

CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures reverse course and settling 3.83% lower on Tuesday, recorded the biggest intraday drop in nearly a year as trading resumed after a public holiday, pressured by profit taking activities following underperformance of competing oils on the Dalian Exchange and crude oil prices which have made the tropical oil less attractive for use in biofuels along with strengthening Ringgit making the commodity slightly more expensive for buyers holding the foreign currency. Globally, crude oil prices edged lower on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) fell 97 cents to settle at \$73.25 a barrel, lowest level nearly four month driven by skepticism about an OPEC+ decision to boost supply later this year into a global market where demand has already shown signs of weakness. Furthermore, the CBOT soy oil continued its downward slide for third day to end lower, with July soy oil ended down 52 cent and settled at 43.62 cents per pound, as strong U.S. planting progress and spillover weakness from corn weighed on prices along with crude it weakness. Therefore, palm oil futures are expected to open on a back foot resonating extended losses in overnight competing oils and strong Malaysian Ringgit while rebound in rival soy oils during Asian trading hours and expectations of slower palm oil productions might provide supportive tone to the market.

Technical

Palm oil futures for the August contract opened gap down and trended lower deep in negative territory as profit booking activities intensified following the fall in rival Dalian soy oil prices along with stronger Ringgit. At the close, the August contract settled at 3,920 ringgit per tonne with losses of 156 points. Trading activities for the day can be depicted through the formation of a short black-bodied candlestick pattern with short upper and long bottom shadows, indicating that the bears took control of the trading session aggressively. Technical wise, MACD indicator issued a buy signal while RSI lingered at a neutral region. Nevertheless, palm oil futures are expected to trade range bound with slight upward bias today on bargain buying activities after recent sell down and tracking positive indicative from rivals' oil during Asian trading hours while strengthening Ringgit and weaker crude oil prices might cap gains. Hence, the support and resistance for the August futures contract can be eyed at 3,890 and 3,980 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 06HAR2024-04JUN2024 Copyright © 2024 Bloomberg Finance L.P. 04-Jun-2024 19:08:39

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD
JUN 24	3,881	-188	3,948	3,875	449	3741	-356	-7.35 Mn
JUL 24	3,918	-158	3,956	3,901	7,350	31901	-1,627	-33.9 Mn
AUG 24	3,921	-155	3,951	3,898	42,636	57887	364	7.59 Mn
SEP 24	3,917	-152	3,948	3,895	15,212	38220	2,567	53.47 Mn
OCT 24	3,915	-145	3,947	3,892	6,217	17429	275	5.73 Mn
NOV 24	3,921	-136	3,942	3,895	4,457	17194	193	4.02 Mn
DEC 24	3,932	-129	3,958	3,905	3,078	14012	-812	-16.98 Mn
JAN 25	3,953	-125	3,977	3,924	3,741	12217	516	10.85 Mn
FEB 25	3,974	-121	4,000	3,948	1,748	5893	262	5.54 Mn
MAR 25	3,983	-122	4,008	3,959	2,190	12442	-1	-0.02 Mn
APR 25	3,981	-120	4,000	3,959	632	3556	29	.61 Mn
MAY 25	3,975	-126	4,000	3,955	492	3754	92	1.94 Mn
JUL 25	3,945	-126	3,947	3,928	111	1797	23	.48 Mn
SEP 25	3,923	-126	3,910	3,905	79	370	19	.4 Mn
NOV 25	3,911	-126	3,928	3,928	1	143	1	.02 Mn
JAN 26	3,911	-126	0	0	0	0	0	. Mn
MAR 26	3,911	-126	0	0	0	0	0	. Mn
MAY 26	3,911	-126	0	0	0	0	0	. Mn
JUL 26	3,911	-126	0	0	0	0	0	. Mn
SEP 26	3,911	-126	0	0	0	0	0	. Mn
NOV 26	3,911	-126	0	0	0	0	0	. Mn
JAN 27	3,911	-126	0	0	0	0	0	. Mn
MAR 27	3,911	-126	0	0	0	0	0	. Mn
MAY 27	3,911	-126	0	0	0	0	0	. Mn
Total					88,393	220,556	1,545	

