



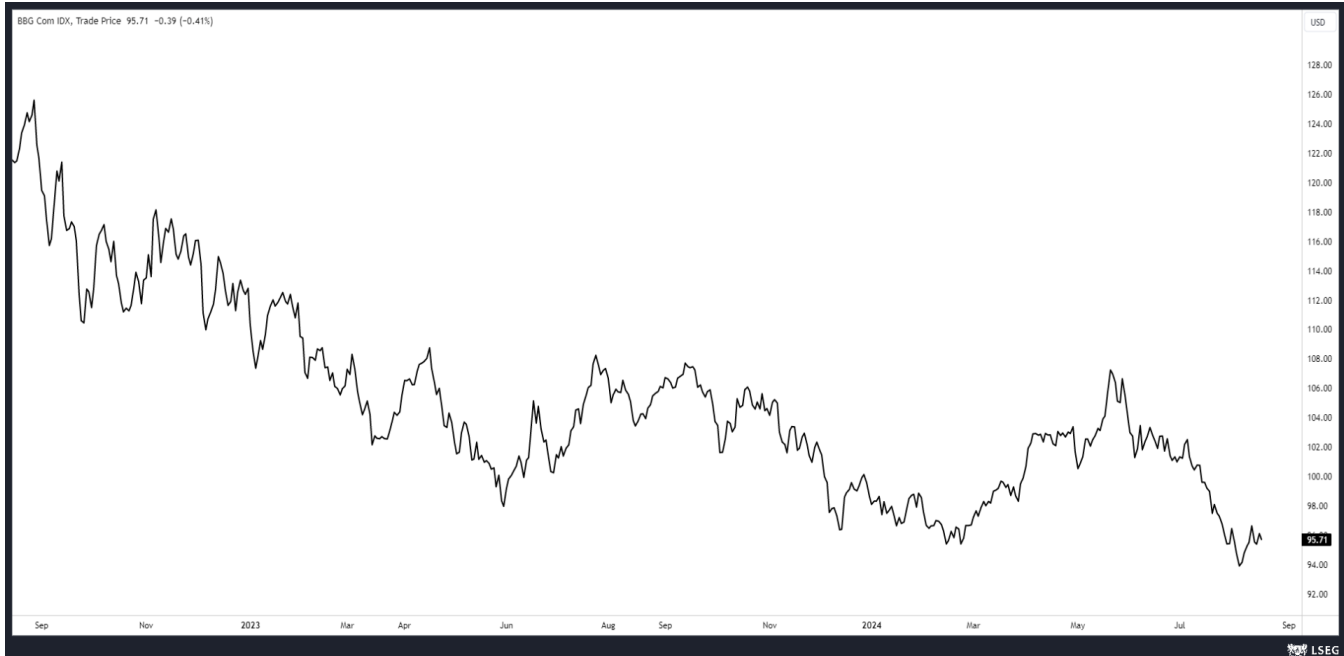
Commodities Weekly

Issue 18-2024

Date: 18 Aug 2024

Bloomberg Commodity Index

95.71 ▲



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

457.2959 ▼



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	\$c/BSH	530.00	▼ -2.30%	▲ 0.52%	▼ -7.50%	720.00	514.25
Sugar	\$c/LBS	18.03	▼ -2.44%	▼ -4.80%	▼ -28.05%	24.62	17.64
Soybean	\$c/BSH	938.75	▼ -8.68%	▼ -8.73%	▼ -30.97%	1,289.50	936.25
Palm Oil	\$/Ton	831.30	▼ -2.05%	▼ -2.32%	▼ -3.87%	929.30	754.44
Cotton	\$c/LBS	66.46	▼ -0.94%	▼ -2.24%	▼ -24.56%	107.25	65.30
Brent Crude	\$/BBL	79.68	▲ 0.03%	▼ -1.29%	▼ -8.27%	92.18	74.79
LNG	\$/MMBTU	14.10	▲ 9.30%	▲ 17.50%	▲ 8.46%	14.10	8.30
Steel	\$/Ton	656.00	▼ -3.53%	▼ -6.82%	▼ -10.01%	1,135.00	654.00
SHFE Zinc	\$/Ton	3,257.77	▲ 4.17%	▲ 3.84%	▲ 11.67%	3,490.86	2,766.47
Indonesian Coal*	\$/Ton	130.44	0.00%	▲ 6.05%	▼ -27.49%	130.44	109.77
Australian Coal	\$/Ton	208.00	▲ 0.48%	▼ -12.28%	▼ -18.61%	336.00	205.00
Gold	\$/Ozs	2,507.28	▲ 3.14%	▲ 2.42%	▲ 29.26%	2,509.65	1,984.09

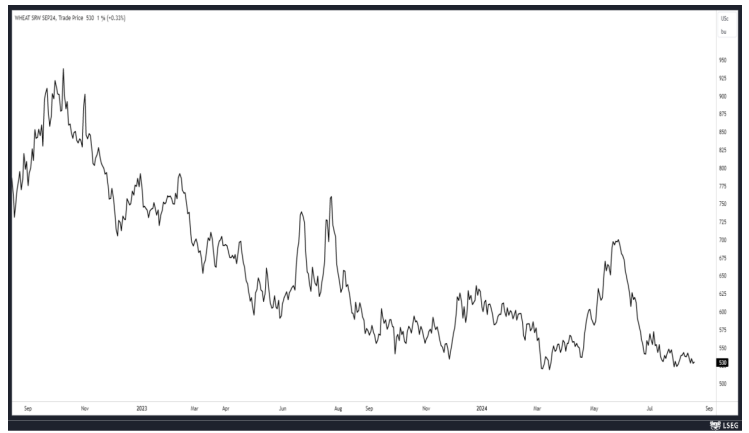
*Price published monthly once by Indonesian Govt

Wheat

Last Price USc **530.00**/BSH

CBOT Wheat futures firmed as problems with the French and German wheat crop, plagued by excess harvest-time rain, supported prices.

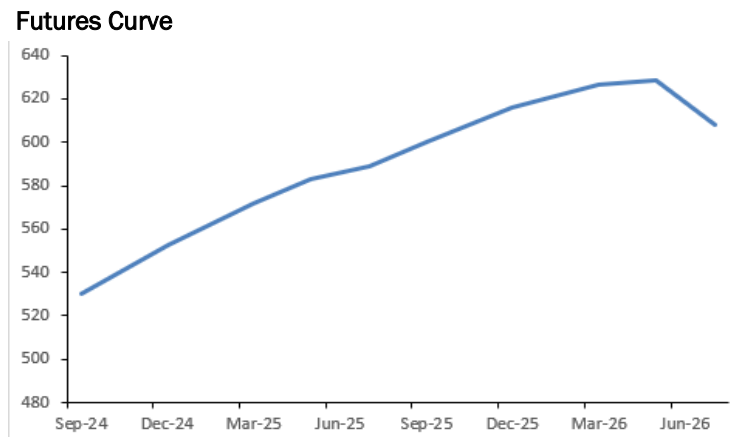
Most-active CBOT wheat [Wv1](#) settled up 1-3/4 cents to \$5.30 a bushel, while corn [Cv1](#) ended down 4-1/2 cents at \$3.92-1/2 a bushel. U.S. wheat futures have continued to face pressure from a strong Black Sea wheat crop. However, the French soft wheat crop, which is expected to be the smallest [since the 1980s](#), and a declining German crop have provided a floor under prices.



Technical:
Wheat futures fall on bumper yield forecasts. Next level to watch 520.00.

Support:
519.75 = Aug 2024 Low
488.00 = Aug 2020 Low

Resistance:
573.00 = Jul 2024 High
614.75 = Apr 2024 High



Sugar

Last Price USc **18.03**/LBS

Raw sugar futures rose on Friday but remained on track for a weekly loss, weighed down partly by an improving outlook for cane crops in India following strong monsoon rains. October raw sugar [SBc1](#) rose 2.1% to 18.26 cents per lb by 1356 GMT although the market remained on track for a weekly loss of 1.2%. Abundant Brazilian supplies had consistently pressured global prices, while an improving crop in India had also weighed on the market. October white sugar [LSUc1](#) rose 1.75% to \$522.30 a metric ton.



Technical:

Raw sugar futures rise but still set for weekly loss, next level to watch 18.75.

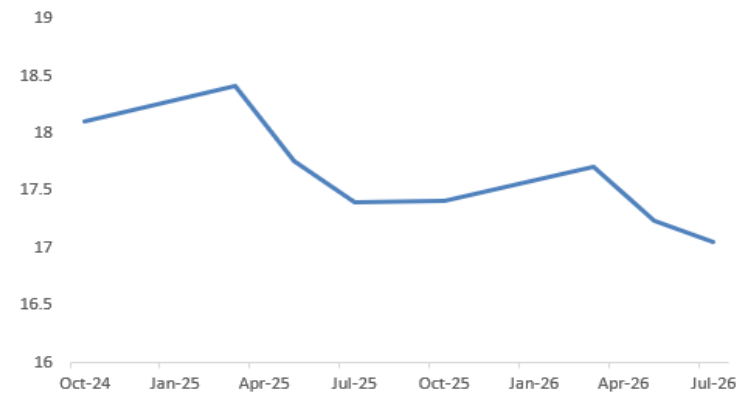
Support:

- 17.50 = Sep 2022 Low
- 17.36 = Oct 2022 Low

Resistance:

- 18.75 = Sep 2022 High
- 19.17 = Apr 2024 Low

Futures Curve

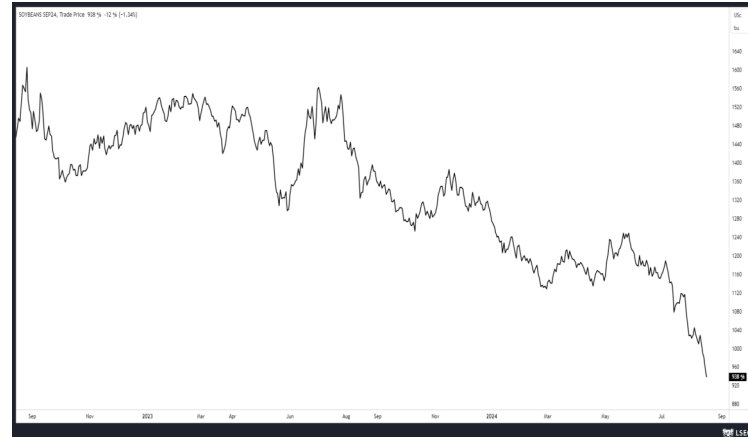


Soybean

Last Price

USc **938.75**/BSH

CBOT soybeans [Sv1](#) fell on Friday, and ended the week lower, amid forecasts of record U.S. yields, renewed concern about China's economy and sluggish Chinese demand for new-crop U.S. soybeans. CBOT September soybeans [SU24](#) settled down 12-3/4 cents at \$9.38-3/4 a bushel. Most-active November soybeans [SX24](#) ended down 11-1/2 cents at \$9.57 a bushel. During the session, the contract set a new low of \$9.55 a bushel. For the week, most active soybean futures [Sv1](#) ended nearly 4.54% lower - the third weekly loss in a row. Soybeans hit a third weekly drop as expectations of a record crop were forecast by the U.S. Department of Agriculture earlier in the week and sluggish demand from top importer China weighed on prices.



Technical:

Soybeans fall on expected huge U.S. crop, China economic concern, next level to watch 900.00.

Support:

910.00 = Jul 2020 High

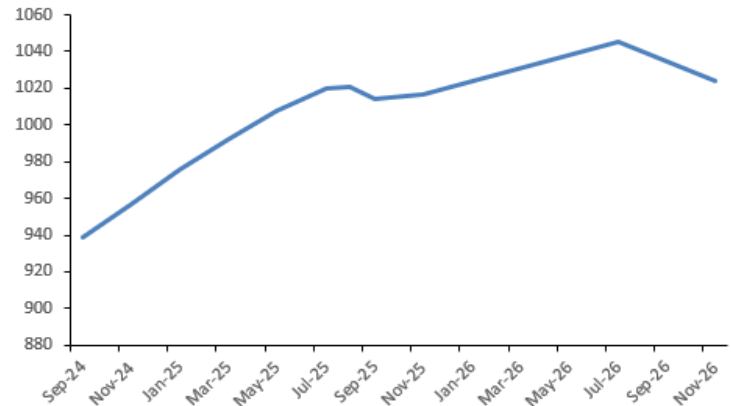
869.50 = Aug 2020 Low

Resistance:

1,013.00 = Oct 2020 Low

1,115.00 = Feb 2024 Low

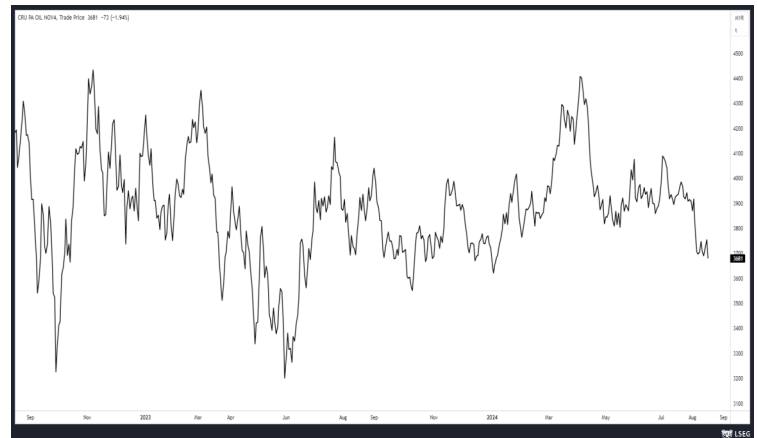
Futures Curve



Palm Oil

Last Price USD **831.30**/Ton

Malaysian palm oil futures reversed early gains on Friday to log a fourth consecutive weekly loss, as weak exports data and softer rival oil contracts outweighed supply pressures from top producer Indonesia. The benchmark palm oil contract [FCPOc3](#) for November delivery on the Bursa Malaysia Derivatives Exchange closed down 16 ringgit, or 0.43%, at 3,680 ringgit (\$831.07) a metric ton. It lost 1.79% for the week. Palm oil is affected by price movements in related oils as they compete for a share in the global vegetable oils market. Palm prices are now a tad more expensive versus soybean oil, thus there are worries about demand. The Malaysian ringgit [MYR](#), palm's currency of trade, inched lower by 0.1% against the dollar, after rallying sharply from mid-July till last week. A stronger ringgit makes palm oil less attractive for foreign currency holders.



Technical:

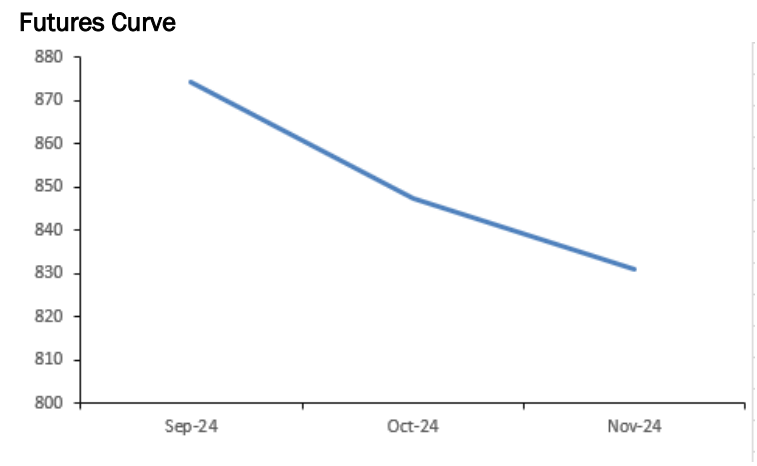
Palm oil reverses gains on weaker exports and rival oils; posts weekly loss, next level to watch 900.00.

Support:

803.60 = Oct 2023 High
787.87 = Jul 2021 Low

Resistance:

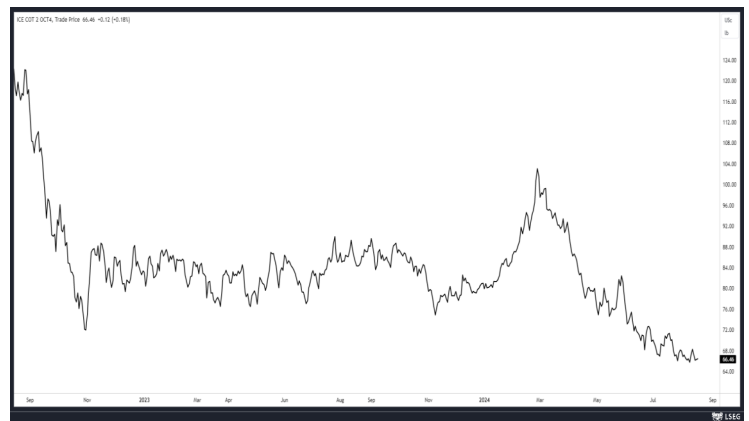
903.20 = Dec 2021 High
931.58 = Mar 2023 High



Cotton

Last Price USc **66.46**/LBS

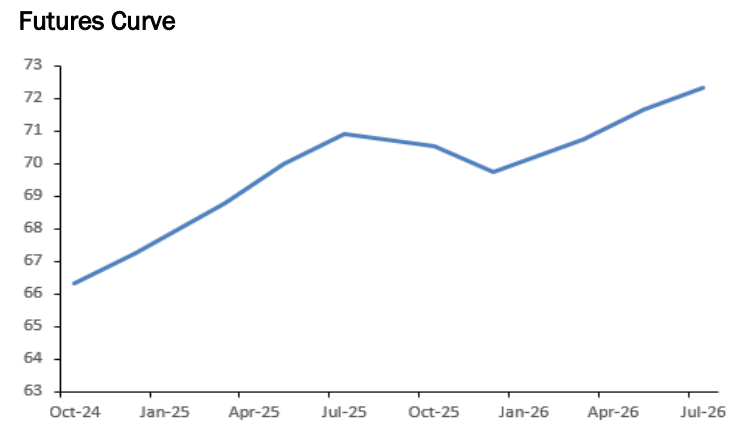
ICE cotton futures dipped to its lowest level in nearly four years on Friday, pressured by falling crude oil and grain prices, while a downturn in equities also weighed on the natural fiber. Cotton contracts for December [CTZ4](#) fell 0.23 cent, or 0.34%, to 66.92 cents per lb at 11:34 a.m. EDT (1534 GMT), having marked its lowest level since Oct. 2020 earlier in the session. The contract is headed for a weekly loss and is down 2.2% so far. Oil prices fell more than \$2 and were on track for a weekly decline, with Brent slipping below \$80 a barrel after a string of dismal indicators for July from China overshadowed geopolitical risks. Lower crude prices make polyester, an alternative for cotton, less expensive.



Technical:
Cotton hits nearly four year low on dip in crude oil, grains. Next level to watch 63.00.

