

CPO Futures 3rd month daily chart



## Preview

### Fundamental

Malaysian palm oil futures fell by 1.52% on Friday, marking their third consecutive weekly decline driven by weakness in competing vegetable oils and traders' assessment of the latest export data from Malaysia and also awaiting production estimates to determine month-end stockpile levels and profit-taking activities after two days of gains contributed to the downward pressure. Globally, crude oil prices eased on Friday, with the U.S. benchmark West Texas Intermediate (WTI), ended 56 cents, or 0.7%, lower at \$80.73 on concerns that global oil demand growth might be impacted by a strong U.S. dollar and negative economic news from various regions despite signs of increasing U.S. oil demand and falling fuel inventories, which had driven crude prices to a seven-week high the previous day. Additionally, the CBOT soy oil slid on Friday, with July soy oil finished 0.03 cent lower at \$43.94 cents per pound, following the spill over weakness in crude oil although rainfall alleviating heatwave concerns in parts of the Corn Belt helped cushion the losses. Therefore, palm oil futures are expected to trade range bound with slight upward bias today on a potential of bargain hunting activities while mixed overnight rival oil prices and subdued June export data from cargo surveyors could cap the gains.

### Technical

Palm oil futures for the September contract opened lower and traded gradually lower and closed below negative territory tracking the weakness in competing oils during Asian trading hour and concerns over sluggish June export demand data amid persistent profit taking activities. At the close, the September contract settled at 3,899 ringgit per tonne with losses of 60 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bears took control over the trading session aggressively. Technical wise, MACD indicator remained issue a sell signal while RSI is lingering in a neutral region. Nevertheless, palm oil futures are expected to trade range bound with slight upward bias today on a potential of bargain hunting activities after previous session's rout amid the favorable pricing advantage against other rival edible oils while concerns over sluggish June export data could limit the upside. Therefore, the support and resistance for the September futures contract can be eyed at 3,850 and 3,985 respectively.

K03 Comdty (Generic 'K03' Future) DAILY REPORT CHART Daily 25MAR2024-21JUN2024 Copyright© 2024 Bloomberg Finance L.P. 24-Jun-2024 09:46:20

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD	Previous Week				Last Bid	Last Offer	3m Chg	6m Chg
									High	Low	Cash CPO (MYR/MT)	Jul24				
JUL 24	3,930	-50	3,980	3,916	2,842	9022	-2,347	-48.93 Mn	3,985	3,916	3,985	3,980	3,980	-10.7%	0.0%	
AUG 24	3,911	-58	3,970	3,902	9,276	37,852	-640	-13.28 Mn	3,970	3,798	Source: Reuters					
SEP 24	3,900	-59	3,962	3,892	30,043	62,503	643	13.3 Mn	3,978	3,804						
OCT 24	3,892	-57	3,950	3,885	7,052	26,038	-304	-6.28 Mn	3,986	3,815						
NOV 24	3,898	-52	3,951	3,891	2,864	17,409	-342	-7.07 Mn	3,929	3,702						
DEC 24	3,914	-51	3,965	3,907	2,725	15,895	134	2.78 Mn	3,970	3,867						
JAN 25	3,937	-52	3,986	3,931	1,576	14,559	25	.52 Mn	3,994	3,919						
FEB 25	3,959	-52	4,002	3,954	1,139	7,015	50	1.05 Mn	4,010	3,860						
MAR 25	3,970	-52	4,006	3,966	842	13,998	-10	-.21 Mn	3,993	3,846						
APR 25	3,966	-52	3,993	3,966	186	4,087	5	.11 Mn	3,947	3,817						
MAY 25	3,958	-52	3,991	3,960	167	4,152	-28	-.59 Mn	3,931	3,782						
JUN 25	3,943	-52				1	0	. Mn	3,907	3,770						
JUL 25	3,928	-52				1,997	-5	-.1 Mn	3,735	3,672						
SEP 25	3,905	-52				600	0	. Mn	3,867	3,759						
NOV 25	3,904	-52				219	0	. Mn	3,877	3,810						
JAN 26	3,904	-52				0	0	. Mn	-	-						
MAR 26	3,904	-52				0	0	. