



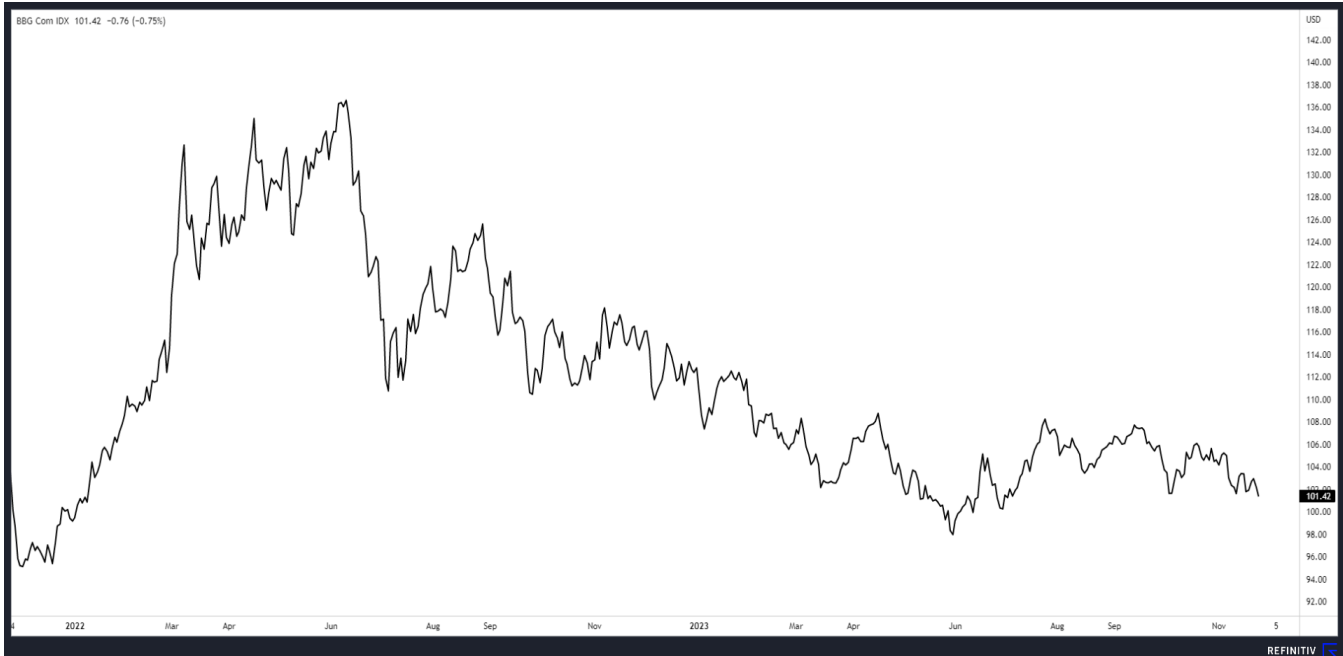
Commodities Weekly

Issue 42-2023

Date: 26 Nov 2023

Bloomberg Commodity Index

101.42 ▼



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

475.6832 ▼



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	\$/BSH	548.75	▼ -0.36%	▼ -5.31%	▼ -29.24%	797.50	540.00
Sugar	\$/LBS	26.98	▼ -0.74%	▼ -0.22%	▲ 39.58%	28.14	18.92
Soybean	\$/BSH	1,330.75	▼ -0.71%	▲ 4.01%	▼ -7.35%	1,616.50	1,250.50
Palm Oil	\$/Ton	831.55	▼ -1.04%	▲ 5.26%	▼ -10.76%	945.92	682.77
Cotton	\$/LBS	80.39	▲ 1.86%	▼ -4.97%	▼ -1.17%	90.75	74.77
Brent Crude	\$/BBL	80.58	▼ -0.04%	▼ -8.36%	▼ -3.65%	97.69	70.12
LNG	\$/MMBTU	16.40	▼ -1.80%	▼ -7.61%	▼ -47.10%	25.00	9.00
Steel	\$/Ton	901.00	▲ 1.24%	▲ 5.38%	▲ 37.35%	1,200.00	685.00
SHFE Zinc	\$/Ton	2,944.55	▼ -0.99%	▲ 0.28%	▼ -11.98%	3,428.10	2,596.00
Indonesian Coal*	\$/Ton	139.80	0.00%	▲ 12.78%	▼ -54.64%	305.21	123.96
Australian Coal	\$/Ton	320.00	▲ 0.63%	▼ -9.35%	▲ 14.01%	381.00	224.50
Gold	\$/Ozs	2,001.97	▲ 1.11%	▼ -0.77%	▲ 14.00%	2,072.19	1,804.20