Support:
63.69 = Mar 2020 High
59.85 = May 2020 High

Resistance:
88.88 = Jan 2023 High
100.00 = Jun 2022 Low



Brent Crude

Last Price

USD **79.68**/BBL

Oil prices settled down nearly 2% on Friday, little changed on the week with Brent crude below \$80 a barrel, as investors tempered expectations of demand growth from top oil importer China. Brent crude futures [LCOc1](#) fell \$1.36, or 1.7%, to settle at \$79.68 per barrel. U.S. West Texas Intermediate crude futures [CLc1](#) declined by \$1.51, or 1.9%, to \$76.65. Last week, Brent crude ended at \$79.66 a barrel and WTI closed at \$76.84. On Thursday, data from China showed its economy lost momentum in July, with new home prices falling at the fastest pace in nine years, industrial output slowing and unemployment rising. That has stoked worries among traders about a slump in demand from the top oil importer, where refineries sharply cut crude processing rates [last month](#) on tepid fuel demand.

Technical:

Oil falls 2% to end volatile week, focus on China demand concerns, next level to watch 91.70.

Support:

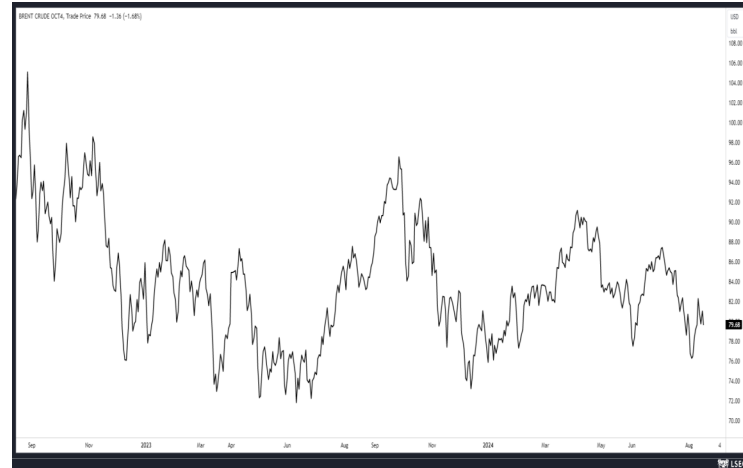
76.60 = Nov 2023 Low

74.79 = Jan 2024 Low

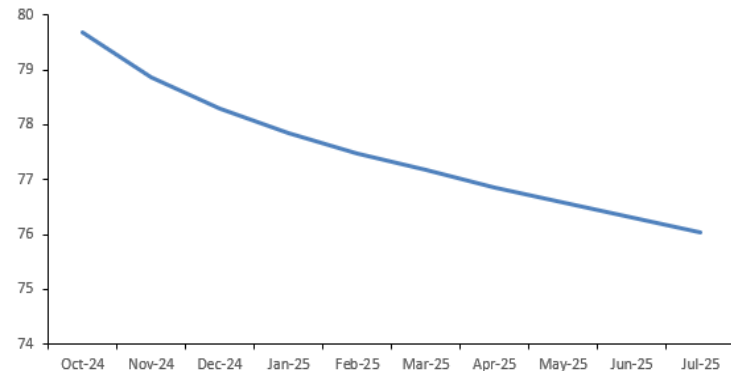
Resistance:

91.70 = Jan 2022 High

93.79 = Oct 2023 High



Futures Curve

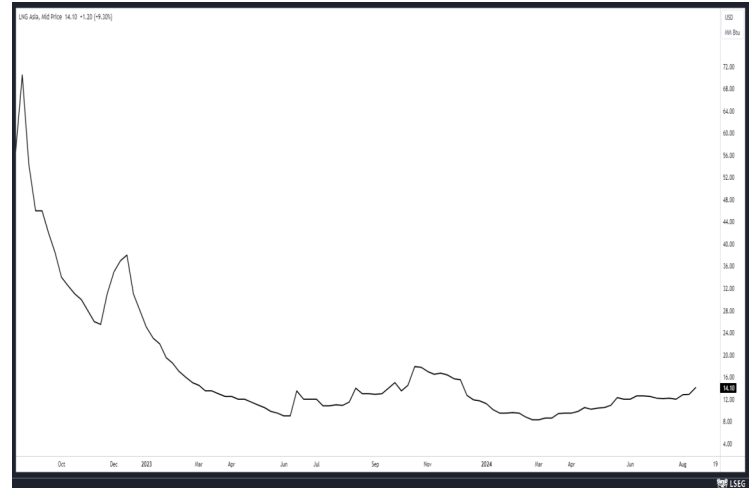


LNG

Last Price

USD **14.10**/MMBTU

Asian spot liquefied natural gas (LNG) prices rose to their highest in over eight months, with warmer temperatures across the region boosting power demand for cooling purposes. The average LNG price for October delivery into north-east Asia [LNG-AS](#) was at \$14.10 per million British thermal units (mmBtu). This is its highest level since December 8. All of South Korea had been under [heat warnings](#), a week after the end of the annual monsoon season when heavy rains pounded mostly the central regions. Meanwhile on LNG freight, Atlantic rates softened this week to \$69,750/day on Friday, said Spark Commodities analyst Edward Armitage. Pacific rates also fell to \$83,000/day.



Technical:

Asian spot LNG prices rise to 8-month top amid hot weather demand. Next level to watch 15.00.

Support:

13.50 = Oct 2023 Low

12.60 = Jun 2024 High

Resistance:

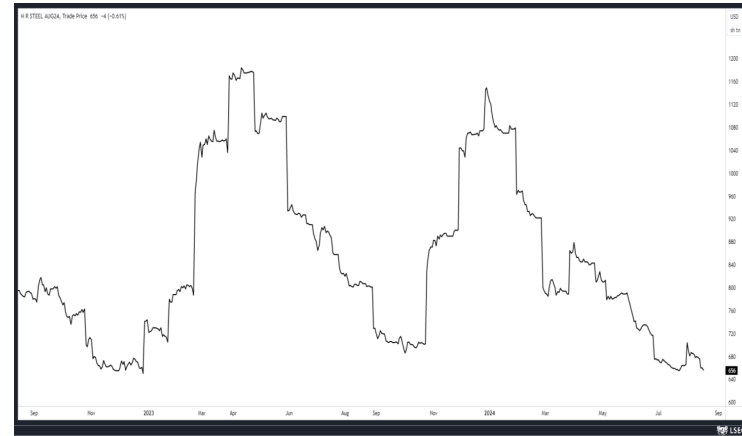
15.00 = Sep 2023 High

15.70 = Dec 2023 High

Steel (HRC)

Last Price USD **656.00**/ tons

Iron ore futures fell for a fifth straight session on Friday, heading for a second weekly loss, with bearish sentiment prevailing after weaker-than-expected steel prices in top consumer China hurt the demand outlook. The most-traded January iron ore contract on China's Dalian Commodity Exchange (DCE) [DClOcv1](#) ended daytime trade 0.99% lower at 697 yuan (\$97.16) a metric ton. It posted a fall of 6.1% from last Friday's close and a decline of 26% so far this year. The benchmark September iron ore <SZZFU4> on the Singapore Exchange slid 1.39% to \$92.25 a ton, as of 0715 GMT, recording a loss of 8.7% so far this week. A steeper-than-expected fall in steel prices in China has undermined sentiment, pressuring demand and prices for steelmaking ingredients including iron ore.



Technical:

Iron ore set for weekly loss as soft China steel prices hurt demand prospects. Next level to watch 650.00.

