



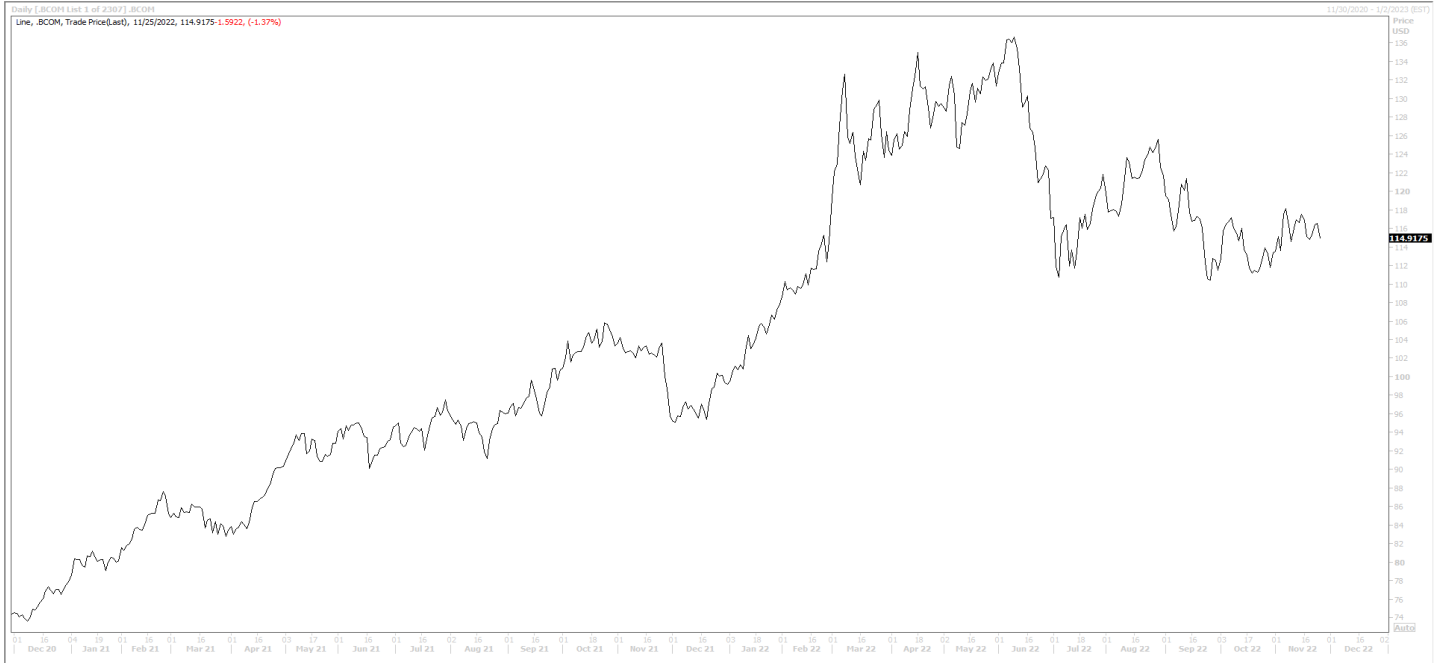
Commodities Weekly

Issue 33-2022

Date: 27 Nov 2022

Bloomberg Commodity Index

114.9175 ▲



Components:

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)

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 Name	Closing Price	% Δ Weekly	% Δ MoM	% Δ YoY	YTD High	YTD Low
Wheat	775.50	▼ -3.45%	▼ -7.51%	▼ -6.06%	1,425.25	731.50
Sugar	19.33	▼ -3.59%	▲ 8.23%	▼ -0.10%	20.41	17.40
Soybean	1,436.25	▲ 0.56%	▲ 3.91%	▲ 14.65%	1,769.00	1,344.00
Palm Oil	907.00	▲ 5.56%	▲ 9.57%	▼ -26.97%	1,947.00	680.00
Cotton	81.34	▼ -4.29%	▲ 8.29%	▼ -30.24%	158.02	72.11
Brent Crude	83.63	▼ -4.55%	▼ -13.75%	▲ 15.00%	128.00	78.98
LNG	31.00	▲ 21.57%	▲ 3.33%	▼ -14.13%	71.00	22.00
Steel	656.00	▼ -1.20%	▼ -5.88%	▼ -59.13%	1,541.00	658.00
LME Zinc	2,920.50	▼ -3.65%	▼ -0.73%	▼ -8.56%	4,498.50	2,697.00
Gold	1,756.14	▲ 0.37%	▲ 5.60%	▼ -1.99%	2,052.41	1,621.57