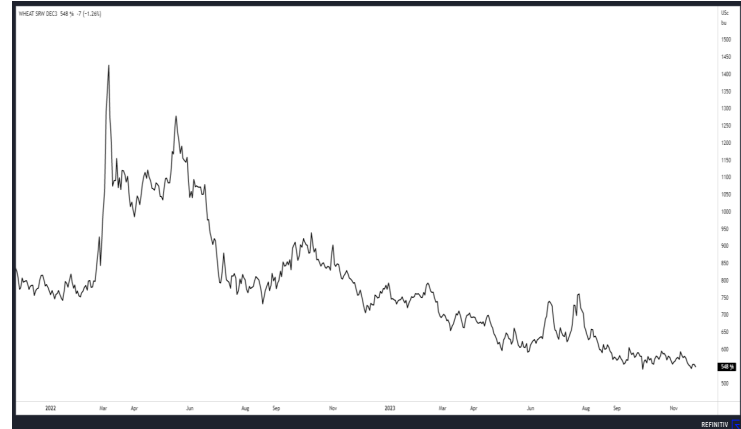
*Price published monthly once by Indonesian Govt

Wheat

Last Price

USc **548.75**/BSH

U.S. wheat futures finished lower on Friday, with K.C. and MGEX wheat setting contract lows, on lackluster export demand. Strong competition from cheap Black Sea origins continues to loom over global wheat markets. The U.S. Department of Agriculture (USDA) said U.S. wheat export sales for 2023/24 in the week ended Nov. 16 were 171,800 metric tons. That was in line with expectations for poor demand. The weekly U.S. sales were down 3% from the previous week and 41% from the prior four-week average. CBOT March wheat [WH24](#) finished down 7-1/4 cents at \$5.77-1/4 per bushel.



Technical:

US wheat drops on poor US export demand. Next level to watch 525.00.

Support:

525.00 = Sep 2020 Low

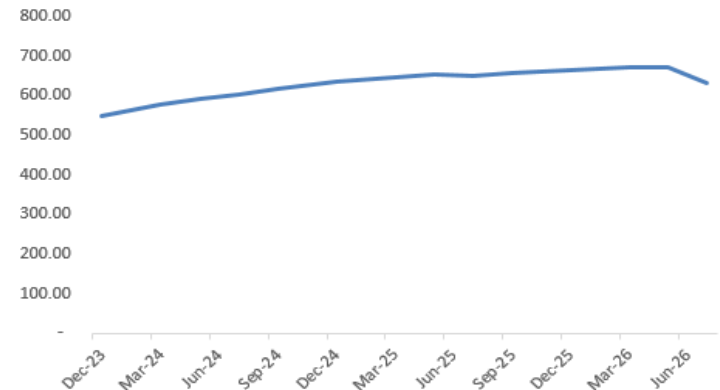
485.75 = Jul 2020 Low

Resistance:

