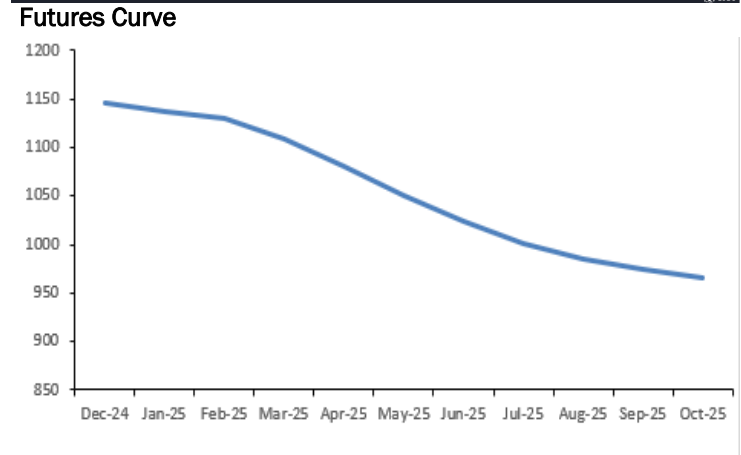
Palm rises after 3 days of fall, logs first weekly drop in four, next level to watch 1066.00.

Support:

970.69 = Mar 2024 Low
 945.74 = Jul 2024 Low

Resistance:

1,165.30 = Oct 2021 High
 1,301.37 = Jan 2022 High

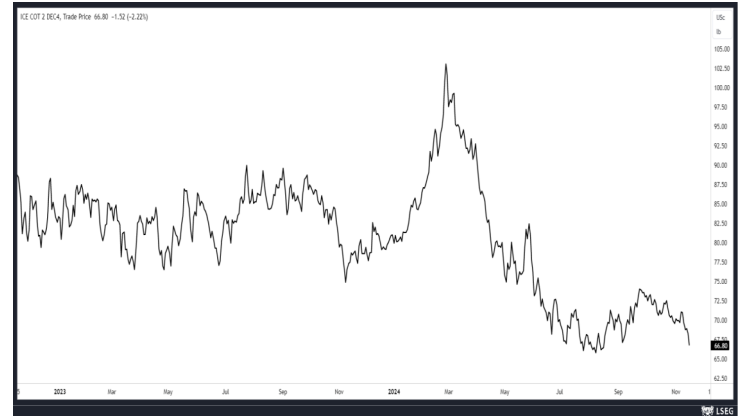


Cotton

Last Price

USc **66.80**/LBS

ICE cotton futures dropped more than 2% to a three-month low on Friday, weighed down by a stronger U.S. dollar, poor weekly export sales report and downbeat sentiment across financial and commodity market space. Cotton contracts for December [CTZ4](#) fell 1.59 cents, or 2.33%, at 66.73 cents per lb. The U.S. dollar [.DXY](#) was set for its biggest weekly gain in over a month against its rivals, making cotton more expensive for other currency holders. Oil prices slipped and were bound for a weekly loss. Lower oil prices make cotton-substitute polyester less expensive. The USDA weekly export sales report showed net sales of upland cotton totaling 153,300 running bales for 2024/2025, down 33% from the previous week and 18% from the prior 4-week average.



Technical:

Cotton slides to 3-month low on dollar strength, weak export sales data. Next level to watch 65.00.

Support:

65.30 = Aug 2024 Low

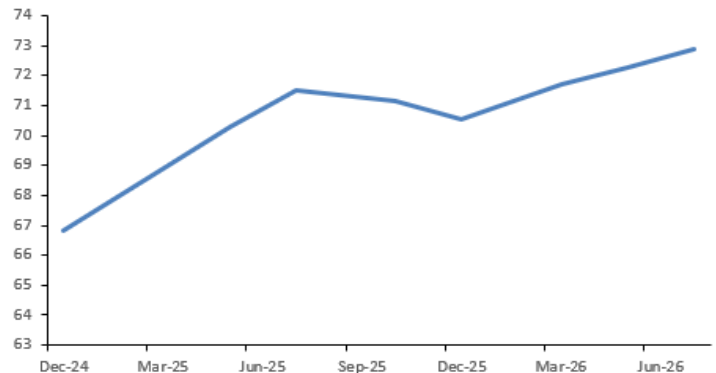
57.26 = Jun 2020 Low

Resistance:

74.58 = Sep 2024 High

76.53 = Jun 2024 High

Futures Curve



Brent Crude

Last Price

USD **71.04**/BBL

Oil prices settled down more than 2% on Friday as investors fretted about weaker Chinese demand and a potential slowing in the pace of U.S. Federal Reserve interest rate cuts. Brent crude futures [LC0c1](#) settled down \$1.52, or 2.09%, to \$71.04 a barrel. U.S. West Texas Intermediate crude futures (WTI) [CLc1](#) settled down \$1.68, or 2.45%, at \$67.02. For the week, Brent fell around 4%, while WTI declined around 5%. China's oil refiners in [October processed](#) 4.6% less crude than a year earlier because of plant closures and reduced operating rates at smaller independent refiners. Oil prices also fell this week as major forecasters indicated slowing global demand growth.