Support:

650.00 = Dec 2022 Low

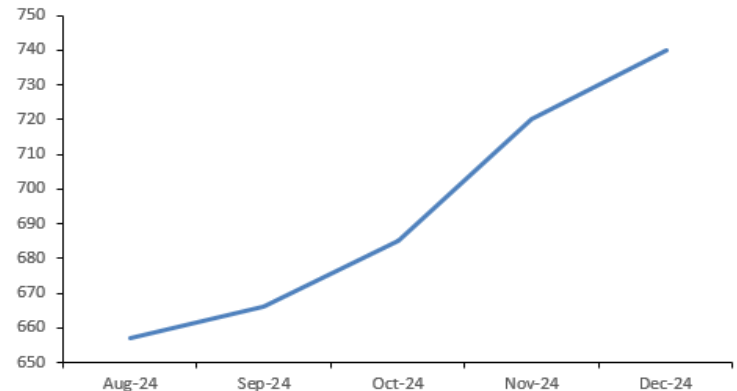
645.00 = Nov 2022 Low

Resistance:

765.00 = Sep 2022 Low

783.00 = Mar 2024 Low

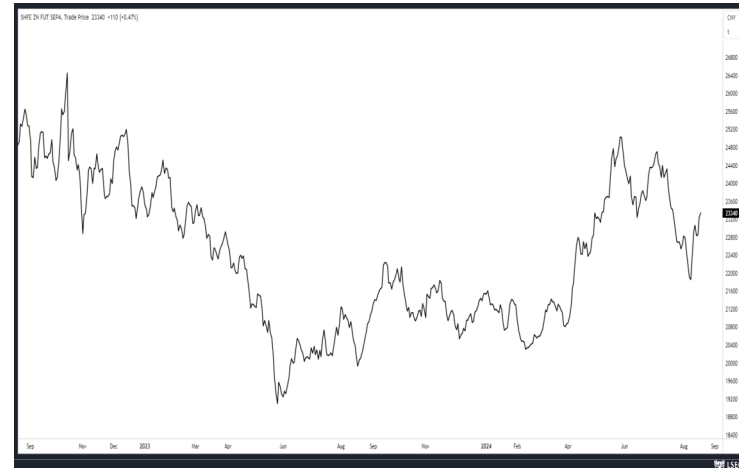
Futures Curve of SHFE Steel Futures



SHFE Zinc

Last Price USD **3,257.77**/Tons

Overnight, the most-traded SHFE zinc 2410 contract opened at 23,000 yuan/mt. At the beginning of the session, SHFE zinc briefly dipped to 22,920 yuan/mt. Subsequently, with longs increasing their positions, SHFE zinc prices fluctuated upward, reaching a high of 23,255 yuan/mt by the end of the session, and finally closed up at 23,225 yuan/mt, an increase of 385 yuan/mt or 1.69%. The trading volume decreased to 66,416 lots, and the open interest increased by 1,625 lots to 86,492 lots. Overnight, SHFE zinc recorded a bullish candlestick. The macro sentiment was positive, driven by the overseas futures market, coupled with the continued tight domestic mine supply, leading to a rebound in SHFE zinc prices. It is expected that SHFE zinc will mainly fluctuate and consolidate today.



Technical:

Concerns about economic recession ease, SHFE Zinc fluctuate upwards, next level to watch 3,300.00

Support:

3,097.96 = Oct 2023 High

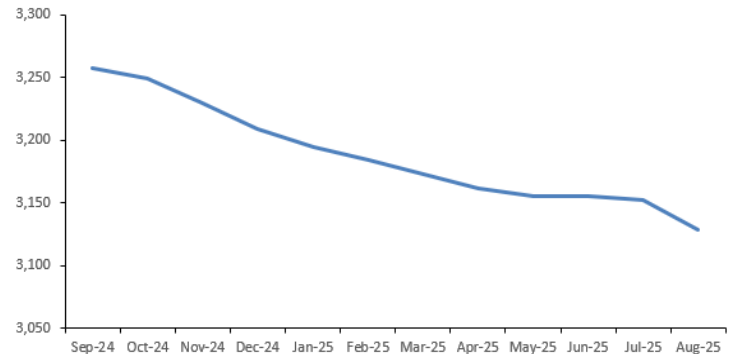
2,981.44 = Aug 2023 High

Resistance:

3,298.95 = Apr 2024 High

3,467.84 = Jul 2024 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

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

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