



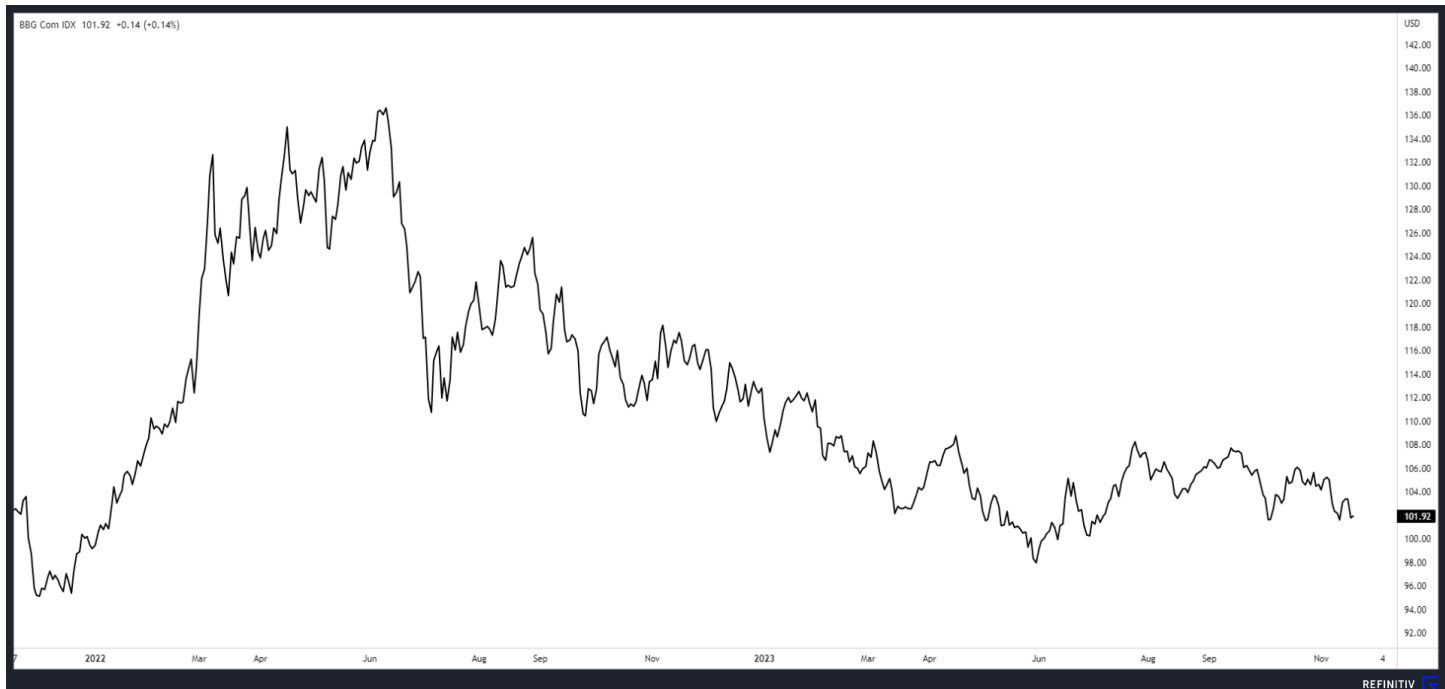
# Commodities Weekly

Issue 41-2023

Date: 19 Nov 2023

# Bloomberg Commodity Index

101.91 ▲



**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

477.4513 ▼



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>	\$/BSH	<b>550.75</b>	▼ 4.26%	▼ 0.99%	▼ 30.46%	<b>797.50</b>	<b>540.00</b>
<a href="#">Sugar</a>	\$/LBS	<b>27.18</b>	▼ 0.40%	▲ 0.33%	▲ 35.63%	<b>28.14</b>	<b>18.92</b>
<a href="#">Soybean</a>	\$/BSH	<b>1,340.25</b>	▲ 0.51%	▲ 4.14%	▼ 11.78%	<b>1,616.50</b>	<b>1,250.50</b>
<a href="#">Palm Oil</a>	\$/Ton	<b>840.32</b>	▲ 3.98%	▲ 6.85%	▼ 5.82%	<b>945.92</b>	<b>682.77</b>
<a href="#">Cotton</a>	\$/LBS	<b>78.92</b>	▲ 2.07%	▼ 2.83%	▼ 5.34%	<b>90.75</b>	<b>74.77</b>
<a href="#">Brent Crude</a>	\$/BBL	<b>80.61</b>	▼ 1.01%	▼ 7.78%	▼ 6.17%	<b>97.69</b>	<b>70.12</b>
<a href="#">LNG</a>	\$/MMBTU	<b>16.70</b>	▲ 1.21%	▼ 5.92%	▼ 40.36%	<b>25.00</b>	<b>9.00</b>
<a href="#">Steel</a>	\$/Ton	<b>890.00</b>	▼ 0.34%	▲ 2.18%	▲ 19.62%	<b>1,200.00</b>	<b>685.00</b>
<a href="#">SHFE Zinc</a>	\$/Ton	<b>2,973.89</b>	▲ 0.36%	▲ 1.18%	▼ 11.45%	<b>3,428.10</b>	<b>2,596.00</b>
Indonesian Coal*	\$/Ton	<b>123.96</b>	▼ 6.89%	▼ 6.89%	▼ 55.96%	<b>305.21</b>	<b>123.96</b>
Australian Coal	\$/Ton	<b>318.00</b>	▲ 2.09%	▼ 10.01%	▲ 21.00%	<b>381.00</b>	<b>224.50</b>
Gold	\$/Ozs	<b>1,980.01</b>	▲ 2.23%	▼ 0.66%	▲ 8.53%	<b>2,072.19</b>	<b>1,804.20</b>

\*Price published monthly once by Indonesian Govt

# Wheat

Last Price

USc **550.75**/BSH

Chicago Board of Trade wheat futures closed lower on Friday as traders took profits and exited long positions before the U.S. Thanksgiving holiday week. Traders took profits and averted risk in anticipation of a shortened trading week for the U.S. holiday next week. The tight [presidential election in Argentina](#), a major global agriculture player, weighed on the market. Chicago Board of Trade December soft red winter wheat [WZ3](#) settled down 2-3/4 cents at \$5.50-3/4 per bushel. K.C. December hard red winter wheat [KWZ3](#) ended down 9-1/4 cents at \$6.18 per bushel. MGEX spring wheat December contract [MWEZ3](#) last traded down 10-1/2 cents at \$7.15-1/2 a bushel.

### Technical:

Profit-taking pushes CBOT wheat lower. Next level to watch 525.00.

### Support:

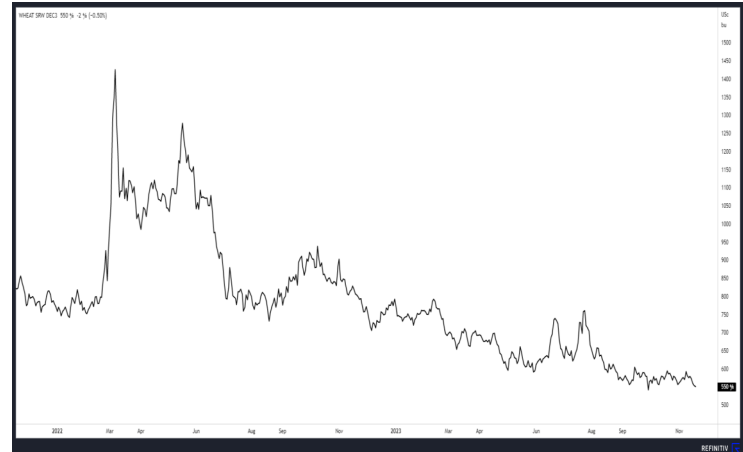
525.00 = Sep 2020 Low

485.75 = Jul 2020 Low

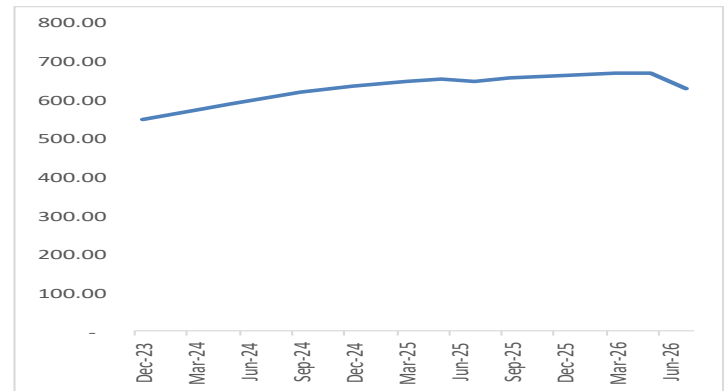
### Resistance:

607.50 = Sep 2023 High

663.25 = Mar 2021 High



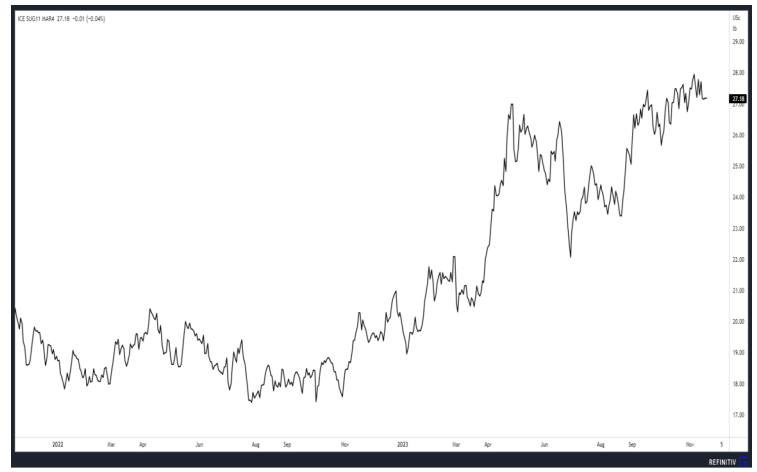
### Futures Curve



# Sugar

Last Price USc **27.18**/LBS

March raw sugar [SBC1](#) was little changed at 27.18 cents per lb. It lost 0.4% in the week. March white sugar [LSUc1](#) rose \$2.90, or 0.4%, at \$736.60 a ton, having lost 1.4% in the week. [Ukraine](#) has increased exports of sugar this year even though its Black Sea ports are blocked because of the conflict with Russia. Speculators increased their bullish bets on futures of raw sugar on ICE U.S. in the week to Nov. 14, data from the Commodity Futures Trading Commission (CFTC) showed on Friday.



**Technical:**

Funds increase long position in sugar, next level to watch 27.50.

