



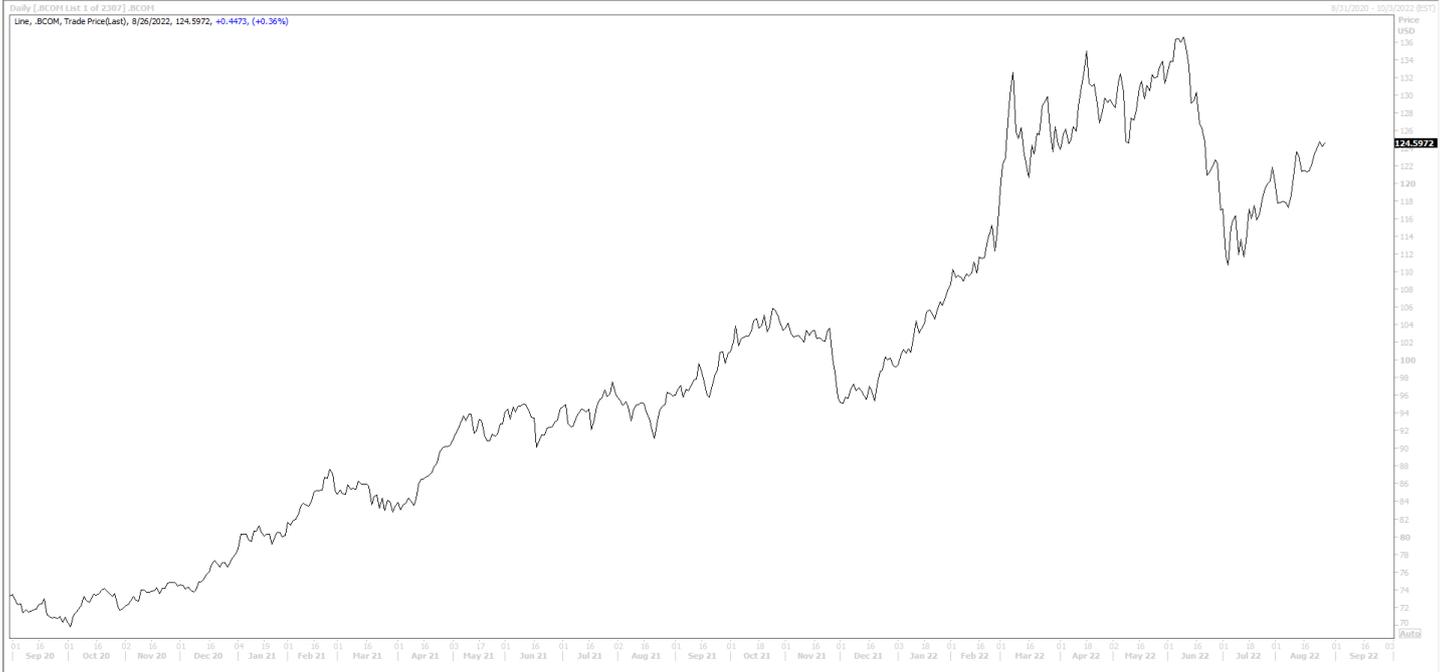
Commodities Weekly

Issue 22-2022

Date: 28 Aug 2022

Bloomberg Commodity Index

124.5972▲



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.

Details	Commodity Name	Closing Price	Weekly Change(%)	MoM Change(%)	YoY Change(%)
Page 4	Wheat	784.75	▲ 4.18%	▼ 3.95%	▲ 9.22%
Page 5	Sugar	18.47	▲ 2.10%	▼ 4.23%	▼ 7.83%
Page 6	Soybean	1,605.25	▲ 7.82%	▼ 0.25%	▲ 18.10%
Page 7	Palm Oil	929.00	▲ 1.67%	▲ 2.62%	▼ 14.65%
Page 8	Cotton	122.12	▲ 1.98%	▲ 19.29%	▲ 26.85%
Page 9	Brent Crude	100.99	▲ 4.41%	▼ 5.74%	▲ 38.91%
Page 10	LNG	70.50	▲ 23.68%	▲ 65.88%	▲ 309.88%
Page 11	Steel	794.00	▲ 0.89%	▼ 7.03%	▼ 59.09%
Page 12	LME Zinc	3,565.50	▼ 0.61%	▲ 12.83%	▲ 18.77%
Page 13	Scrap Steel	410.00	▲ 5.13%	▲ 5.13%	▼ 16.33%