Wheat

CBOT wheat futures slid sharply on a short and choppy day of trading Friday, with the December contract [WZ2](#) hitting its lowest since Aug. 22, as recent weakness in Russian wheat prices continued to weigh on the market. BOT December soft red winter wheat [WZ2](#) settled down 18 cents at \$7.75-1/2 per bushel. The most-active March soft red winter wheat [WH3](#) fell 16-1/2 cents, to settle at \$7.97 per bushel. K.C. December hard red winter wheat [KWZ2](#) last traded down 9 cents to \$9.21-1/4 a bushel, and MGEX December spring wheat [MWEZ2](#) last traded down 1/2-cent at \$9.57-1/4 a bushel. Russia's ambassador to Turkey on Friday [denied slowing inspections of Ukraine grain ships](#). Ukraine's grain exports have [proceeded more slowly](#) since a U.N.-brokered deal was extended last week to help ease global hunger.

Technical:

Wheat drops in choppy trade, pressured by Russian prices. Next level to watch 740.00.

Support:

740.00 = Feb 2022 Low

725.75 = Aug 2022 Low

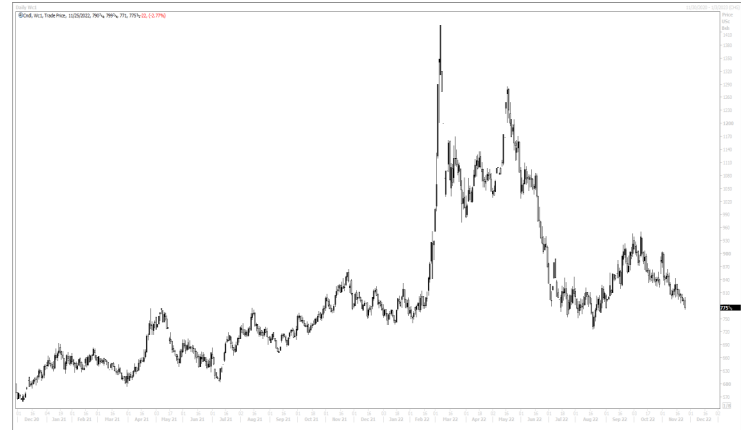
Resistance:

888.00 = Jul 2022 High

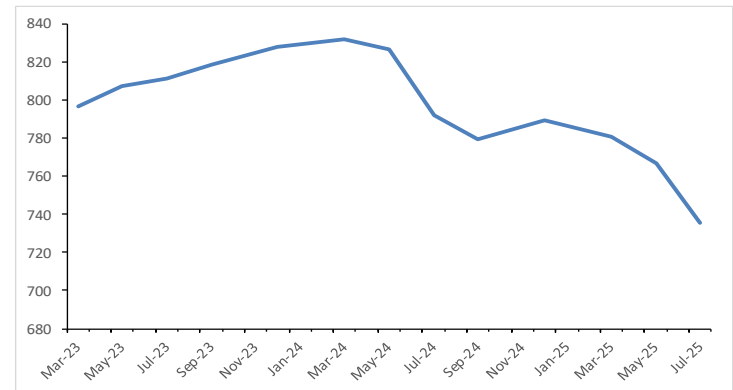
945.75 = Sep 2022 High

Last Price

USc **775.50**/BSH



Futures Curve



Sugar

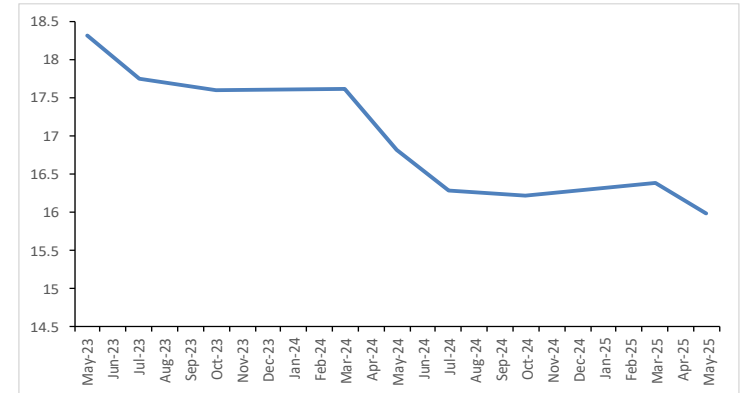
Last Price USc **19.33**/LBS

March raw sugar [SBc1](#) fell 0.4% to 19.48 cents per lb with the contract on track for a weekly loss of about 3%. Mills in Brazil continued to favour using cane for sugar rather than ethanol production. [Czarnikow on Thursday](#) cut its forecast for global sugar surplus for the current 2022/23 season to 2 million tonnes from 3.6 million previously. March white sugar [LSUc1](#) fell 1.2% to \$532.50 a tonne.



Technical:
 Raw sugar falls, Next level to watch 19.90.
Support:
 18.75 = Sep 2022 High
 18.20 = Jun 2022 Low
Resistance:
 20.51 = Apr 2022 High
 20.96 = Jun 2021 High

Futures Curve



Soybean

Last Price

USc **1,436.25**/BSH

Soybean futures ended a short, choppy trading session unchanged on Wednesday, after Argentina announced it would reestablish a preferential currency exchange for [soybean exports](#) until the end of the year. CBOT January soybeans [SF3](#) settled up 1/4-cent to \$14.36-1/4 per bushel. CBOT December soybean meal [SMZ2](#) fell 90-cents to \$408.80 per short ton, and December soybean oil [BOZ2](#) slipped 0.39 cent to finish at 74.52 cents per pound. Argentina, which spurred huge soy exports in September with the so-called "soy dollar" rate, has agreed a 'floor' of some \$3 billion in exports with grains firms.



Technical:

Soybeans ends nearly unchanged as Argentina revives "soy dollar", next level to watch 1,480.00.

Support:

1,414.00 = Oct 2022 High

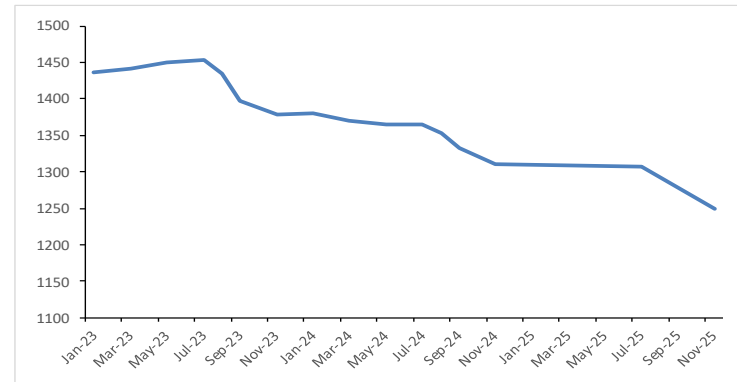
1,332.00 = Jan 2022 Low

Resistance:

1,480.00 = Jul 2021 Low

1,496.75 = Jan 2022 High

Futures Curve

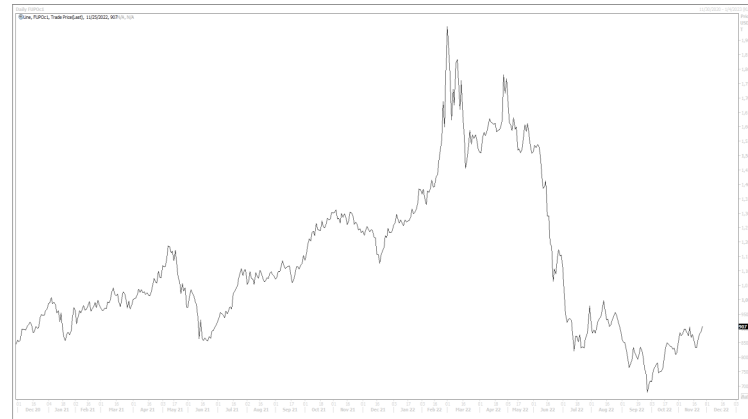


Palm Oil

Last Price

USD **907.00**/Ton

Malaysian palm oil futures traded in a tight range on Friday, as the ringgit recovered and participants awaited export data, although the benchmark contract was on track to post its first weekly gain in three. The benchmark palm oil contract [FCPOc3](#) for February delivery on the Bursa Malaysia Derivatives Exchange was unchanged at 4,040 ringgit (\$907.05) per tonne by midday. [The Malaysian ringgit](#) gained for third straight session and hit its highest level in more than three months on Friday. A stronger ringgit makes palm oil less attractive for holders of foreign currencies. Dalian's most-active soyoil contract [DBYv1](#) gained 1.58%, while its palm oil contract [DCPv1](#) rose 0.93%. Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market.



Technical:

Palm little changed, set for first weekly gain in three, next level to watch 969.00.