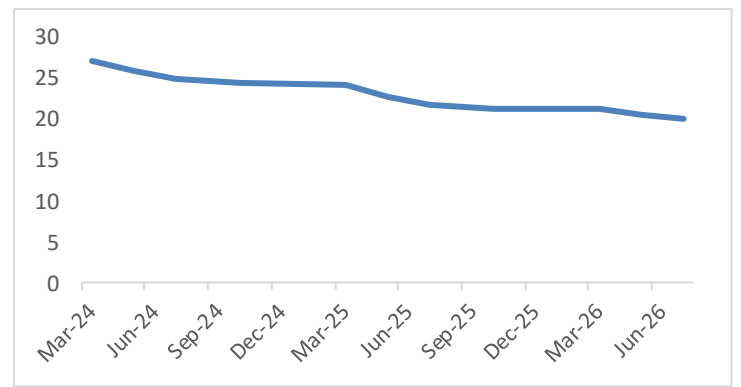
**Support:**

26.49= Jun 2023 High  
 25.90 = Aug 2023 High

**Resistance:**

27.41 = Apr 2023 High  
 27.62 = Sep 2023 High

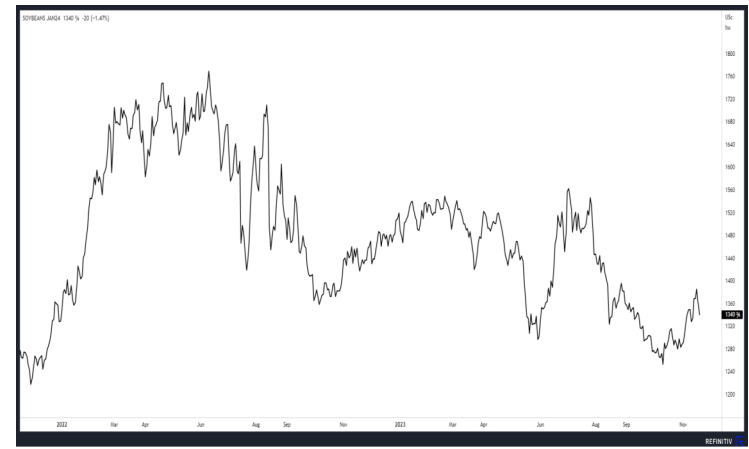
Futures Curve



# Soybean

Last Price USc **1,340.25**/BSH

Chicago Board of Trade soybean futures fell on Friday as the prospect of rain in the coming days in Brazil eased crop worries. Showers next week will briefly ease stress from heat and dryness in the northern two-fifths of Brazil's soybean area. Northern Brazil is then expected to dry out again. CBOT January soybean futures [SF24](#) fell 20 cents to close at \$13.40-1/4 per bushel. It was 4.2% off the week's high of \$13.98-1/2, which was a 2 1/2-month high reached on Wednesday. CBOT December soybean futures [SMZ3](#) finished \$13.50 lower at \$453.30 per short ton. CBOT December soyoil [BOZ3](#) futures closed .38 cent higher at 52.01 cents per lb.



**Technical:**

Soybeans end down on potential of rain in Brazil, next level to watch 1,300.00.

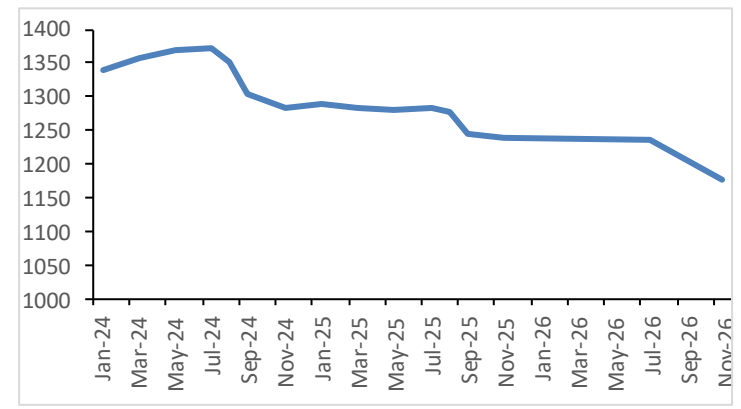
**Support:**

1,283.25 = Nov 2023 Low  
 1,250.50 = Oct 2023 Low

**Resistance:**

1,398.50 = Oct 2023 High  
 1,465.00 = Aug 2023 High

Futures Curve



# Palm Oil

Last Price **USD 840.32/Ton**

Malaysian palm oil futures closed down on Friday, snapping a four-session rally, dragged by weakness in Dalian's soyoil and lower crude oil prices. The benchmark palm oil contract [FCPOc3](#) for February delivery on the Bursa Malaysia Derivatives Exchange fell 68 ringgit or 1.70%, to 3,930 ringgit (\$840.10) a metric ton on its closing. The futures gained 3.37% compared to last week. Soyoil prices on the Chicago Board of Trade (CBOT) [BOcv1](#) were up 0.72%. Dalian's most active soyoil contract [DBYcv1](#) fell 1.89%, while its palm oil contract [DCPcv1](#) declined 1.60%. Soybean prices impact the cost of soyoil, which competes with palm oil for a share of the global vegetable oil market. Stronger crude oil futures make palm oil a more attractive option for biodiesel feedstock.



