



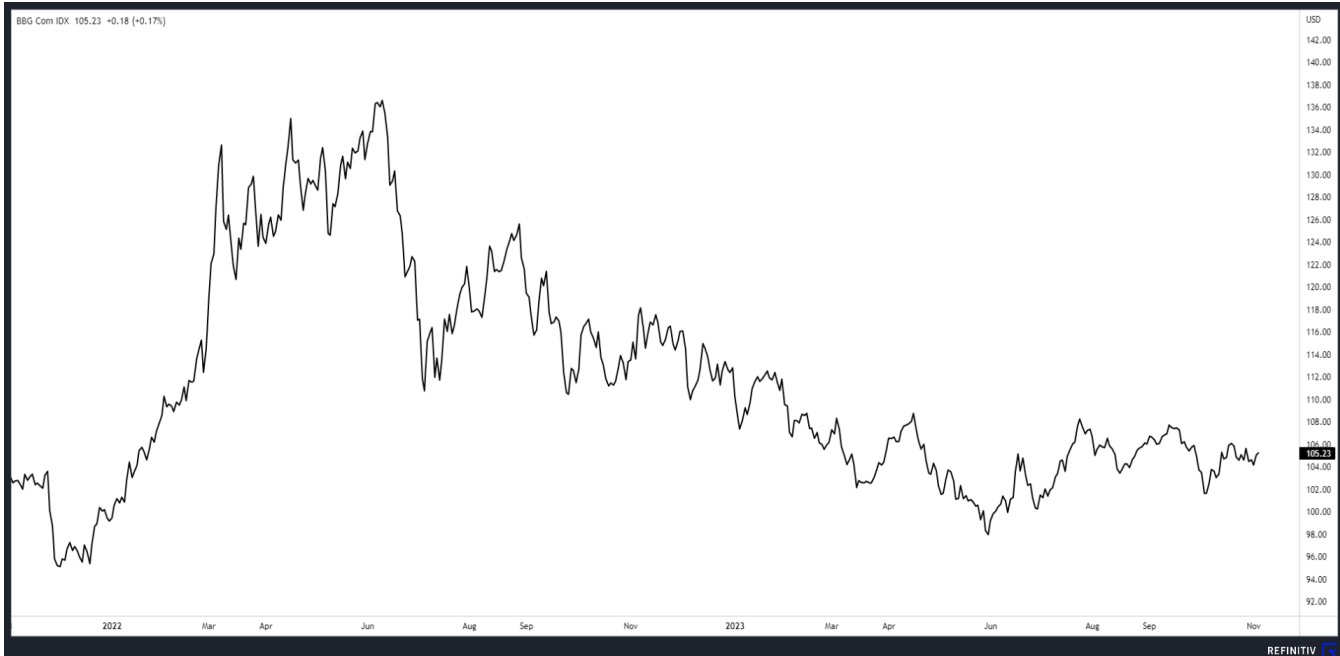
Commodities Weekly

Issue 39-2023

Date: 05 Nov 2023

Bloomberg Commodity Index

105.23 ▼



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.