Wheat

Last Price

USc **784.75**/BSH

U.S. wheat futures finished stronger on Friday on short covering and spillover support from other markets. The most-active Chicago Board of Trade December soft red winter wheat futures contract [WZ2](#) settled up 16-1/4 cents at \$8.05-1/4 a bushel. Last week, the most-active contract [Wv1](#) hit its lowest price since February. K.C. hard red winter wheat for December delivery [KWZ2](#) rose 16 cents to end at \$8.82-1/4 a bushel, and MGEX December spring wheat futures [MWEZ2](#) were up 13-3/4 cents to \$9.09-1/2 a bushel. Rallies in CBOT corn and soybeans helped lift wheat futures. Ukraine's 2022 wheat harvest is 98% complete at 18.8 million tonnes in spite of the war in the country's east and south.

Technical:

Wheat futures end higher on spillover support. Next level to watch 820.00.

Support:

712.75 = Oct 2021 Low

671.50 = Sep 2021 Low

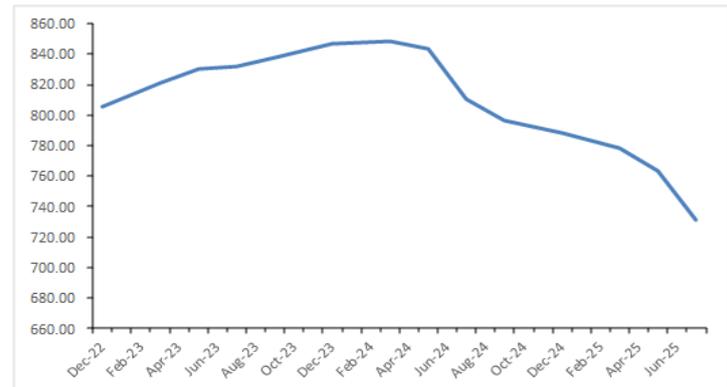
Resistance:

820.75 = Aug 2022 High

863.25 = Nov 2021 High



Futures Curve



Sugar

Last Price USc **18.47** /LBS

October raw sugar [Sbc1](#) settled down 0.14 cents, or 0.8%, at 17.90 cents per lb. The market remained choppy, lacking a clear overall trend with prices not far from the middle of this month's range of 17.20 cents to 18.70 cents. October white sugar [LSUc1](#) settled down \$1.60, or 0.3%, at \$547.90 a tonne.



Technical:

Raw sugar prices weakened but remained within their recent trading range, next level to watch 18.81.

Support:

16.73 = Jul 2021 Low

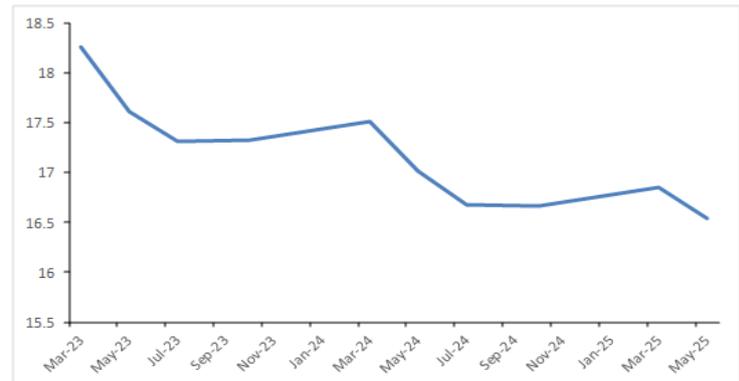
14.68 = Apr 2021 Low

Resistance:

18.81 = Jul 2021 High

19.59 = Jul 2022 High

Futures Curve



Soybean

Last Price

USc **1,605.25**/BSH

Chicago Board of Trade soybean futures rallied on Friday on export demand and uncertainty over the size of the upcoming U.S. harvest. Chicago Board of Trade November soybean futures [SX2](#) settled up 30 cents at \$14.61-1/4 a bushel. CBOT December soybean [SMZ2](#) was \$14.2 higher at \$428.50 a ton, and CBOT December soybean [BOZ2](#) jumped 0.97 cent to 66.88 cents per lb. The CBOT soybean November contract [SX2](#) may retest a support at \$14.30-3/4 per bushel, a break below which could open the way towards \$14.02-1/4 to \$14.18 range. The deep fall on Thursday suggests a reversal of the uptrend from \$13.77. A rising trendline points at a target of \$14.02-1/4.



Technical:

Soybeans end higher on U.S. export demand, crop uncertainty, next level to watch 1,680.00.

Support:

1,576.75 = Apr 2022 Low

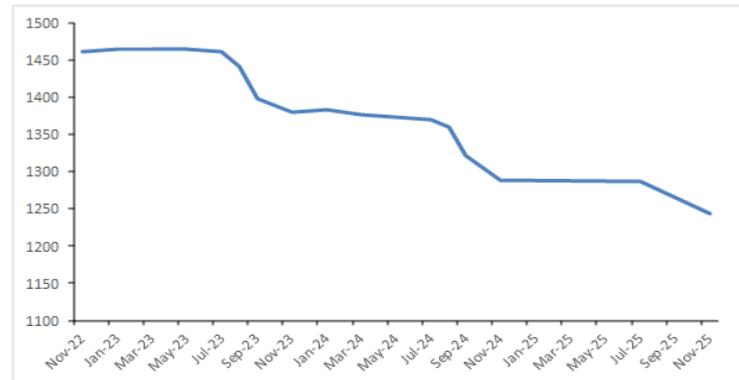
1,485.00 = Feb 2022 Low

Resistance:

1,683.25 = Jul 2022 High

1,784.00 = Jun 2022 High

Futures Curve

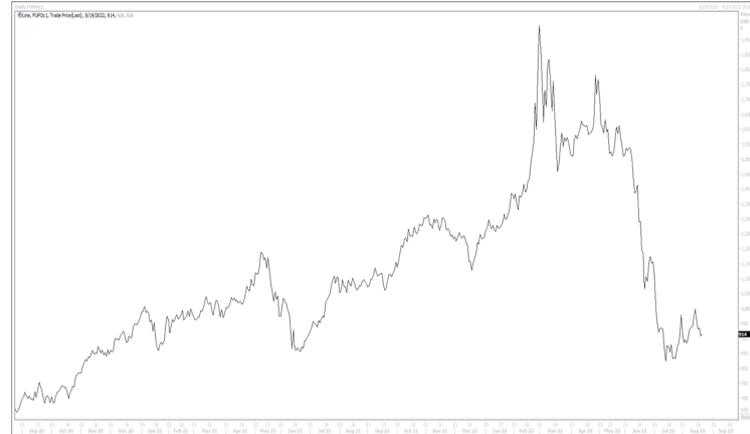


Palm Oil

Last Price

USc **929.00**/BSH

Malaysian benchmark palm oil futures dropped for a second straight session on Friday as traders booked gains ahead of the weekend following a recent rally, with the contract managing to post a weekly gain. The benchmark palm oil contract [FCPOc3](#) for November delivery on the Bursa Malaysia Derivatives Exchange fell 1.81% to 4,181 ringgit (\$936.39) at close. The contract gained 2.15% for the week. The ringgit [MYR=](#), palm's currency of trade, strengthened for a third day to its best level in a week, making palm oil less attractive for foreign currency buyers. In related oils, soyoil prices on the Chicago Board of Trade [BOc2](#) fell 0.12%, while Dalian's soyoil contract [DBYv1](#) lost 0.58% and its palm oil contract [DCPv1](#) was down 0.30%. Palm oil is affected by price movements in related oils in the global vegetable oils market.