Technical:

Oil settles down 2% on weaker Chinese demand, uncertainty over Fed rate cut, next level to watch 68.50.

Support:

68.68 = Sep 2024 Low

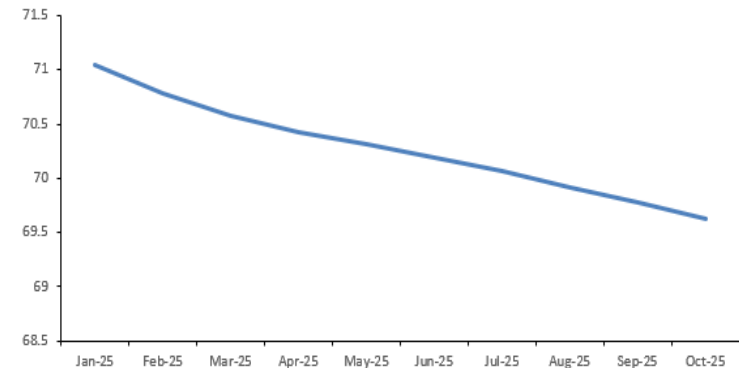
64.60 = Aug 2021 Low

Resistance:

78.73 = Jun 2023 High

79.30 = Oct 2024 High

Futures Curve



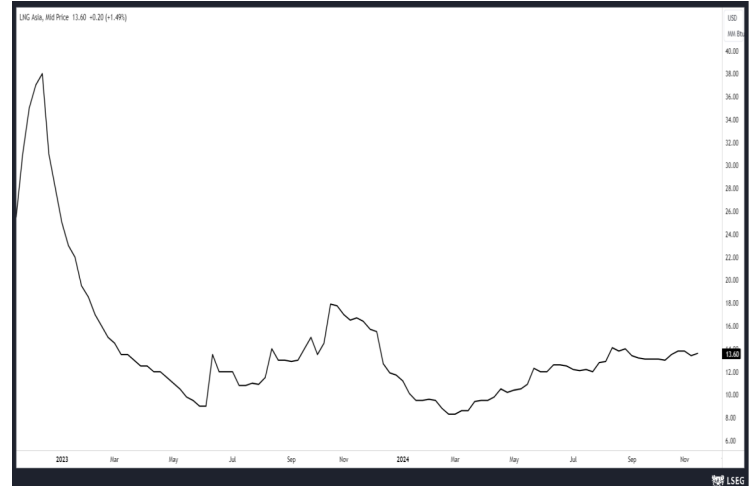
LNG

Last Price

USD **13.60**/MMBTU

Asian spot liquefied natural gas (LNG) rose slightly this week tracking European gas markets, while warm weather forecasts, strong storage inventories and weak economic data in China helped keep demand muted.

The average LNG price for December delivery into northeast Asia [LNG-AS](#) rose slightly to \$13.60 per million British thermal units (mmBtu) from \$13.40/mmBtu last week. The price for January delivery was estimated at \$14/mmBtu. Extremely low wind output, particularly in Germany, coincided with temperature declines, resulting in high gas consumption for power and heating purposes, leading to significant net withdrawals from underground gas facilities across the continent. European gas storage sites were last 92.1% full, down from 95.2% seen at the start of the month.



Technical:

Asian spot LNG slightly up amid lower than average demand. 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 **691.00**/ tons

Iron ore futures declined to their lowest level in nearly two months on Friday and fell for the week, weighed down by weakness in China's property sector, stronger supply, and prospects of reduced seasonal steel demand. The most-traded January iron ore contract on China's Dalian Commodity Exchange (DCE) [DClOcv1](#) ended daytime trade 3.09% lower at 736.0 yuan (\$101.80) a metric ton, its lowest since Sept. 27. It tumbled 6.18% this week. The benchmark December iron ore [SZZFZ4](#) on the Singapore Exchange was 1.7% lower at \$96.6 a ton, falling 4.18% for the week. Other steelmaking ingredients on the DCE lost ground, with coking coal [DJMcv1](#) and coke [DCJcv1](#) down 1.29% and 1.01%, respectively. Steel benchmarks on the Shanghai Futures Exchange also declined. Rebar [SRBCv1](#) dropped about 2.8%, hot-rolled coil [SHHCcv1](#) shed around 2.2%, wire rod [SWRCv1](#) dipped 0.36% and stainless steel [SHSScv1](#) declined nearly 0.5%.