Support:

853.00 = Dec 2020 Low

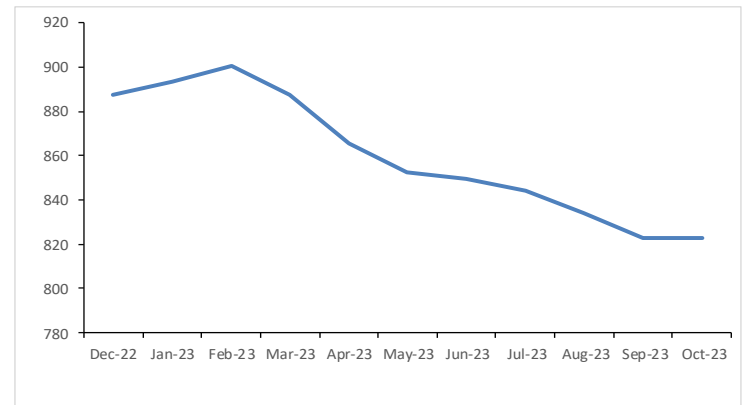
784.00 = Oct 2020 Low

Resistance:

969.00 = Dec 2020 High

997.00 = Aug 2022 High

Futures Curve



Cotton

Last Price USc **81.34**/LBS

ICE cotton futures dropped over 1% on Friday and were headed for their second consecutive weekly decline, hurt by a poor export sales report and firmer U.S. dollar. The most-active cotton contract for March [CTH3](#) fell 1.75 cent, or 2.1%, at 81.16 cents per lb, at 11:54 am EDT (1654 GMT). Prices are down about 3% so far this week. Weighing on the sentiment, dollar crept higher in a quiet session following the U.S. Thanksgiving holiday. A higher dollar makes greenback-priced cotton more expensive for buyers from other countries. Frustration simmered among residents and business groups in the top consumers of U.S. cotton [China navigating stricter COVID-19 control](#) curbs as the country reported another record high of daily infections.



Technical:

Cotton enroute to 2nd weekly dip on "lousy" export sales data. Next level to watch 90.00.

Support:

77.65 = Apr 2021 Low

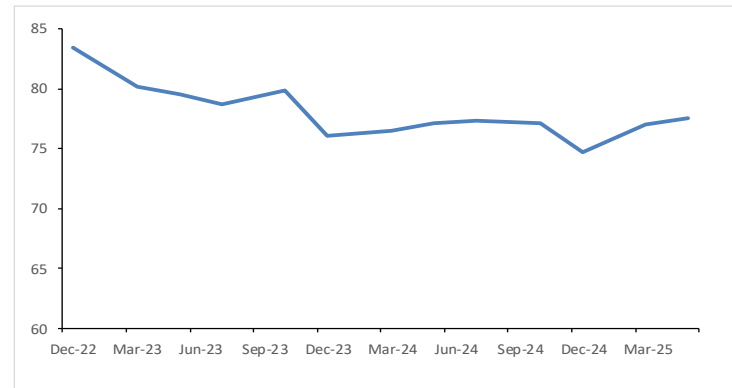
72.00 = Nov 2022 Low

Resistance:

90.85 = Jul 2022 Low

96.14 = Oct 2022 High

Futures Curve



Brent Crude

Last Price

USD **83.63**/BBL

Oil prices fell 2% on Friday in thin market liquidity, closing a week marked by worries about Chinese demand and haggling over a Western price cap on Russian oil. Brent crude [LCOc1](#) futures settled down \$1.71, or 2%, to trade at \$83.63 a barrel, having retraced some earlier gains. U.S. West Texas Intermediate (WTI) crude [CLc1](#) futures were down \$1.66, or 2.1%, at \$76.28 a barrel. There was no WTI settlement on Thursday due to the U.S. Thanksgiving holiday and trading volumes remained low. China, the world's top oil importer, on Friday [reported a new daily record for COVID-19 infections](#), as cities across the country continued to enforce mobility measures and other curbs to control outbreaks. This is starting to hit fuel demand, with traffic drifting down and implied oil demand around 1 million barrels per day lower than average.



Technical:

Oil prices fall 4% weekly as Chinese demand worries linger, next level to watch 92.00.