Technical:

Palm edges lower but posts 2% weekly gain, next level to watch 990.00.

Support:

856.00 = Jun 2021 Low

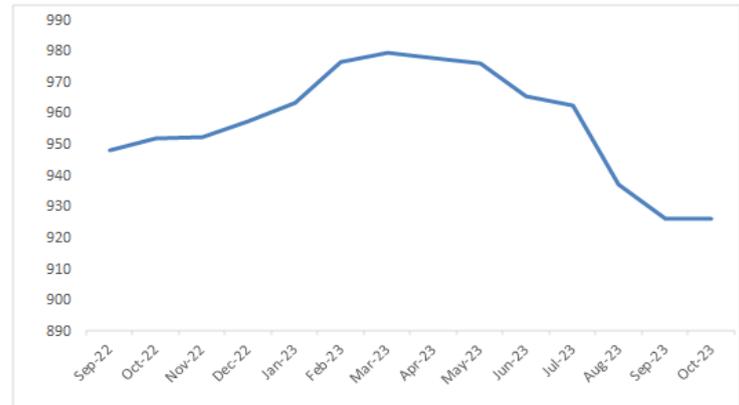
822.00 = Jul 2022 Low

Resistance:

997.00 = Aug 2022 High

1,064.00 = Jun 2022 Low

Futures Curve



Cotton

Last Price

USc **122.12**/LBS

ICE cotton futures rose on Friday amid gains in the broader agricultural market, with persistent supply concerns setting the natural fiber on track for its third straight weekly rise. The most-active December contract on ICE Futures [CTZ2](#) was up 2.97 cents, or 2.6%, at 117.08 cents per lb. It traded within a range of 114.2 and 117.3 cents a lb. Cotton futures are set to rise about 1% this week, having posted gains in the previous two. Total futures market volume fell by 7,383 to 11,295 lots. Data showed total open interest gained 1,358 to 209,262 contracts in the previous session.



Technical:

Cotton posted for 3rd weekly rise on supply concerns. Next level to watch 130.00.

Support:

104.27 = Dec 2021 Low

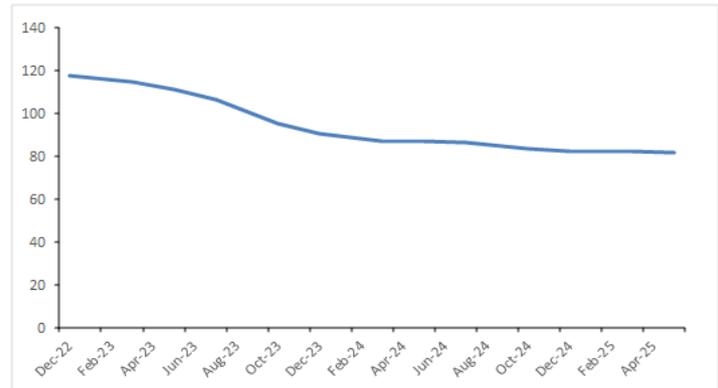
100.00 = Jun 2022 Low

Resistance:

129.37 = Feb 2022 High

141.80 = May 2022 High

Futures Curve



Brent Crude

Last Price

USD **100.99**/BBL

Oil prices ended higher on Friday, boosted by signals from Saudi Arabia that OPEC could cut output, but trading was volatile as investors digested and ultimately shrugged off warnings from the head of the U.S. Federal Reserve about economic pain ahead. Brent crude [LCOc1](#) futures rose \$1.65 to settle at \$100.99 a barrel. U.S. West Texas Intermediate (WTI) crude [CLc1](#) futures rose 54 cents to settle at \$93.06 a barrel. Both contracts rose and fell by \$1 throughout the session. Overall, Brent gained 4.4% for the week, while WTI was set to rise 2.5%. In U.S. supply, the oil drilling rig count, an indication of future production, rose by 4 to 605 in the week to Aug. 26, Baker Hughes Co [BKR.N](#) said on Friday. Money managers raised their net long U.S. crude futures and options positions in the week to Aug. 23 by 24,215 contracts to 179,039.

Technical:

Oil prices rise on signals OPEC might cut output, next level to watch 105.00.

Support:

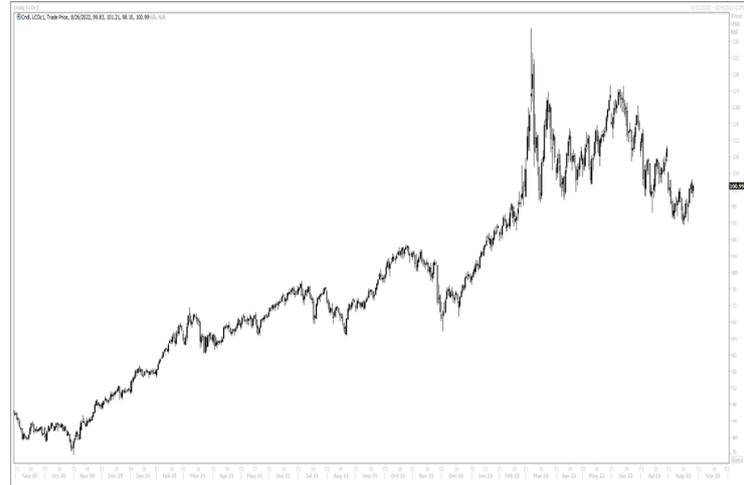
94.50 = Jul 2022 Low

91.70 = Jan 2022 High

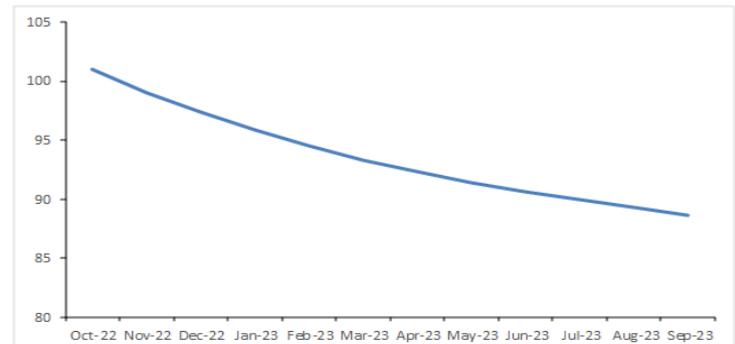
Resistance:

104.43 = Aug 2022 High

114.75 = Jul 2022 High



Futures Curve



Steel

Last Price USD **794.00**/ tons

Global hot-rolled coil (HRC) prices have continued to decrease in almost all key markets, though most suppliers fell short in their efforts to heighten buyers' interest. In China, export offers for boron-added SS400 HRC given by major Chinese mills have come down to \$600-610/mt FOB, with a midpoint at \$605/mt FOB, down by \$10/mt week on week. Meanwhile, the tradable level for ex-China SS400 HRC has also declined over the past week to \$570-605/mt FOB, depending on destination, versus \$580-610/mt FOB a week ago. According to market insiders, several deals for ex-China SS400 coils have been signed at \$585-595/mt CFR Vietnam, down by \$15/mt compared to offers at the beginning of last week. However, the rebounding trend of HRC futures has bolstered HRC export prices to some extent, and a few traders have reportedly increased their offers for Vietnamese customers to \$600/mt CFR.

Technical:

Mood in global Steel market still poor. Next level to watch 850.00.

Support:

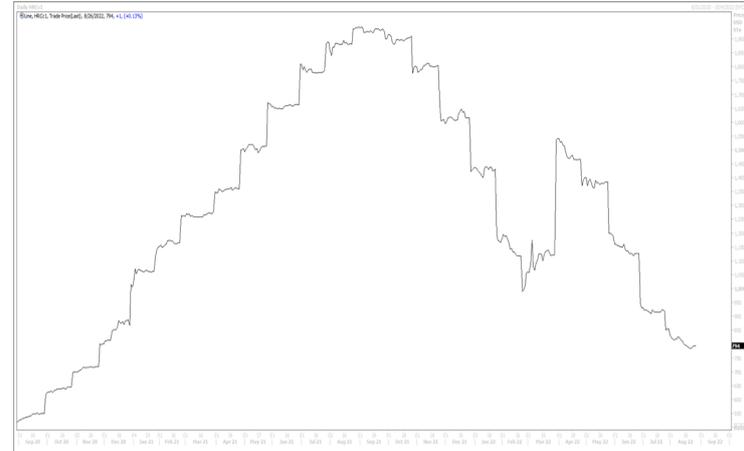
715.00 = Feb 2019 High

697.00 = Nov 2020 Low

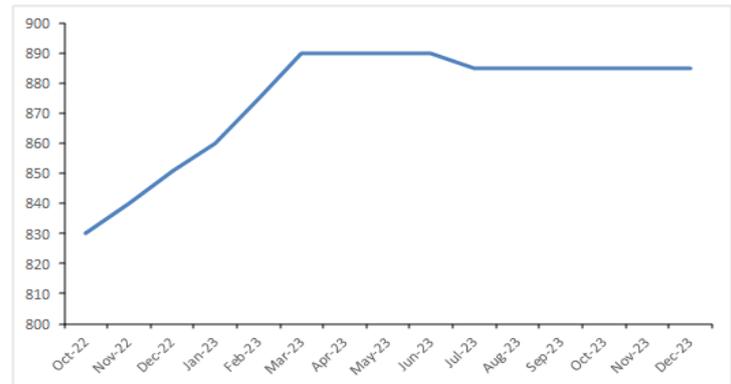
Resistance:

868.00 = Sep 2018 High

930.00 = Jul 2022 High



Futures Curve of SHFE Steel Futures



LME Zinc

Last Price USD **3,565.50**/Tons

Shanghai nonferrous metals closed mixed as the investors stay keen to the imminent Jackson Hole speech to be delivered by Powell, who is expected to provide more clues on the pace and direction US rate hike. Shanghai copper added 1.71%, aluminium lost 0.42%, lead fell 0.69%, zinc jumped 1.23%, tin declined 0.6%, and nickel rose 1.68%. The most-traded SHFE 2210 zinc closed up 1.23% or 310 yuan/mt at 25,500 yuan/mt, with open interest up 13,079 lots to 131,165 lots. SMM zinc ingot social inventory stood at 125,400 mt as of Friday August 26, down 600 mt from Monday and extending the low. Zinc prices were supported on the fundamentals. LME zinc is expected to rush in an increase with expected support from falling supply. Market players shall watch if SHFE zinc will shadow the moves of LME zinc overnight.



Technical:

Nonferrous Metals Closed Mixed amid Imminent Jackson Hole Speech, next level to watch .