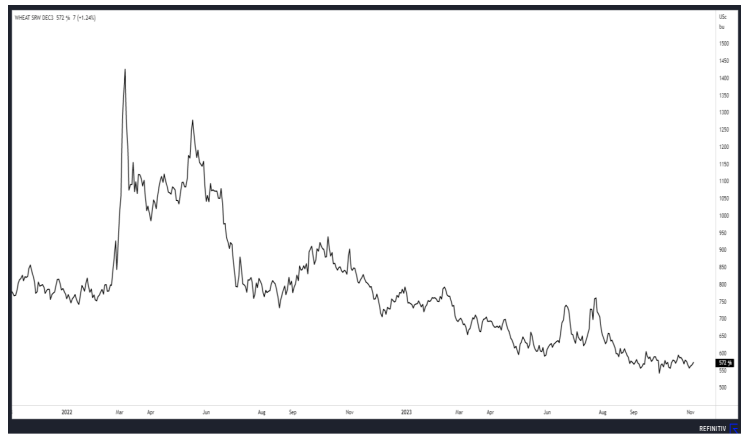
Commodity	Unit	Closing Price	% Δ Weekly	% Δ MoM	% Δ YoY	YTD High	YTD Low
Wheat	\$c/BSH	572.50	▼ -0.52%	▼ -0.99%	▼ -32.47%	797.50	540.00
Sugar	\$c/LBS	27.77	▲ 1.57%	▲ 6.15%	▲ 48.42%	28.00	18.92
Soybean	\$c/BSH	1,327.50	▲ 2.33%	▲ 3.65%	▼ -8.54%	1,616.50	1,250.50
Palm Oil	\$/Ton	797.29	▲ 0.87%	▲ 5.26%	▼ -5.17%	936.51	675.98
Cotton	\$c/LBS	79.62	▼ -5.64%	▼ -7.69%	▼ -8.41%	90.75	75.70
Brent Crude	\$/BBL	84.89	▼ -6.18%	▲ 0.98%	▼ -13.88%	97.69	70.12
LNG	\$/MMBTU	17.00	▼ -4.23%	▲ 25.93%	▼ -39.29%	25.00	9.00
Steel	\$/Ton	873.00	▲ 0.81%	▲ 26.34%	▲ 28.76%	1,200.00	685.00
SHFE Zinc	\$/Ton	2,942.26	▲ 2.35%	▼ -1.26%	▼ -12.10%	3,383.98	2,562.63
Indonesian Coal*	\$/Ton	123.96	0.00%	▼ -6.89%	▼ -62.55%	305.21	123.96
Australian Coal	\$/Ton	326.67	▼ -7.46%	▼ -9.76%	▲ 2.62%	381.00	224.50
Gold	\$/Ozs	1,992.27	▼ -0.67%	▲ 8.22%	▲ 18.57%	2,072.19	1,804.20

*Price published monthly once by Indonesian Govt

Wheat

Last Price USc **572.50**/BSH

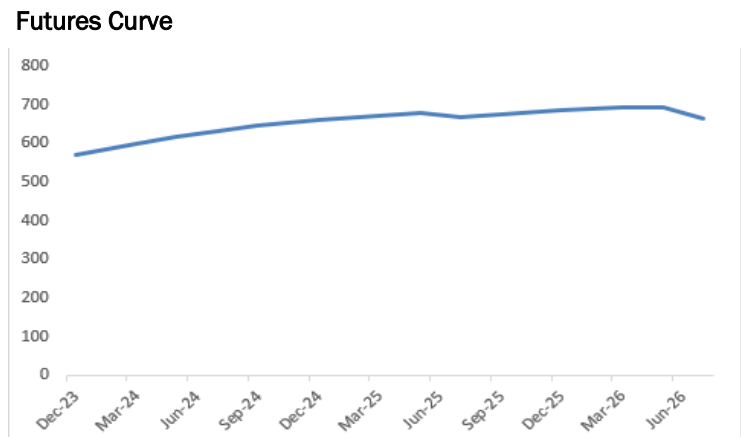
CBOT wheat futures rose on Friday for a third straight session, following as corn and soybean futures climbed on a drop in the dollar, which tends to make U.S. grains more competitive globally. CBOT December soft red winter wheat [WZ3](#) settled up 7 cents at \$5.72-1/2 per bushel. However, the December contract finished the week down 3 cents a bushel or 0.5%, its second straight weekly decline. K.C. December hard red winter wheat [KWZ3](#) closed Friday up 2 cents at \$6.43-1/2 a bushel and MGEX December spring wheat [MWEZ3](#) rose 10-1/4 cents to settle at \$7.21 a bushel.



Technical:
 Wheat ends higher as dollar's setback lifts grains complex. Next level to watch 600.00.

