



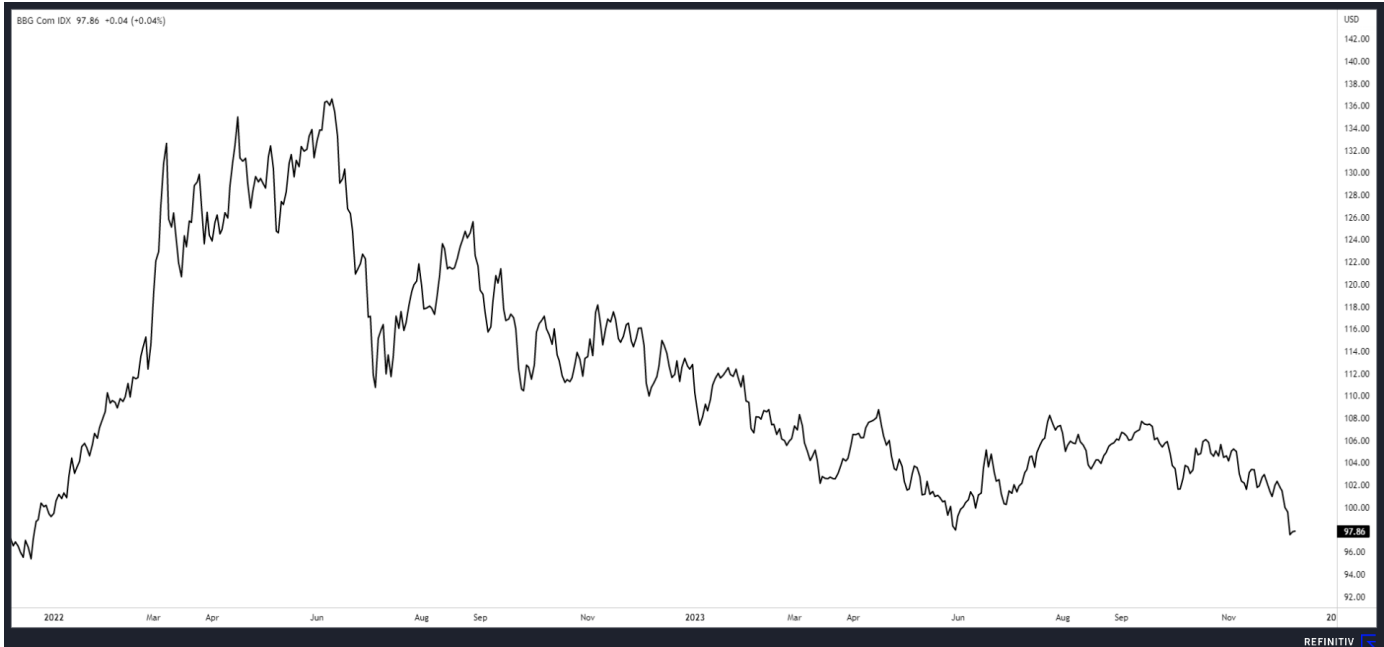
Commodities Weekly

Issue 44-2023

Date: 10 Dec 2023

Bloomberg Commodity Index

97.86 ▼



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

445.7195 ▼



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	615.00	▲ 6.59%	▲ 6.91%	▼ -13.71%	797.50	527.50
Sugar	\$/LBS	23.36	▼ -6.90%	▼ -14.40%	▲ 19.18%	28.14	18.92
Soybean	\$/BSH	1,304.00	▼ -1.58%	▼ -2.21%	▼ -12.11%	1,616.50	1,250.50
Palm Oil	\$/Ton	802.45	▼ -3.17%	▼ -1.71%	▼ -11.62%	945.92	682.77
Cotton	\$/LBS	81.44	▲ 3.85%	▲ 5.33%	▲ 0.61%	90.75	74.77
Brent Crude	\$/BBL	75.84	▼ -3.85%	▼ -6.86%	▼ -0.34%	97.69	70.12
LNG	\$/MMBTU	15.50	▼ -1.27%	▼ -6.06%	▼ -58.11%	25.00	9.00
Steel	\$/Ton	1,070.00	▲ 2.98%	▲ 19.82%	▲ 60.42%	1,200.00	685.00
SHFE Zinc	\$/Ton	2,900.41	▼ -0.17%	▼ -4.40%	▼ -20.20%	3,428.10	2,596.00
Indonesian Coal*	\$/Ton	139.80	0.00%	▲ 12.78%	▼ -54.64%	305.21	123.96
Australian Coal	\$/Ton	334.00	0.00%	▲ 7.22%	▲ 28.79%	381.00	224.50
Gold	\$/Ozs	2,003.39	▼ -3.26%	▲ 1.70%	▲ 11.51%	2,072.19	1,804.20

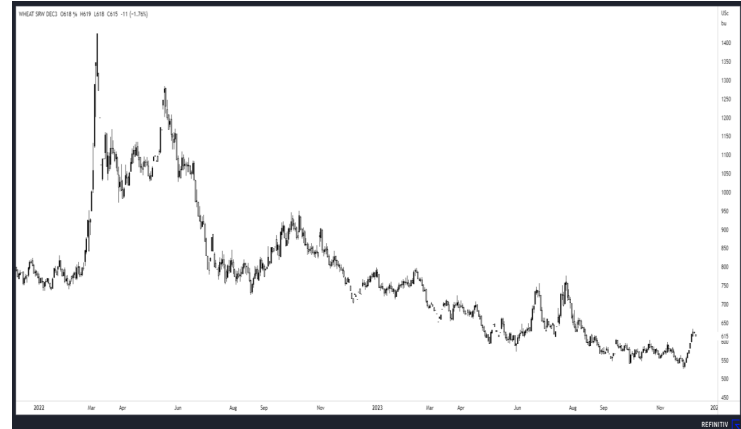
*Price published monthly once by Indonesian Govt

Wheat

Last Price

USc **615.00**/BSH

CBOT wheat futures fell 1.6% on Friday on profit-taking after the most active contract [Wv1](#) reached four-month high at midweek, highlighted by several rounds of U.S. wheat sales to China. CBOT March wheat [WH24](#) settled Friday down 10-1/2 cents at \$6.31-3/4 per bushel. However, for the week, the contract rose 21 cents a bushel or 4.8%. K.C. March hard red winter wheat [KWH24](#) ended Friday down 6-1/2 cents at \$6.61 a bushel, but posted a weekly gain of 2.2%. MGEX March spring wheat [MWEH24](#) ended down 7-3/4 cents at \$7.29-1/2 a bushel, just 3/4 of a cent below last week's close. The USDA in a monthly supply/demand report cut its forecast of U.S. 2023/24 wheat ending stocks to 659 million bushels down from 684 million in Nov and below [analyst expectations](#). The cut reflected an increased estimate of U.S. wheat exports.



Technical:

Wheat retreats on profit taking but ends week up 4.8%. Next level to watch 525.00.

Support:

525.00 = Sep 2020 Low

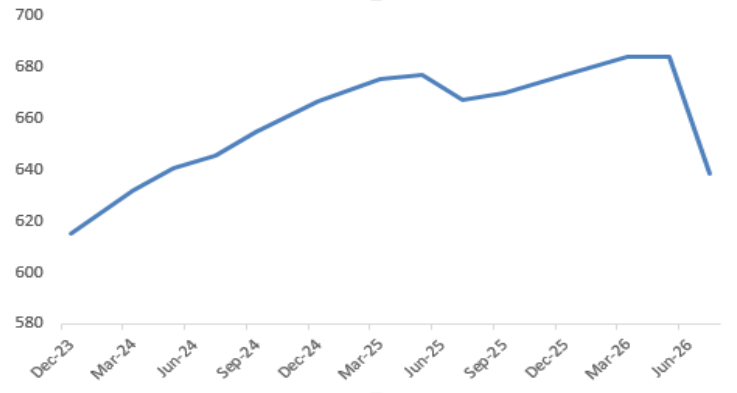
485.75 = Jul 2020 Low

Resistance:

663.25 = Mar 2021 High

684.00 = Aug 2021 High

Futures Curve



Sugar

Last Price

USc **23.36**/LBS

Raw sugar futures on ICE rose on Friday, although the spot contract still posted a 6.9% fall in the week, under pressure from increased supplies in top producer Brazil and the prospect of higher output in India. March raw sugar [SBC1](#) settled up 0.33 cents, or 1.4%, at 23.36 cents per lb, after dipping to a four-month low of 22.80 cents on Thursday. The contract lost nearly 14% in the last two weeks. [A surge in EU imports of Ukrainian sugar](#) is expected to continue for at least for another season, weighing on prices in the bloc. The U.S. will import more sugar at higher tariff, [the USDA projected on Friday](#), and the market sees the need for [even higher imports](#). March white sugar [LSUc1](#) rose 1.3% at \$654.40 a metric ton.



Technical:

Raw sugar gains as market readjusts after steep falls, next level to watch 25.90.

Support:

22.78 = Jul 2023 Low

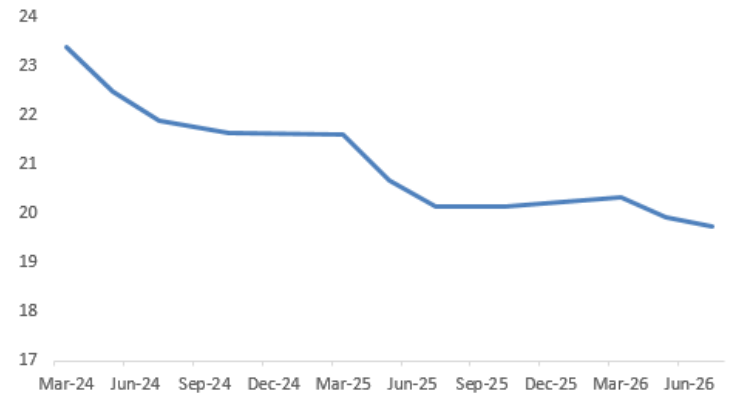
22.36 = Mar 2023 High

Resistance:

25.90 = Aug 2023 High

27.41 = Apr 2023 High

Futures Curve



Soybean

Last Price USc **1,304.00**/BSH

CBOT soybean futures fell on Friday after the USDA in a monthly report showed Brazil's soybean crop above estimates, despite drought conditions that have caused worries about yields in the top producing nation. CBOT January soybeans [SF24](#) settled down 7-3/4 cents at \$13.04 per bushel, retreating after setting a one-week high at \$13.30-3/4. For the week, the contract fell 21 cents a bushel or 1.6%. CBOT January soyoil [BOF24](#) fell 0.93 cents to end at 50.20 cents per lb. The contract declined 2.4% for the week. January soymeal [SMF24](#) finished Friday down \$2.10 at \$404.70 per short ton, ending the week down 1.9%. The USDA in its monthly [supply/demand report](#) trimmed its forecast of Brazil's soybean crop to 161 million metric tons, from 163 million previously. The USDA also raised its estimate of Brazil's year-ago 2023/23 soybean harvest to 160 million tons, from 158 million last month.

Technical:

Soybeans futures tumble after monthly USDA data, next level to watch 1,398.50.

Support:

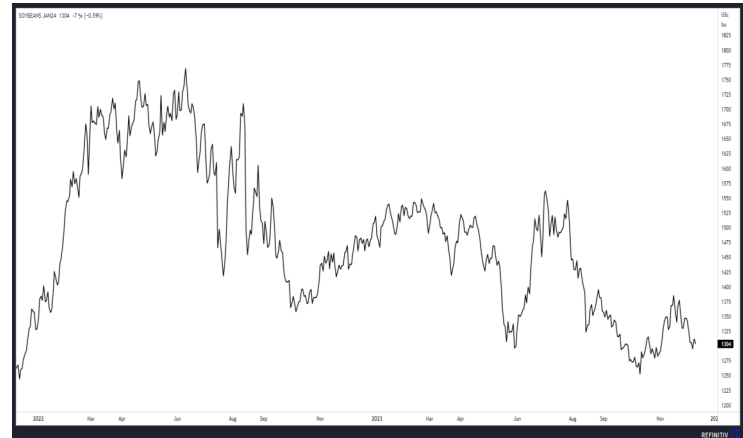
1,283.25 = Nov 2023 Low

1,250.50 = Oct 2023 Low

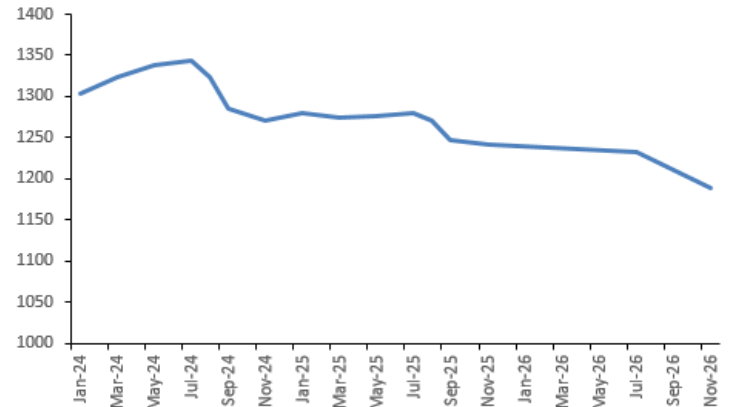
Resistance:

1,398.50 = Oct 2023 High

1,465.00 = Aug 2023 High



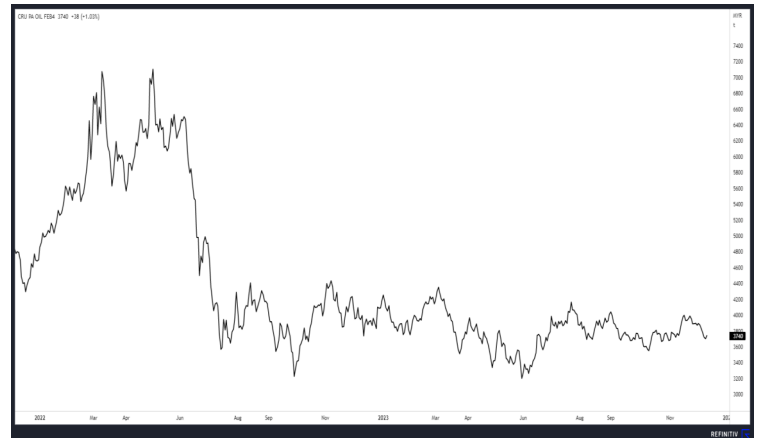
Futures Curve



Palm Oil

Last Price **USD 802.45**/Ton

Malaysian palm oil futures closed up on Friday, snapping a five-session losing streak, on strength in rival oils. However, the futures booked a 3.43% weekly loss, their lowest since Oct. 20. The benchmark palm oil contract [FCPOc3](#) for February delivery on the Bursa Malaysia Derivatives Exchange gained 39 ringgit, or 1.05%, to 3,741 ringgit (\$802.45) on the closing. Palm oil on the European vegetable oils market rose on Thursday on the back of stronger CBOT soyoil futures and a weaker dollar. Asking prices for palm oil were between \$10 and \$30 a tonne higher.

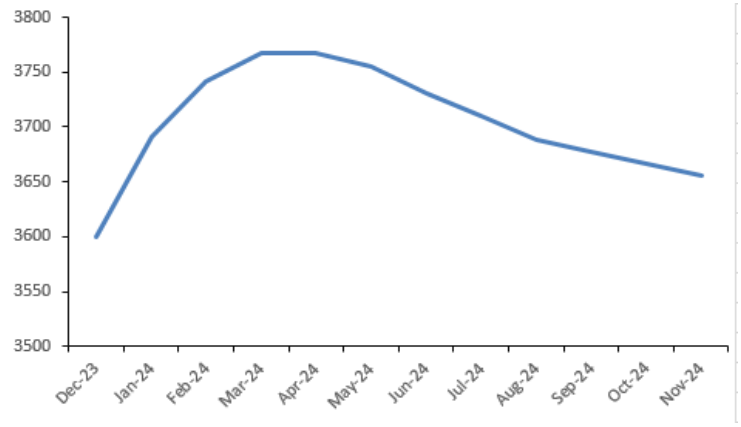


Technical:
 Palm oil closes with 3.43% weekly loss, next level to watch 845.00.

Support:
 784.86 = Nov 2023 Low
 752.46 = Oct 2023 Low

Resistance:
 890.80 = Jul 2023 High
 914.06 = Jan 2023 High

Futures Curve



Cotton

Last Price

USc **81.44**/LBS

ICE cotton futures extended losses on Friday after U.S. Department of Agriculture (USDA) projected lower 2023-24 global consumption of the natural fiber and higher ending stocks in its monthly report. The front-month March contract [CTc1](#) fell 1.16 cents, or 1.4%, to 81.43 cents per lb by 2:12 p.m. ET (1912 GMT). However, the contract was up 3.8% for the week. A considerable dip in global consumption, with a large portion of that coming from China, was relatively bearish for prices. The World Agricultural Supply and Demand Estimates (WASDE) report projected world consumption for 2023-24 at 1.6 million bales lower due to a 1.0 million bales reduction in China. The world ending stocks was forecast 900,000 bales higher in December.

Technical:

Cotton extends losses after USDA cuts 2023-24 world consumption estimates. Next level to watch 85.00.

Support:

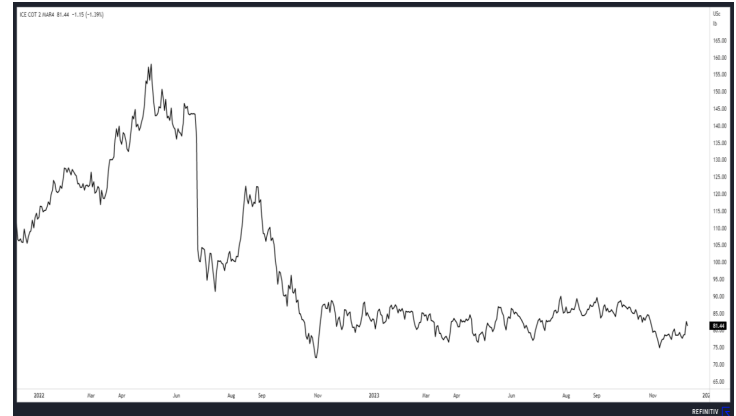
74.77 = Nov 2023 Low

72.00 = Nov 2022 Low

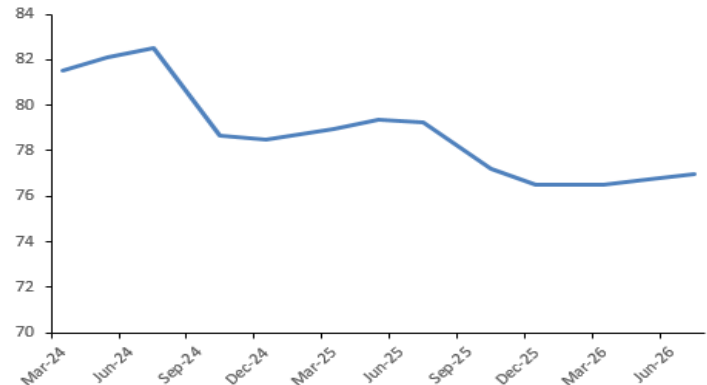
Resistance:

84.86 = Mar 2023 High

87.16 = Jun 2023 High



Futures Curve



Brent Crude

Last Price

USD **75.84**/BBL

Oil prices rose more than 2% on Friday after U.S. data supported expectations of demand growth, but both benchmarks fell for a seventh straight week, their longest streak of weekly declines in half a decade, on lingering oversupply concerns. Brent crude futures [LC0c1](#) settled at \$75.84 a barrel, up \$1.79, or 2.4%, while U.S. West Texas Intermediate crude futures [CLc1](#) settled at \$71.23, up \$1.89, or 2.7%. For the week, both benchmarks lost 3.8%, after hitting their lowest since late June on Thursday, a sign that many traders believe the market is oversupplied. Also fuelling the market's downturn, Chinese customs data showed its crude oil imports in November [fell 9%](#) from a year earlier as high inventory levels, weak economic indicators and slowing orders from independent refiners weakened demand. Like crude, U.S. RBOB gasoline futures [RBc1](#) on Friday rebounded about 3% from two-year lows on Thursday.

Technical:

Oil gains over 2% but records seventh weekly decline, next level to watch 85.00.

Support:

74.56 = Jul 2023 Low

71.57 = Jun 2023 Low

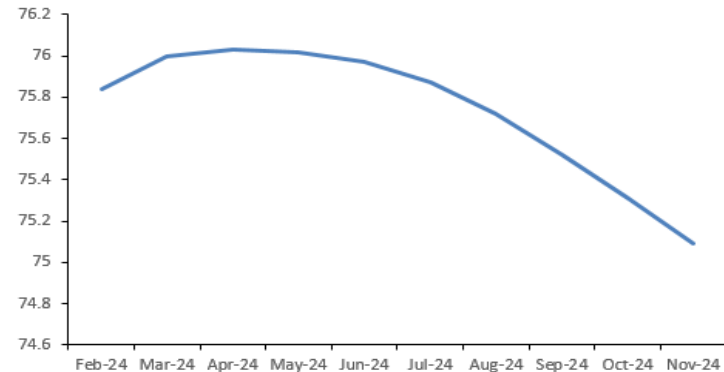
Resistance:

85.80 = Jul 2023 High

86.95 = Feb 2023 High



Futures Curve

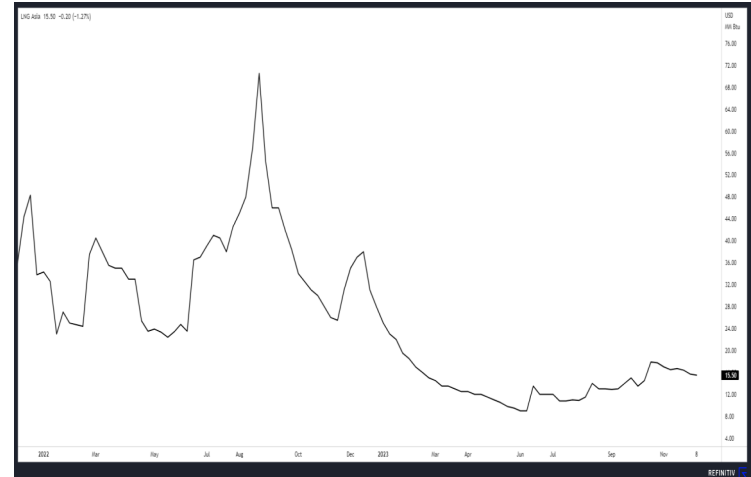


LNG

Last Price

USD **15.50**/MMBTU

Asian spot liquefied natural gas (LNG) prices slightly fell this week on continued lack of interest for spot supply from Northeast Asia players and forecast of weaker prompt gas demand in Europe. The average LNG price for January delivery into Northeast Asia [LNG-AS](#) slightly fell to \$15.5 per million British thermal units (mmBtu), from \$15.7 last week. Prices for LNG in Asia rose to their [steepest premium](#) over European prices for two years this week as congestion at the Panama Canal drove up the price of shipping U.S. LNG to Asia. In Europe, temperatures are returning to seasonal norms following a cold snap and the continent continues to see a healthy supply of LNG, no unplanned outages and comfortable gas stock levels. European gas stocks are forecast to remain at all-time highs of around 94 billion cubic metres to the end of the year and into January.

**Technical:**

Asia spot LNG prices fall on continued muted demand. Next level to watch 16.00.

Support:

15.00 = Feb 2023 Low

14.50 = Mar 2023 High

Resistance:

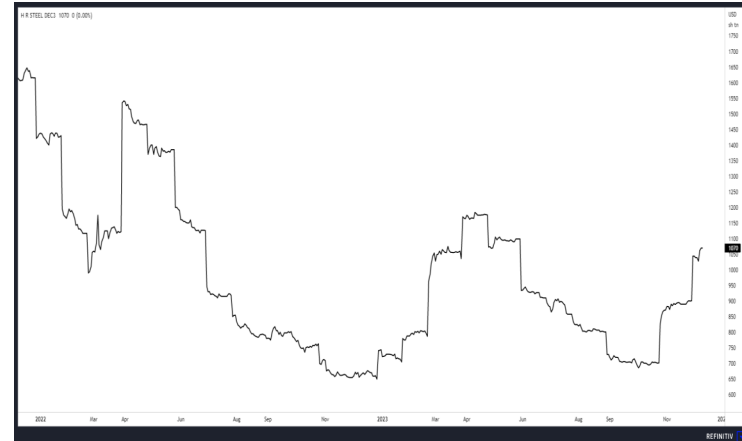
17.00 = Nov 2023 High

18.50 = Feb 2023 High

Steel (HRC)

Last Price USD **1,070.00**/ tons

Iron ore futures gained on Friday, buoyed by a raft of factors such as robust export data from top consumer China, speculation of economic stimulus, and persistently upbeat demand. The most-traded May iron ore on China's Dalian Commodity Exchange [DCIOcv1](#) closed 2.4% higher at 958.5 yuan (\$133.86) per metric ton. The benchmark contract grew 3.8% this week, recording its best week in five. China's exports [grew](#) for the first time in six months in November, suggesting factories in the world's second-largest economy are attracting buyers through discount pricing to get over a prolonged slump in demand. The country's iron ore imports last month [climbed](#) 3.4% from October's levels. The most-active rebar contract [SRBcv1](#) strengthened 1.3%, hot-rolled coil [SHHCcv1](#) grew 1.8%, wire rod [SWRcv1](#) increased by 0.4% and stainless steel [SHSScv1](#) gained 1%.



Technical:

Iron ore futures rise on strong Chinese export data, stimulus hopes. Next level to watch 1,070.00.

Support:

948.00 = Jun 2023 High

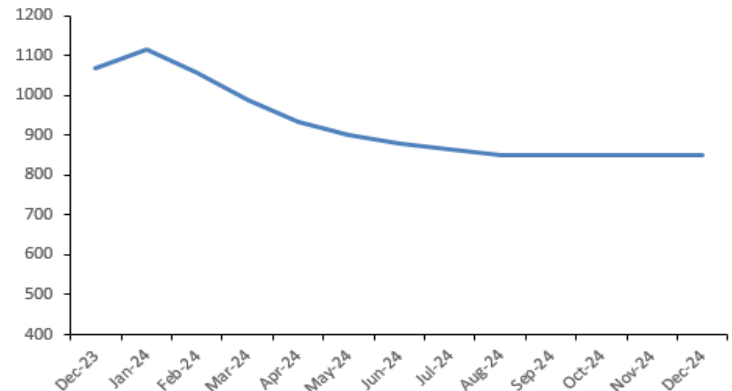
865.00 = Jun 2023 Low

Resistance:

1,118.00 = May 2023 High

1,181.00 = Mar 2023 High

Futures Curve of SHFE Steel Futures



SHFE Zinc

Last Price USD **2,900.41**/Tons

Overnight, LME zinc opened at US\$2423.5/ton and touched a high of US\$2442/ton. Prices hit a low of 2403.5/mt, and finally closed up at 2406/mt, down 15.5/mt, or 0.64%. LME zinc inventory fell by 100 tons to 218,600 tons, a decrease of 0.05%. The final GDP value of the Eurozone in the third quarter was lower than expected and recorded 0%. The number of initial jobless claims in the United States for the week was lower than expected and recorded 220,000. The U.S. dollar index rebounded. The most active SHFE 2401 zinc contract prices opened at 20625 yuan/mt and lost 40 yuan/mt or 0.19% to settle at 20525 yuan/mt in overnight trading, with the high-end of 20645 yuan/mt and the low-end of 20505 yuan/mt. Trading volumes decreased 48049 to 41975 lots and open interest grew 1200 lots to 87,800 lots. Customs data fell short of expectations.

Technical:

SHFE Zinc slightly falls since last week, next level to watch 3,056.40.

Support:

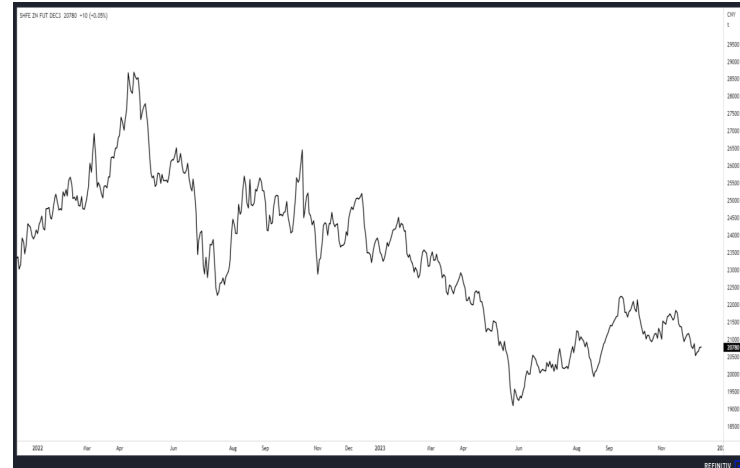
2,883.75 = Oct 2023 Low

2,779.05 = Jul 2023 Low

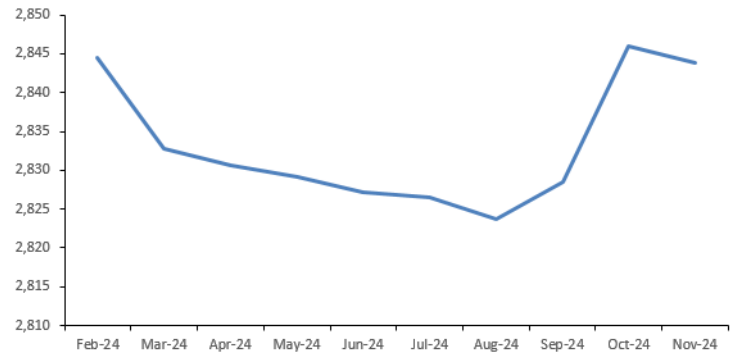
Resistance:

3,056.40 = Nov 2023 High

3,165.26 = Apr 2023 High



SHFE Zinc Forward Curve



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