Support:

3,375.00 = Nov 2021 high

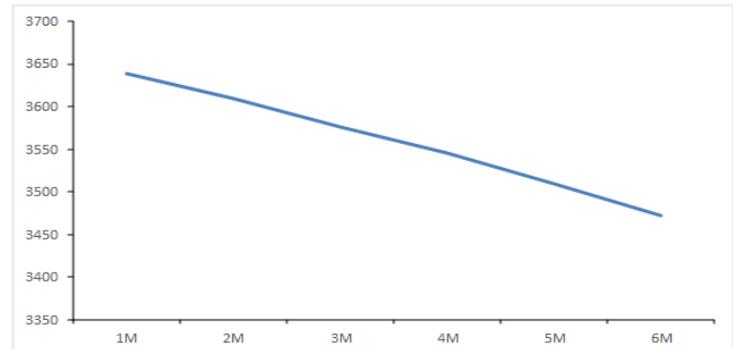
3,100.00 = Sep 2021 High

Resistance:

3,600.00 = Jan 2021 High

3,801.00 = May 2022 High

LME Zinc Forward Curve



Scrap Steel

Turkish mills once again started to voice they may halt or cut production in the coming months against the backdrop of stagnated steel demand. In Bangladesh, market insiders have finally reported about fresh bookings for scrap in bulk. Specifically, a deal for around 30,000 mt mixed ex-US cargo in bulk was done last week at \$455/mt CFR for HMS grade scrap and at \$460/mt CFR for shredded. Besides, another mixed cargo for 34,000 mt in total ex-Baltic was done at the end of last week at \$444/mt CFR on average. Meanwhile, trade has remained muted in the containerized segment this week. Offer prices for ex-UK shredded scrap in containers in Bangladesh have been voiced at around \$510- 520/mt CFR, same as last week.

Technical:

Another silent week in Turkey's scrap market, Asian market continues to move up. Next level to watch 450.00.

Support:

355.00 = Aug 2018 High

315.00 = Jul 2019 High

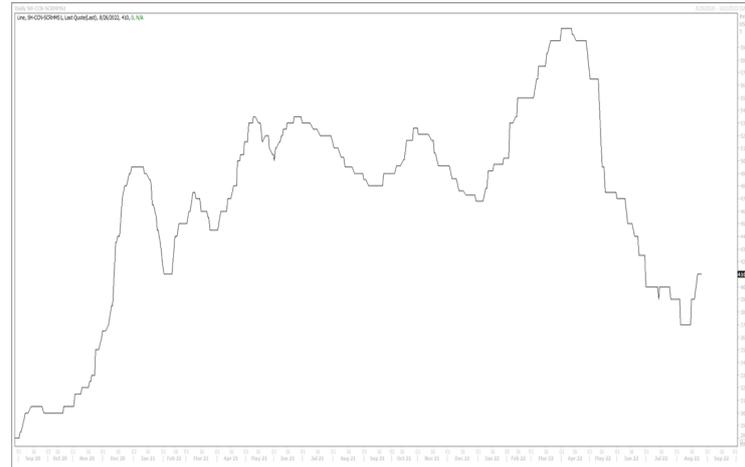
Resistance:

495.00 = Jan 2021 High

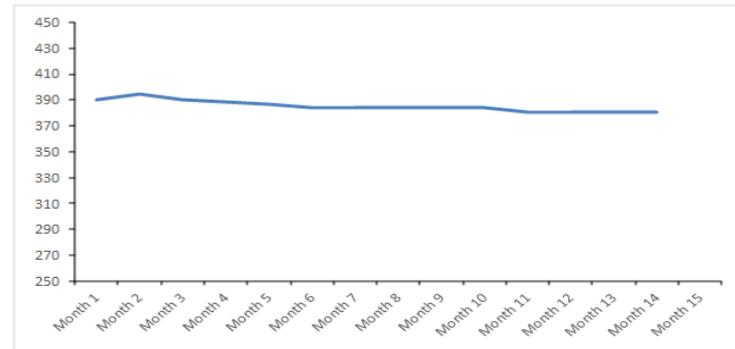
526.00 = Nov 2021 High

Last Price

USD **410.00**/Tons



LME Scrap Steel Forward Curve



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