Support:
 525.00 = Sep 2020 Low
 485.75 = Jul 2020 Low

Resistance:
 607.50 = Sep 2023 High
 663.25 = Mar 2021 High



Sugar

Last Price USc **27.77** /LBS

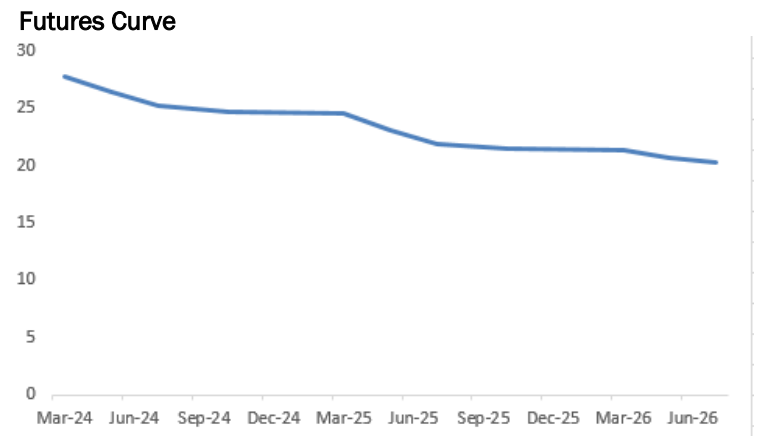
Logistics problems in Brazil had prompted roasters to turn to exchange stocks. [ICE-certified exchange stocks](#) fell to a 24-year low of 360,009 bags on Thursday. [Financial investors](#) switched from short to long position. March raw sugar [SBc1](#) settled up 0.29 cent, or 1.1%, at 27.77 cents per lb. December white sugar [LSUc1](#) rose by \$12.60, or 1.7%, to \$757.60 a ton.



Technical:
 Raw sugar slightly up weekly, next level to watch 27.50.

Support:
 26.49= Jun 2023 High
 25.90 = Aug 2023 High

Resistance:
 27.91 = Apr 2023 High
 28.62 = Sep 2023 High



Soybean

Last Price USc **1,327.50**/BSH

U.S. soybean futures touched a 6-1/2-week high on Friday, lifted by uneven crop weather in top soy producer Brazil and fresh export demand for U.S. supplies, coupled with a plunge in the dollar that bolstered corn and wheat futures as well. CBOT January soybean futures [SF24](#) settled up 23-1/2 cents at \$13.51-3/4 per bushel after reaching \$13.55, the contract's highest price since Sept. 18. Soybeans got another lift as the U.S. Department of Agriculture confirmed [private sales](#) of 131,150 metric tons of U.S. soybeans to unknown destinations. Meanwhile, traders are monitoring [erratic crop weather in Brazil](#), where soybean planting is under way.



Technical:

Soybeans set 6.5 week high as weaker dollar lifts grains complex, next level to watch 1,350.00.

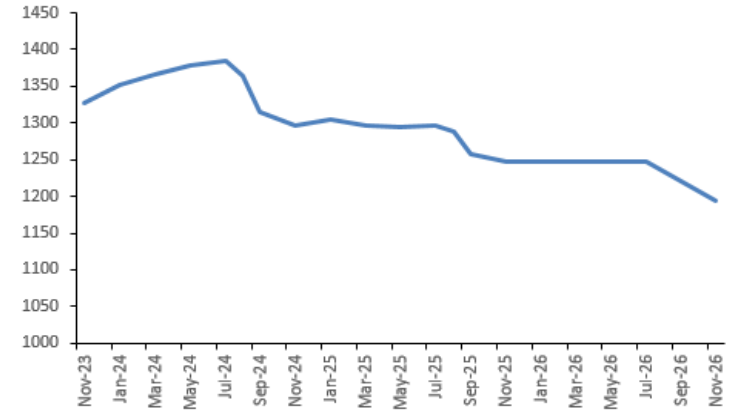
Support:

- 1,216.25 = Dec 2021 Low
- 1,171.25 = Nov 2021 Low

Resistance:

- 1,350.00 = Oct 2022 Low
- 1,403.75 = Nov 2022 Low

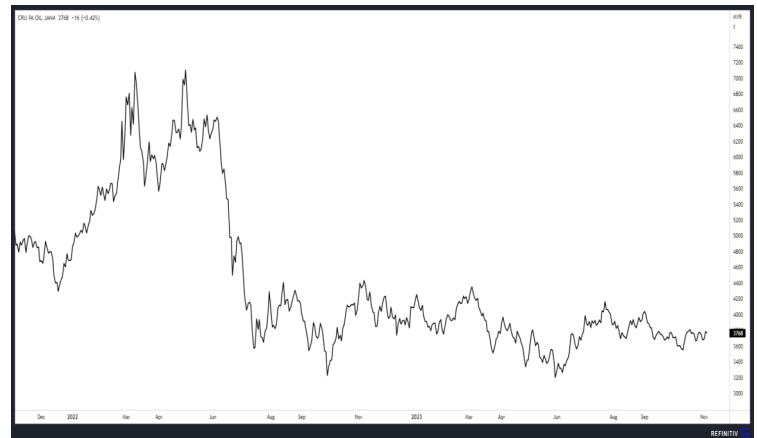
Futures Curve



Palm Oil

Last Price USD **797.29**/Ton

Malaysian palm oil futures closed lower on Friday, weighed down by stockpiles in Malaysia and low levels of edible oil imports to India, though falling Chinese demand limited losses. The benchmark palm oil contract [FCPOc3](#) for January delivery on the Bursa Malaysia Derivatives Exchange fell 4 ringgit, or 0.1%, to 3,779 ringgit (\$799.62) a metric ton at closing. The benchmark contract gained 0.1% this week, recording its fourth consecutive weekly rise. Malaysia's palm oil stocks at the end of October were at their [highest](#) since May 2019, as higher production overshadowed growing exports. Dalian's most-active soyoil contract [DBYcv1](#) rose 1.6%, while its palm oil contract [DCPcv1](#) was up 1.9%. Soyoil prices on the Chicago Board of Trade [BOcv1](#) climbed 0.5%.



Technical:

Palm oil drops on stockpiles in Malaysia, reduced edible imports to India, next level to watch 845.00.

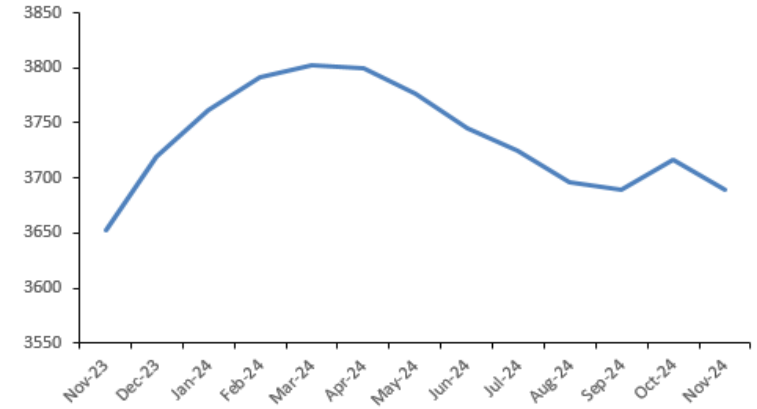
Support:

- 705.73 = Oct 2022 Low
- 683.65 = Sep 2022 Low

Resistance:

- 845.01 = Apr 2023 High
- 890.80 = Jul 2023 High

Futures Curve

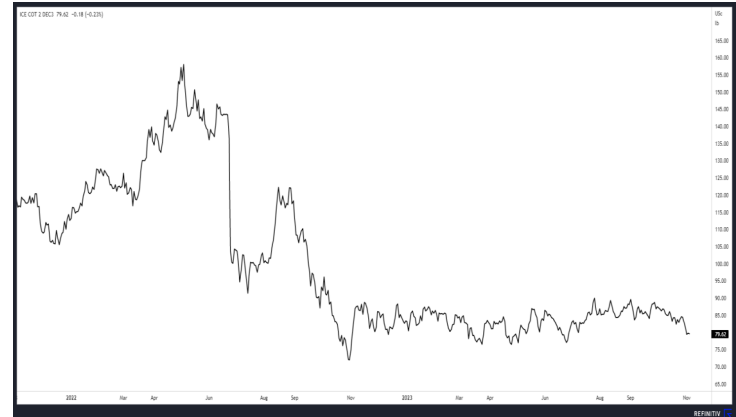


Cotton

Last Price

USc **79.62**/LBS

U.S. cotton futures steadied on Friday as a retreat in the dollar offset pressure from technical selling by speculators, but prices stayed on course for a weekly decline. The cotton contract for December [CTz3](#) was nearly unchanged at 79.78 cents per lb at 12:22 p.m. EDT (1622 GMT). The dollar index [.DXY](#) lost 1%, making cotton less expensive for overseas buyers. [USD/](#) But bearish factors, including persistent concerns over demand for the natural fiber, still put cotton on course for a 5% weekly decline, despite an uptick on Thursday driven by healthy weekly export sales numbers.



Technical:

Cotton steadies as dollar retreat counters technical selling. Next level to watch 89.00.