**Technical:**

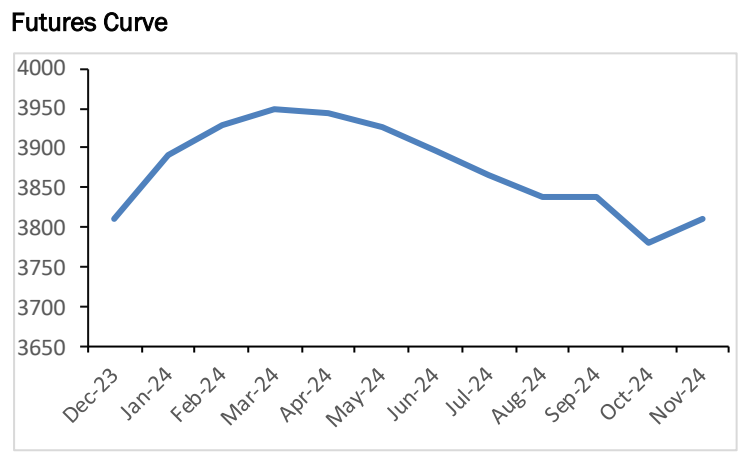
Palm closes down on Dalian soy oils, crude, next level to watch 845.00.

**Support:**

812.10 = Jul 2023 Low  
 752.46 = Oct 2023 Low

**Resistance:**

890.80 = Jul 2023 High  
 914.06 = Jan 2023 High





# Cotton

Last Price

USc **78.92**/LBS

ICE cotton futures rose on Friday, on course for their biggest weekly gain in two-and-a-half months, on a steep decline in the dollar, helped by speculators covering their short positions. The second-month March contract [CTc2](#) rose 0.64 cent, or 0.8%, to 81.52 cents per lb. Prices have risen 2.6% for the week so far. In the week to Nov. 7, speculators switched to net short position of 5,268 contracts, data from the Commodity Futures Trading Commission (CFTC) showed earlier in this week. Also boosting cotton, oil prices rose over 3%, making cotton-substitute polyester more expensive. [O/R](#)

**Technical:**

Cotton bound for strong weekly gain on short-covering. Next level to watch 85.00.

**Support:**

74.77 = Nov 2023 Low

72.00 = Nov 2022 Low

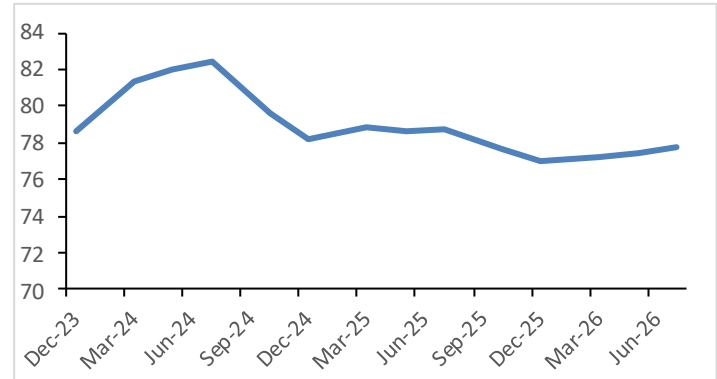
**Resistance:**

84.86 = Mar 2023 High

87.16 = Jun 2023 High



**Futures Curve**

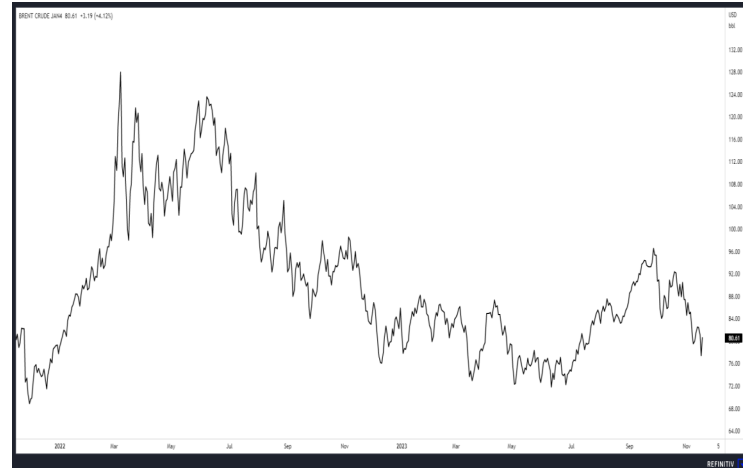


# Brent Crude

Last Price

USD **80.61**/BBL

Oil prices jumped more than 4% on Friday, rebounding from a four-month low hit in the previous session, as investors who had taken short positions took profits and while U.S. sanctions on some Russian oil shippers lent support. Brent crude futures [LCOc1](#) settled up \$3.19, or about 4.1%, at \$80.61 a barrel, while West Texas Intermediate crude (WTI) [CLc1](#) rose \$2.99, or 4.1%, at \$75.89. Some of the losses were offset after the U.S. imposed [sanctions](#) this week on maritime companies and vessels for shipping Russian oil sold above the Group of Seven's price cap. Still, both benchmarks ended the week more than 1% lower, their fourth straight weekly decline, mostly weighed down by a rise in U.S. crude inventories and sustained record high production.



## Technical:

Oil jumps 4% after week-long selloff, but falls for a fourth week, next level to watch 85.00.