Export Est Period	May-24		Apr-24		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	362,790	369,920	425,603	431,190	-14.76%	-14.21%	8.69%	-
1 - 15th days	574,760	600,777	697,449	633,680	-17.59%	-5.19%	9.89%	-
1 - 20th days	814,031	830,608	900,290	905,515	-9.58%	-8.27%	13.57%	-
1 - 25th days	1,073,429	1,125,451	1,040,915	1,098,990	3.12%	2.41%	14.98%	-
Full month	1,404,719	1,481,916	1,144,100	1,213,525	22.78%	22.12%	29.46%	-

Malaysian Palm Oil Board Statistic	2023		2024		2024		2024		May Chg (Mean)	KF's Expected May
	April	February	March	April	April	April				
Production	1,196,450	1,259,572	1,392,471	1,501,941	5.92%	1,590,867				
Stocks	1,497,535	1,919,210	1,714,973	1,744,459	5.59%	1,841,963				
Export	1,074,447	1,015,537	1,317,628	1,234,208	-6.32%	1,156,168				
Import	33,678	32,556	21,894	34,762	-2.93%	33,743				

Commodity Futures (3rd month)	Overnight close	+/-	Relative to FCPO				
			1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3921	0	0.00%	-1.63%	3.70%	-0.02	0.04
Dalian Olein	7612	-168	-2.16%	8.28%	7.00%	1.10	1.03
Soybean Oil	43.62	-0.52	-1.18%	-2.00%	-13.14%	1.00	0.84
WTI Crude	73.25	-0.97	-1.31%	-3.90%	0.71%	1.10	0.91
CRB Index (realtime)	286.27	-2.8200	-0.98%	3.79%	7.49%	0.98	0.97

Currency	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.7013	-0.01%	-0.71%	0.82%
USDIR	16220.0	-0.06%	3.10%	4.96%

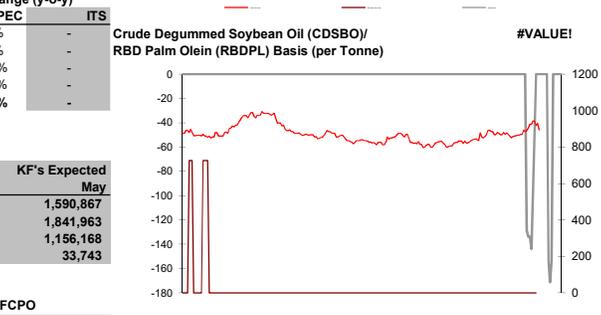
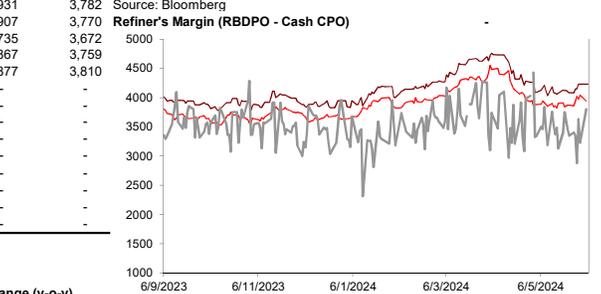
Overnight Lead
Chicago Board of Trade soy futures inched down on Tuesday as strong U.S. planting progress and spillover weakness from corn weighed on prices even as downgrades to soybean harvest forecasts in major exporter Brazil underpinned values. - Reuters

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Previous Week		Last Bid		Last Offer		3m Chg		6m Chg	
High	4,078	Low	3,850	High	3,960	Low	3,960	3m Chg	-2.4%
Low	3,798	High	3,978	Low	3,804	High	3,986	6m Chg	0.0%

Spreads		Last		Bid		Offer		Vol		30 Day		
Jun24-Jul24	-37	-	0	220	57	-35	14					
Jun24-Aug24	-40	-	0	24	101	-49	23					
Jul24-Aug24	-3	2	3	414	45	-8	9					
Jul24-Sep24	1	5	7	347	74	-17	13					
Aug24-Sep24	4	3	5	749	29	-11	4					
Aug24-Oct24	6	5	8	163	34	-21	0					



3rd mth FCPO Volatility	30 Days	60 Days	90 Days
	24.31%	23.28%	22.00%