Support:

80.75 = Sep 2021 High

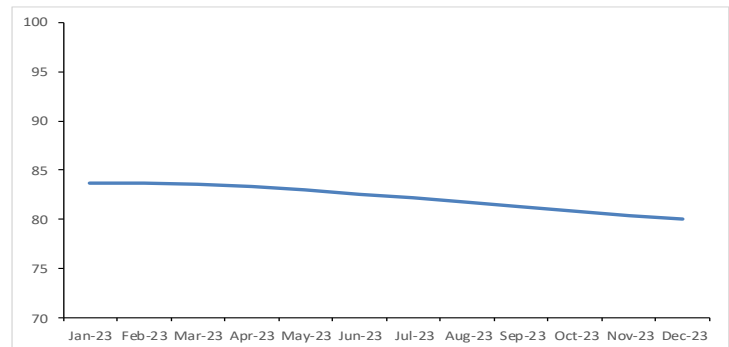
70.22 = Nov 2021 Low

Resistance:

92.33 = Nov 2022 Low

105.48 = Aug 2022 High

Futures Curve

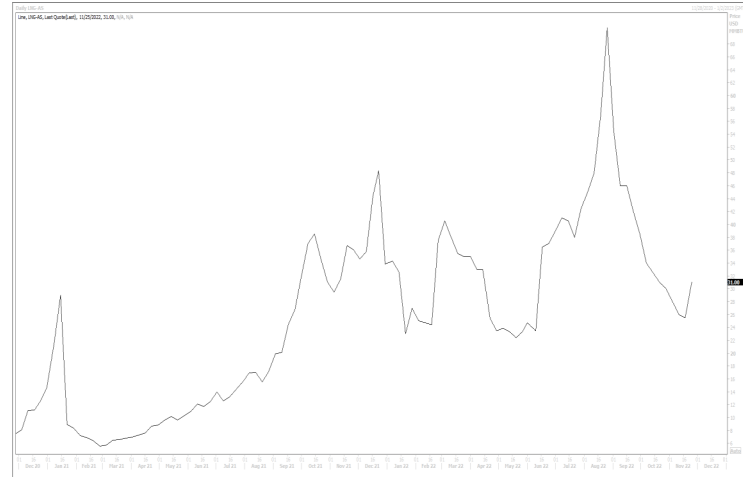


LNG

Last Price

USD **31.00**/MMBTU

Asian spot liquefied natural gas (LNG) prices rose this week for the first time since September and hit a 7 week high, tracking European gas prices on cooler weather forecasts and after [Gazprom](#) threatened to further reduce gas flows to Europe. The average LNG price for January delivery into northeast Asia [LNG-AS](#) was \$31 per million British thermal units (mmBtu), up \$5.5, or 25.5%, from the previous week. LNG freight rates have seen sharp declines this week, with both basins down over 20% as the longer-than-expected Freeport delays and continued reduction in floating storage have freed up vessels for the spot market.



Technical:

Asia spot prices hit 7-week high, tracking price moves in Europe. Next level to watch 34.00.

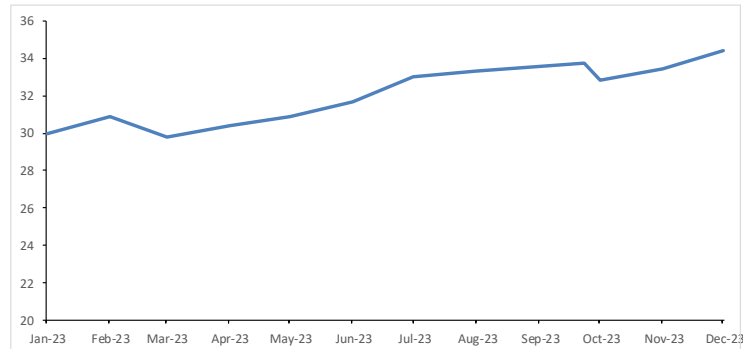
Support:

- 23.50 = Jun 2022 Low
- 19.90 = Sep 2021 Low

Resistance:

- 34.00 = Oct 2022 High
- 38.50 = Sep 2022 Low

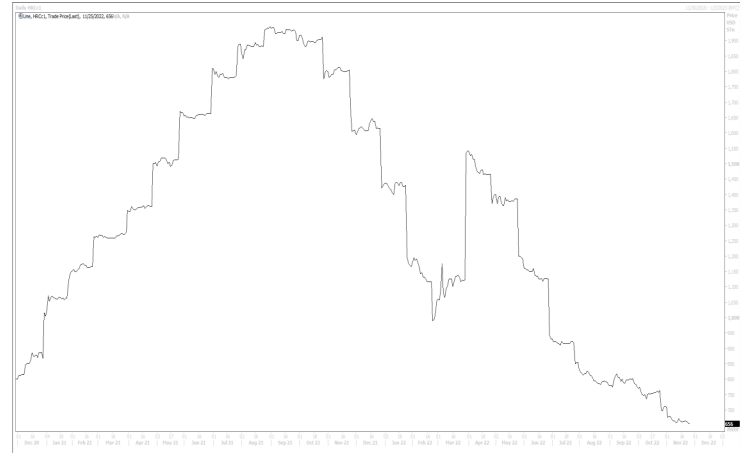
Futures Curve



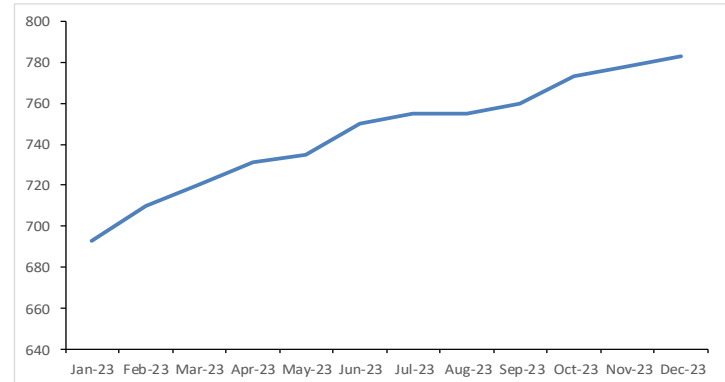
Steel (HRC)

Last Price USD **656.00**/ tons

Iron ore futures snapped a three-session losing streak on Thursday, as recent support measures for China's property sector outweighed worries over the recent rise in COVID-19 cases. The most-traded January iron ore on China's Dalian Commodity Exchange [DClOcv1](#) rose 1.8% to 735.5 yuan (\$102.98) a tonne as of 0230 GMT. Three of China's biggest commercial banks have [agreed to provide fundraising support to property developers](#) in a coordinated effort to support the country's embattled property sector. Mainland China's Health Commission [reported 31,656 new coronavirus cases](#) for Nov. 23, compared with 29,157 new cases a day earlier. The most-active rebar contract on the Shanghai Futures Exchange [SRBcv1](#) rose 1.3%, hot-rolled coil [SHHCcv1](#) rose 1.1%, wire rod [SWRcv1](#) rose 0.8%, and stainless steel [SHSScv1](#) rose 0.6%.



Futures Curve of SHFE Steel Futures



Technical:

Iron ore futures snap 3-day losing streak on China property support moves. Next level to watch 622.00.

Support:

622.00 = Oct 2020 Low

596.00 = Mar 2020 High

Resistance:

713.00 = Nov 2022 High

765.00 = Sep 2022 Low

LME Zinc

Last Price USD **2,920.50**/Tons

The most-traded SHFE 2301 zinc closed up 0.59% or 140 yuan/mt at 23,700 yuan/mt, with open interest up 5,388 lots to 108,502 lots.

Market sentiment picked up with the frequent release of dovish speeches by the US officials. SMM zinc ingot social inventory across seven major markets in China fell 5,900 mt to 52,900 mt, which remained low. SHFE zinc is relatively resilient with support from the macro front and low inventory.



Technical:

Shanghai Nonferrous Metals Closed All with Gains amid Booming Market Sentiment, next level to watch 3,061.00.

Support:

2,908.00 = Jul 2021 Low

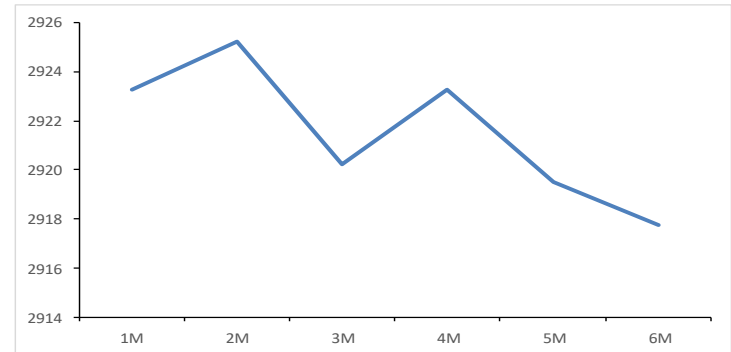
2,758.00 = Apr 2021 Low

Resistance:

3,061.00 = May 2021 High

3,100.00 = Sep 2021 High

LME Zinc Forward Curve



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