607.50 = Sep 2023 High

663.25 = Mar 2021 High

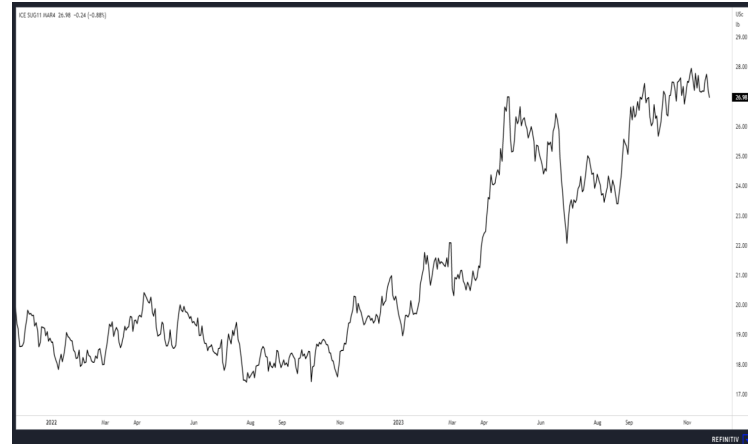
Futures Curve



Sugar

Last Price USc **26.98**/LBS

March raw sugar [SBc1](#) fell 1.1% to 26.91 cents per lb as the market slid further from this month's 12-year high of 28.14 cents, pressured by strong production in Brazil. The market was awaiting cane and sugar production data for the key Centre-South region of Brazil. The data is expected to be issued in the next few days. Sugar production in Brazil's Centre-South region is expected to total 2.15 million tons in the first half of November, up 28.4% year on year. March white sugar [LSUc1](#) fell 1.3% to \$736.50 a ton.



Technical:

Sugar weakens in the global market, next level to watch 27.50.

Support:

26.49= Jun 2023 High

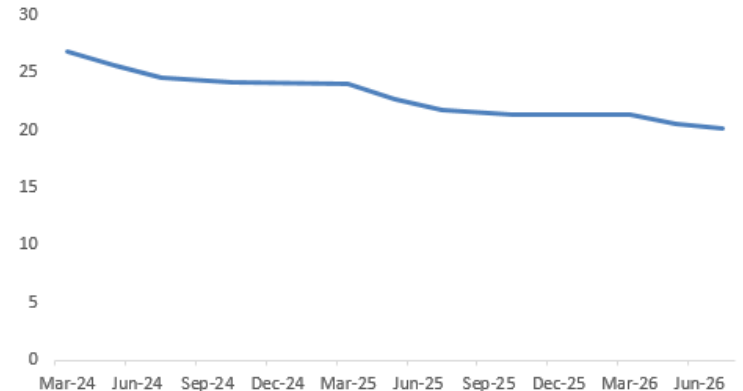
25.90 = Aug 2023 High

Resistance:

27.41 = Apr 2023 High

27.62 = Sep 2023 High

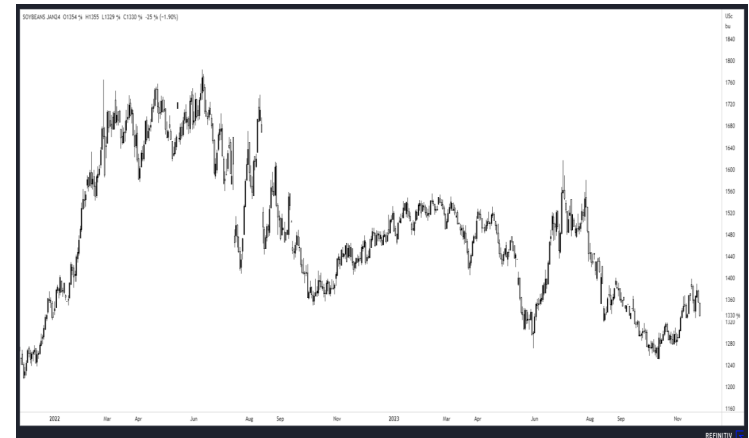
Futures Curve



Soybean

Last Price USc **1,330.75**/BSH

CBOT soybean futures weakened on Friday on expectations that favorable rains will continue to ease dryness that has hurt Brazil's crop. Agribusiness consultancies Safras & Mercado and hEDGEpoint [reduced their estimates](#) for Brazil's 2023/24 soybean crop due to adverse weather. In Argentina, the [first sprouts](#) of the 2023/24 soybean crop are in good condition. CBOT January soybeans [SF24](#) fell 25-3/4 cents to close at \$13.30-3/4 per bushel. CBOT January soyoil [BOF24](#) sank 2.42 cents to end at 50.29 cents per lb and hit the lowest price since Nov. 13. CBOT January soymeal [SMF24](#) finished \$3.50 lower at \$434.1 per short ton.