## Support:

76.60 = Nov 2023 Low

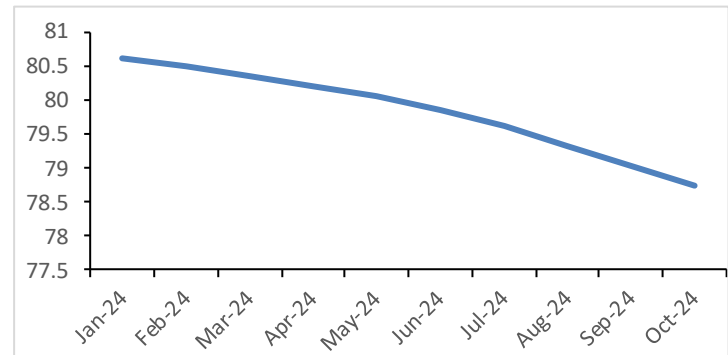
74.56 = Jul 2023 Low

## Resistance:

85.80 = Jul 2023 High

86.95 = Feb 2023 High

## Futures Curve

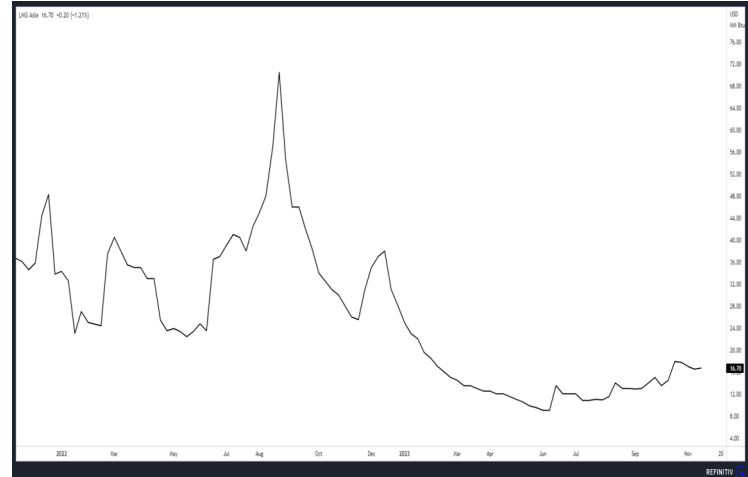


# LNG

Last Price

USD **16.70**/MMBTU

Asian spot liquefied natural gas (LNG) prices were little changed this week, amid high inventory levels in east Asia which kept demand from the region muted. The average LNG price for January delivery into north-east Asia [LNG-AS](#) was at \$16.70 per million British thermal units (mmBtu), industry sources estimated, versus \$16.50/mmBtu last week. Recent cold weather and forecasts for Tokyo in the coming weeks did little to spur significant spot market activity by Japanese buyers, Good added, while Seoul is set for above-average temperatures through to the year-end, suggesting little scope for a substantial power and heating demand rebound.



**Technical:**

Asia spot prices steady amid high stocks, muted demand. Next level to watch 17.00.

**Support:**

15.00 = Feb 2023 Low

14.50 = Mar 2023 High

**Resistance:**

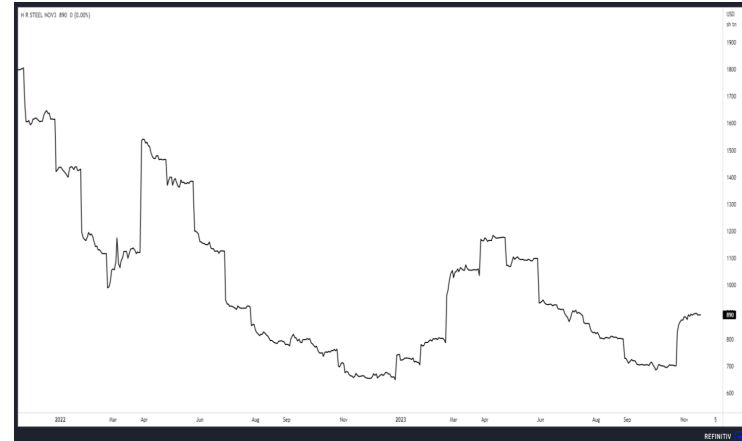
18.50 = Feb 2023 High

19.50 = Jan 2023 Low

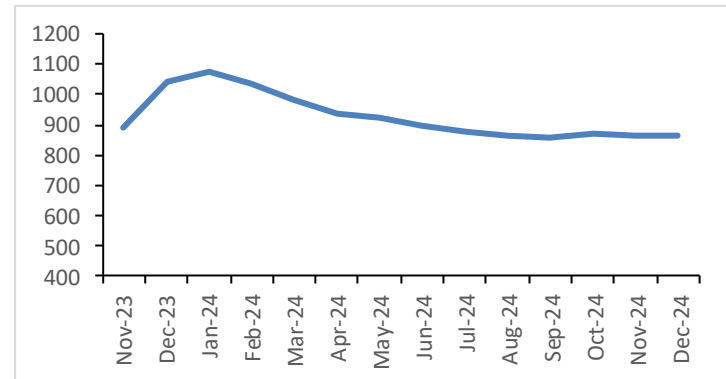
# Steel (HRC)

Last Price USD **890.00**/ tons

Iron ore futures were headed for a weekly loss on Friday, pressured by worries about near-term demand in China where many steel mills hit by negative margins were seen curbing production. Iron ore's benchmark November contract on the Singapore Exchange [SZZFX3](#) was down 0.3% at \$114.25 per metric ton, as of 0700 GMT, shedding 0.5% so far this week but bouncing off Tuesday's six-week low of \$109.25. Other steelmaking ingredients were mixed on Friday, with coking coal [DJMcv1](#) up 0.3% on the Dalian exchange, while coke [DCJcv1](#) dropped 0.7%. Steel benchmarks on the Shanghai Futures Exchange posted marginal gains. Rebar [SRBcv1](#) edged up 0.1%, hot-rolled coil [SHHCcv1](#) rose 0.3%, wire rod [SWRcv1](#) climbed 0.2% and stainless steel [SHSScv1](#) added 0.4%.