Support:

79.42 = Jul 2023 Low

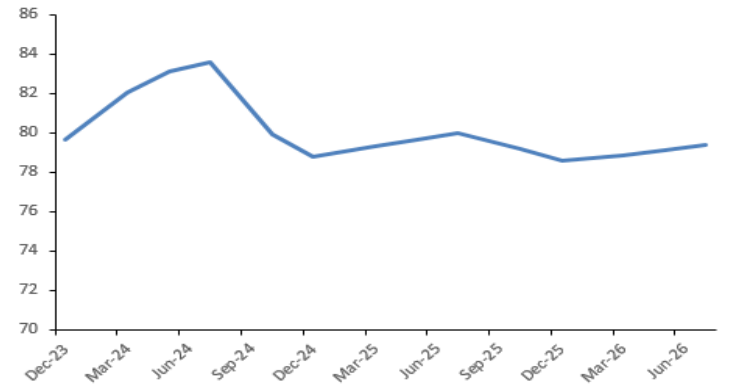
76.91 = Jun 2023 Low

Resistance:

88.88 = Jan 2023 High

90.16 = Aug 2023 High

Futures Curve

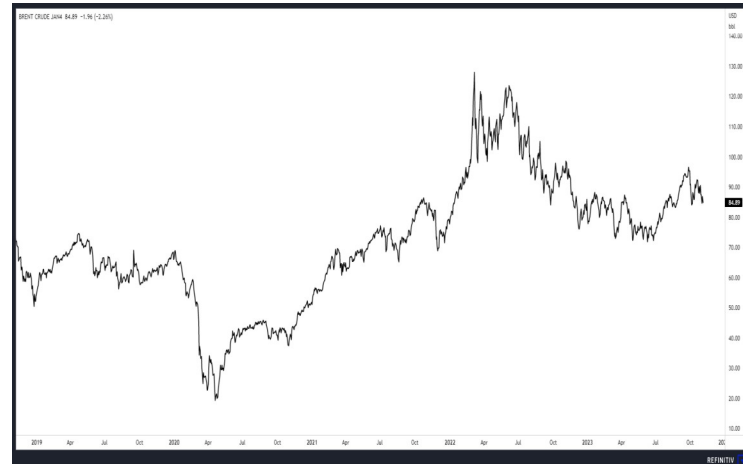


Brent Crude

Last Price

USD **84.89**/BBL

Oil prices settled more than 2% lower on Friday as supply concerns driven by Middle East tensions eased, while jobs data raised expectations the U.S. Federal Reserve could be done hiking interest rates in the biggest oil consuming economy. Brent crude futures [LC0c1](#) were down \$1.92, or 2.3%, to \$84.89 a barrel. U.S. West Texas Intermediate crude futures [CLc1](#) fell \$1.95, or 2.4%, to \$80.51 a barrel. Both benchmarks settled down more than 6% on the week. [Saudi Arabia](#) is expected to reconfirm an extension of its voluntary oil output cut of 1 million barrels per day through December. China could also continue to import the oil despite new sanctions.



Technical:

Oil settles down, posts weekly loss as geographical risk premium ebbs, next level to watch 97.00.

Support:

83.65 = Sep 2022 Low

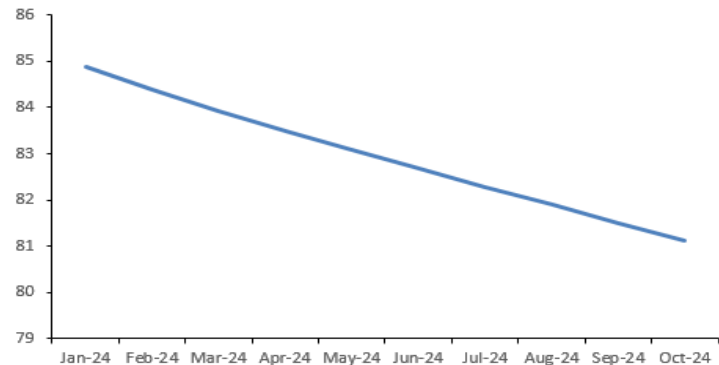
78.65 = Feb 2022 Low

Resistance:

96.99 = Sep 2022 High

99.56 = Nov 2022 High

Futures Curve

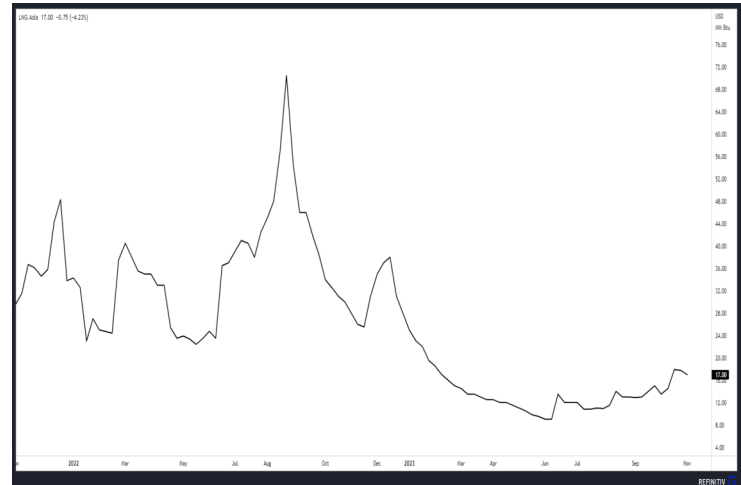


LNG

Last Price

USD **17.00**/MMBTU

Asian spot liquefied natural gas (LNG) prices fell this week but remained at a near nine-month high as geopolitical risks raised market concerns despite full inventories and a mild start to winter. The average LNG price for December delivery into north-east Asia [LNG-AS](#) fell 4.2% to \$17 per million British thermal units (mmBtu), its highest level since mid-February. In Europe, market fundamentals remain fairly comfortable, with storage nearly full and cargoes building up offshore, but prices are holding onto a risk premium due to the conflict in the Middle East and as a long, cold winter could still strain global supplies. Spot LNG freight rates rose this week with the Atlantic rates rising to \$165,000/day on Friday while the Pacific rate rose to 150,250/day.



Technical:

Asia spot LNG prices fall amid full inventories, mild weather. Next level to watch 15.50.

Support:

15.00 = Feb 2023 Low

14.50 = Mar 2023 High

Resistance:

18.50 = Feb 2023 High

19.50 = Jan 2023 Low

Steel (HRC)

Last Price USD **873.00**/ tons

Iron ore rose for a second consecutive week, underpinned by stimulus-related optimism and supportive fundamentals in top consumer China, although gains narrowed on Friday on fear of possible government supervision. The key steelmaking ingredient also benefited from improved sentiment after a key financial policy meeting earlier this week and following the latest fiscal stimulus in Asia's largest economy. The most-traded January iron ore on China's Dalian Commodity Exchange (DCE) [DCIOcv1](#) ended daytime trading 0.43% higher at 924.5 yuan (\$126.38) a metric ton on Friday, ending the week with an increase of 2.7%, after touching an intra-day high of 936 yuan a ton earlier in the session, last seen in March. The benchmark December iron ore [SZZFZ3](#) on the Singapore Exchange was little changed at \$122.5 a ton, as of 0703 GMT, a rise of 0.6% this week.

Technical:

Iron ore logs second weekly gain on China stimulus, sound fundamentals. Next level to watch 910.00.

Support:

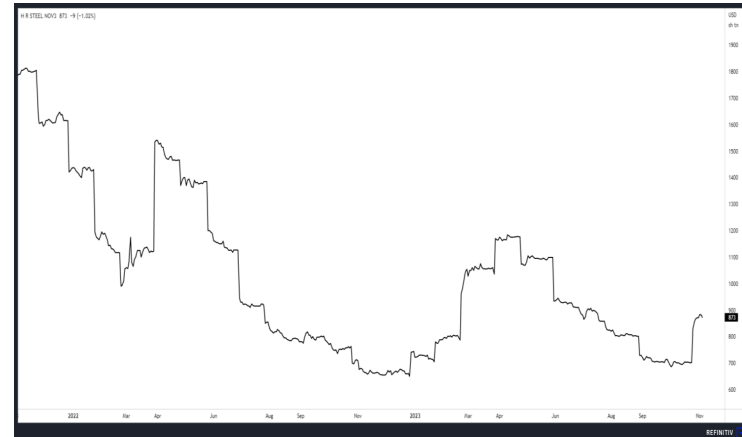
790.00 = Jan 2023 High

650.00 = Dec 2022 Low

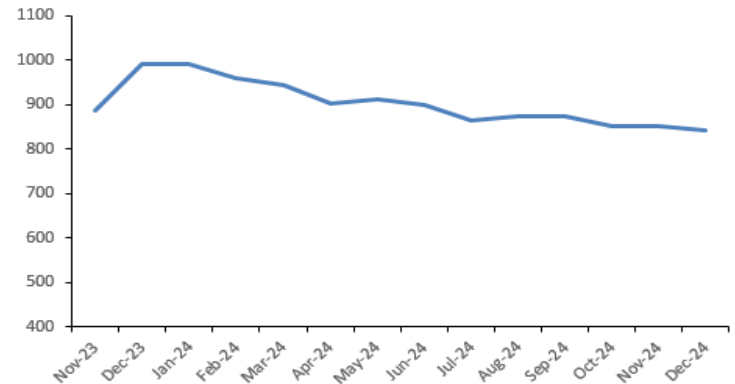
Resistance:

910.00 = Jul 2023 High

930.00 = Jul 2022 High



Futures Curve of SHFE Steel Futures



SHFE Zinc

Last Price USD **2,942.26**/Tons

Overnight, LME zinc opened at US\$2,504.5/mt, then fluctuated around the daily moving average. During the European trading session, LME zinc moved up and hit a high of \$2,538/mt. During the trading session, LME zinc quickly moved down to \$2,480/mt, and reached a low of \$2,473/mt, and finally closed down at \$2,480/mt, down \$17/mt, or 0.68%. The trading volume decreased by 6,109 lots to 10,092 lots, and open interest increased by 1541 lots to 200,000 lots. LME stocks fell by 500 mt to 82,200 mt, a decrease of 0.60%. The most active SHFE 2312 zinc contract prices opened at 21555 yuan/mt and lost 130 yuan/mt or 0.61% to settle at 21335 yuan/mt in overnight trading, with the high-end of 21615 yuan/mt and the low-end of 21295 yuan/mt. Trading volumes were 87,400 lots and open interest fell 6551 lots to 86,800 lots.

Technical:

SHFE Zinc slightly up since last week, next level to watch 2,800.00.

Support:

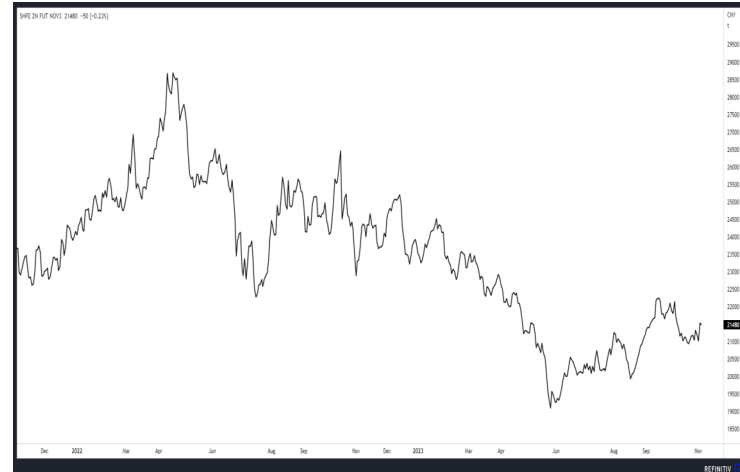
2,634.51 = Aug 2020 Low

2,610.00 = Jan 2020 High

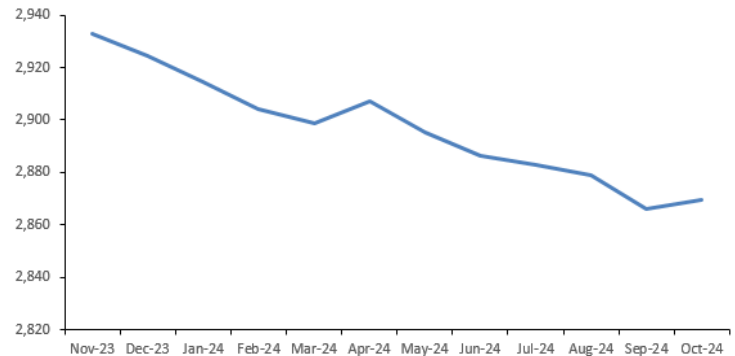
Resistance:

3,182.18 = Jun 2021 High

3,291.42 = Jul 2021 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

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

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