Technical:

Soybeans end down on favorable Brazil rains, next level to watch 1,300.00.

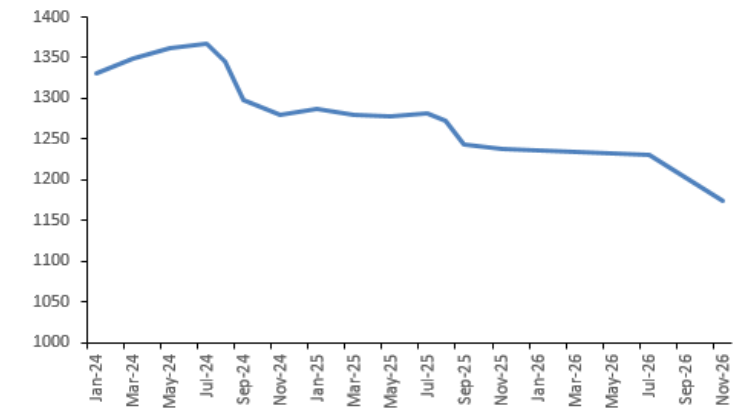
Support:

- 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 **831.55**/Ton

Malaysian palm oil futures posted their first weekly drop in three as the contract fell for a second session on Friday, weighed down by weakness in Dalian vegetable oils and a better-than-expected output estimate. The benchmark palm oil contract [FCPOc3](#) for February delivery on the Bursa Malaysia Derivatives Exchange lost 61 ringgit, or 1.54%, to 3,890 ringgit (\$831.55) a metric ton at closing. The contract lost 1.04% for the week, snapping two consecutive weeks of gains. The Malaysian Palm Oil Association estimated the output for Nov.1- Nov.20 to have dropped 3.89% from the previous month. [Malaysia](#) maintained its December crude palm oil export duty at 8%.



Technical:

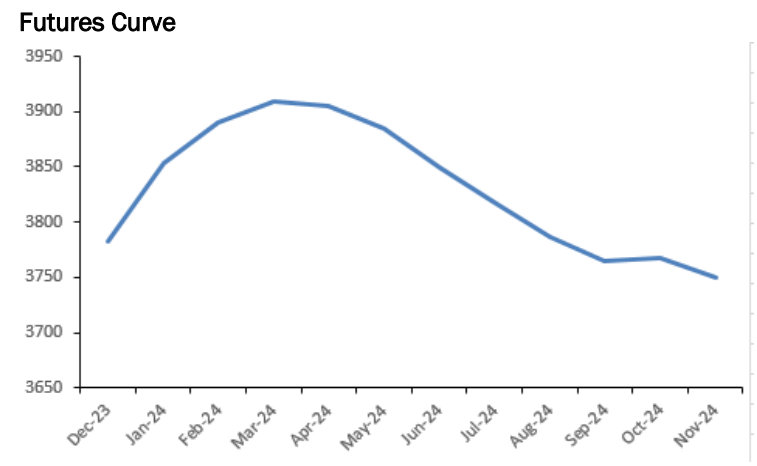
Palm books weekly loss on weaker Dalian vegetable oils, next level to watch 845.00.

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 **80.39**/LBS

U.S. cotton futures mostly unchanged on Wednesday as investors rolled over from the front-month contract ahead of Thursday's Thanksgiving holiday and braced for weekly export sales data anticipated later this week. The second-month March contract [CTc2](#) was flat at 80.59 cents per lb. The dollar index [.DXY](#) was up 0.5%, making cotton less attractive to buyers holding other currencies. Cotton's planted area in Brazil was estimated to rise 14.9% year-on-year to 1.94 million hectares, while output was forecast to jump 16.4% to an all-time high of 3.74 million tons.