Technical:

Iron ore slumps on China property concerns, firmer supply. Next level to watch 650.00.

Support:

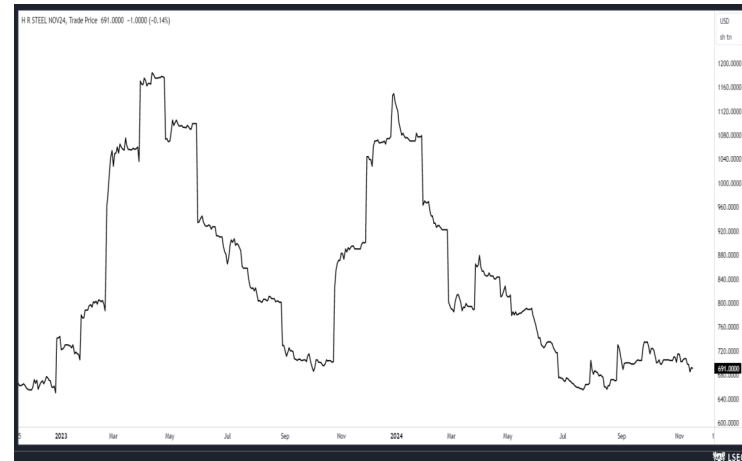
650.00 = Dec 2022 Low

645.00 = Nov 2022 Low

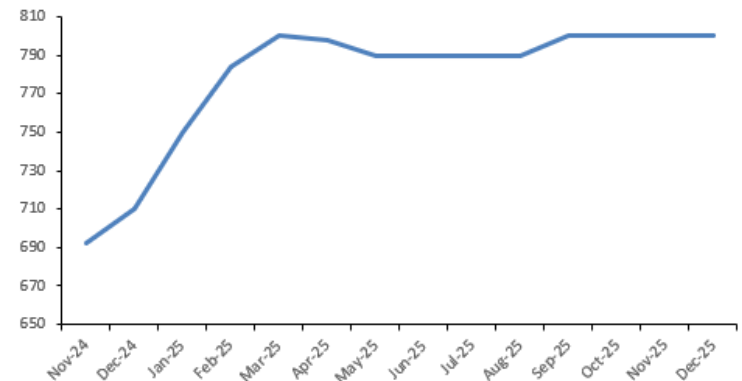
Resistance:

765.00 = Sep 2022 Low

783.00 = Mar 2024 Low



Futures Curve of SHFE Steel Futures



SHFE Zinc

Last Price USD **3,384.78**/Tons

The most-traded SHFE zinc 2412 contract opened at 24,540 yuan/mt, initially dipping to 24,535 yuan/mt, then fluctuated upward to a high of 24,750 yuan/mt. Subsequently, SHFE zinc fell back from highs to near the daily moving average, maintaining a fluctuating trend, and finally closed up at 24,640 yuan/mt, an increase of 175 yuan/mt or 0.72%. Trading volume decreased to 86,800 lots, and open interest decreased by 1,261 lots to 102,000 lots. Overnight, SHFE zinc recorded a bullish candlestick, with the lower Bollinger Band providing support. On the fundamentals side, the weak supply and demand pattern remained unchanged, with domestic smelters maintaining low production. Coupled with the influence of overseas market trends, SHFE zinc slightly rebounded in the night session.



Technical:

Zinc slightly rebounded, next level to watch 3,300.00

Support:

3,361.27 = Aug 2024 High

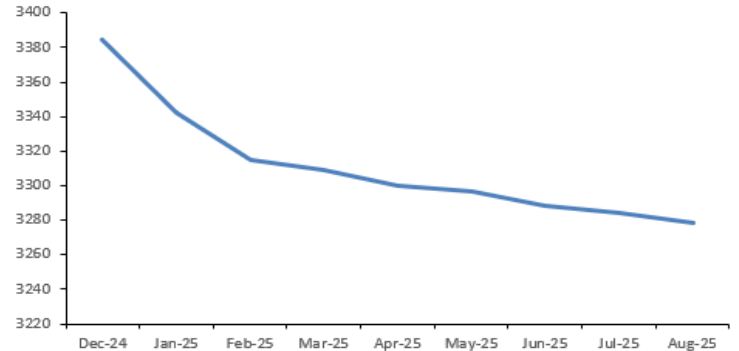
3,268.61 = Apr 2022 High

Resistance:

3,593.61 = Oct 2024 High

3,608.61 = May 2024 High

SHFE Zinc Forward Curve



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