Futures Curve of SHFE Steel Futures



## Technical:

Iron ore set for weekly fall as traders fret over China demand. Next level to watch 865.00.

## Support:

865.00 = Jun 2023 Low

819.00 = Jul 2023 Low

## Resistance:

948.00 = Jun 2023 High

1,070.00 = Feb 2023 High

# SHFE Zinc

Last Price USD **2,973.89**/Tons

ME zinc prices opened at \$2446/mt last Friday evening and closed up \$5/mt or 0.2% at \$2447/mt, with the low-end of \$2433/mt. Trading volume rose to 7209 lots, and open interest increased by 607 lots to 221,000 lots. The most active SHFE 2311 zinc contract prices opened at 21215 yuan/mt and lost 15 yuan/mt or 0.07% to settle at 21140 yuan/mt in overnight trading with the high-end of 21305 yuan/mt and the low-end of 21075 yuan/mt. Trading volumes decreased to 97005 lots and open interest fell 2003 lots to 95271 lots. Overall, given the poor performance of the macroeconomic environment, the output of smelters in the industry is expected to reach a high level during the year, while downstream consumption has not yet seen a seasonal peak season. The overall price continues to have insufficient impetus. The market mainly maintains range-bound fluctuations.

**Technical:**

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

**Support:**

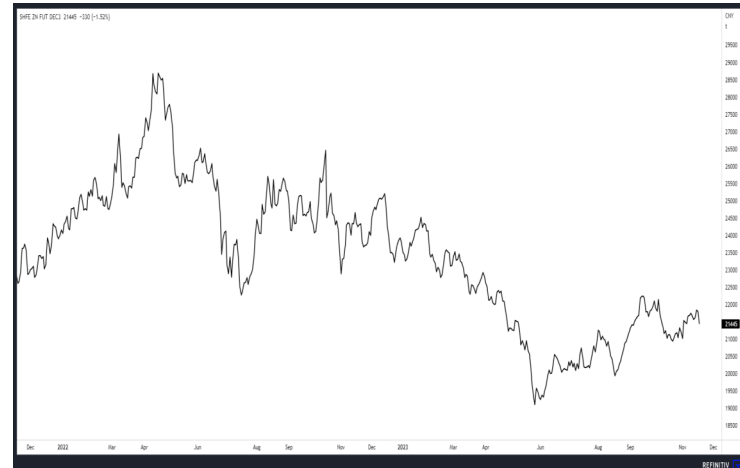
2,883.75 = Oct 2023 Low

2,779.05 = Jul 2023 Low

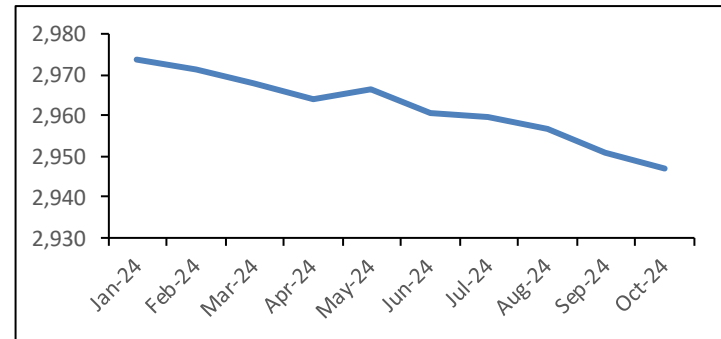
**Resistance:**

3,056.40 = Nov 2023 High

3,165.26 = Apr 2023 High



**SHFE Zinc Forward Curve**



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