Technical:

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

Support:

74.77 = Nov 2023 Low

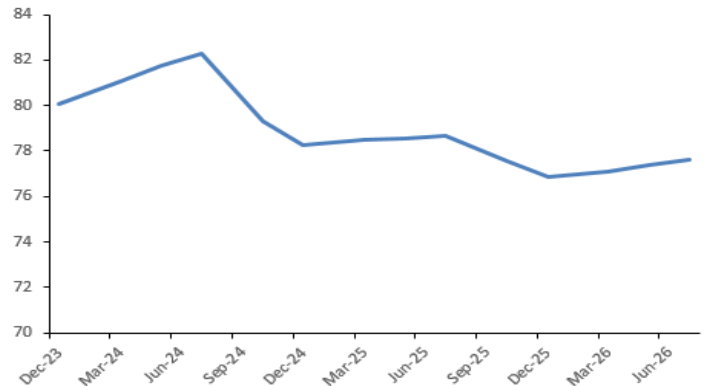
72.00 = Nov 2022 Low

Resistance:

84.86 = Mar 2023 High

87.16 = Jun 2023 High

Futures Curve



Brent Crude

Last Price

USD **80.58**/BBL

Oil fell on Friday as the release of some hostages in Gaza reduced the geopolitical risk premium, but prices notched their first week of gains in over a month ahead of next week's OPEC+ meeting to decide on production cuts in 2024. Brent crude futures [LCOc1](#) settled down 84 cents, or 1%, at \$80.58 a barrel, while U.S. West Texas Intermediate crude [CLc1](#) fell \$1.56, or 2%, from Wednesday's close to \$75.54. There was no settlement for WTI on Thursday owing to the U.S. Thanksgiving holiday. Both contracts had their first weekly gain in five weeks as OPEC+ prepares for a meeting that will have output cuts high on the agenda after recent oil price declines on demand concerns and burgeoning supply, particularly from non-OPEC producers.

Technical:

Oil settles lower but notches weekly gain ahead of OPEC+ decision, next level to watch 85.00.

Support:

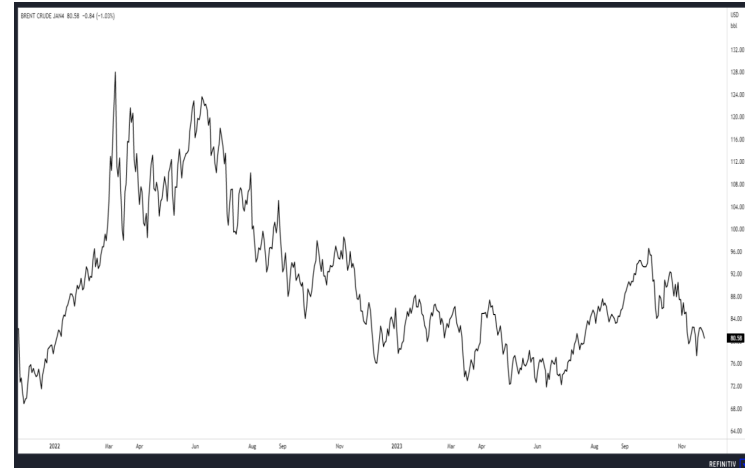
76.60 = Nov 2023 Low

74.56 = Jul 2023 Low

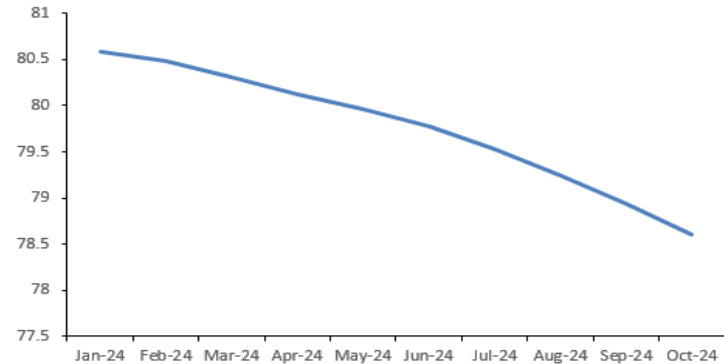
Resistance:

85.80 = Jul 2023 High

86.95 = Feb 2023 High



Futures Curve

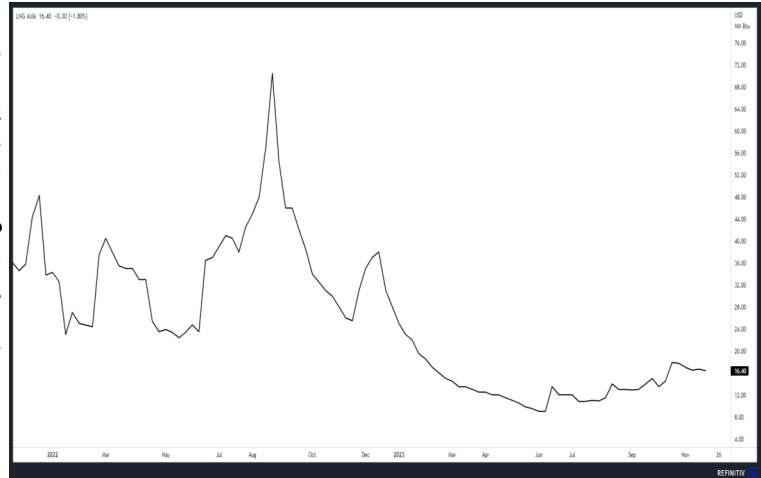


LNG

Last Price

USD **16.40**/MMBTU

Asian spot liquefied natural gas (LNG) prices were little changed this week, slipping slightly from the previous week, as demand was weak and inventories remained high in both Northeast Asia and Europe. The average LNG price for January delivery into Northeast Asia [LNG-AS](#) was at \$16.40 per million British thermal units (mmBtu), estimated industry sources, versus \$16.70/mmBtu the previous week. Prices have eased about 8% or \$1.50/mmBtu from a near nine-month top reached in mid-October. In Europe, S&P Global Commodity Insights assessed its daily northwest Europe LNG Marker (NWM) price benchmark for January-delivery cargoes on an ex-ship (DES) basis at \$14.288/mmBtu on Nov. 23, a \$0.85/mmBtu discount to the January gas price at the Dutch Title Transfer Facility (TTF) hub.



Technical:

Asia spot LNG holds steady as demand weak, inventories high. Next level to watch 17.00.

Support:

15.00 = Feb 2023 Low

14.50 = Mar 2023 High

Resistance:

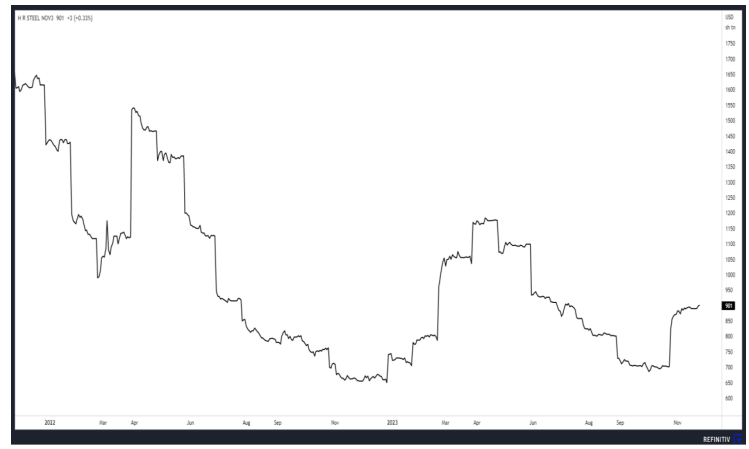
18.50 = Feb 2023 High

19.50 = Jan 2023 Low

Steel (HRC)

Last Price USD **901.00**/ tons

Iron ore futures erased earlier losses and are set for their fifth weekly gain on Friday as property support-led optimism in top consumer China outweighed headwinds from the latest intervention from authorities. The most-traded January iron ore on China's Dalian Commodity Exchange (DCE) [DClOcv1](#) ended daytime trade 0.61% higher at 986.5 yuan (\$136.80) a metric ton. The benchmark December iron ore [SZZFZ3](#) on the Singapore Exchange climbed 0.88% to \$134.35 a ton, following a 1.15% drop in the previous session. The persistent strength in the price of the key steelmaking feedstock came after moves by Beijing to revive its debt-ridden property sector, the country's largest steel consumer. Other steelmaking ingredients strengthened on supply disruptions, with coking coal [DJMcv1](#) and coke [DCJcv1](#) on the DCE up 3.87% and 3.29%, respectively.



Technical:

Iron ore eyes fifth weekly gain despite China intervention. Next level to watch 865.00.

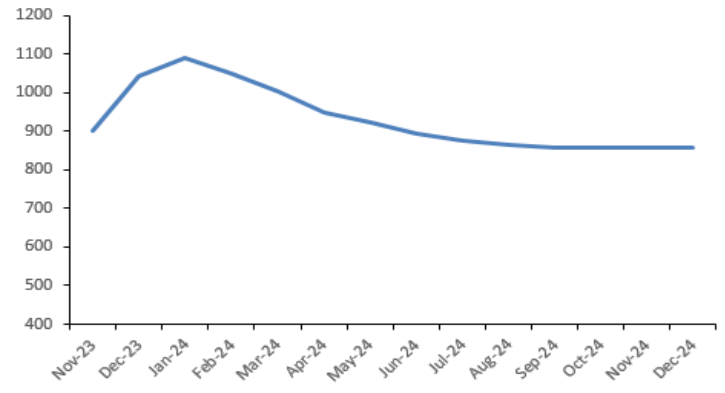
Support:

865.00 = Jun 2023 Low
 819.00 = Jul 2023 Low

Resistance:

948.00 = Jun 2023 High
 1,070.00 = Feb 2023 High

Futures Curve of SHFE Steel Futures



SHFE Zinc

Last Price USD **2,944.55**/Tons

Overnight, LME zinc prices opened at \$2499/mt, and closed at \$2543/mt. LME zinc inventory increased by 0.43%. The weak performance of the U.S. dollar index overnight provided support to LME Zinc, but business activities in the euro zone fell again in November, exacerbating concerns about economic recession. The most-traded SHFE 2401 zinc contract opened at 20935 yuan/mt overnight and touched a high of 21060 yuan/mt before and closing at 21040 yuan/mt. Trading volume reduced to 54720 lots, and open interest gained by 352 lots to 93984 lots. It is reported that for the first time in China, banks are allowed to provide unsecured working capital loans to real estate companies to increase the risk resistance of real estate; at the same time, after environmental protection and production restrictions are over, companies resume normal production.

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

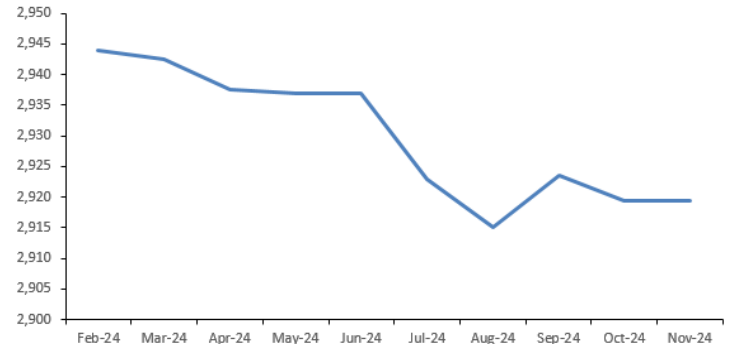
Resistance:

3,056.40 = Nov 2023 High

3,165.26 = Apr 2023 High



SHFE Zinc Forward Curve



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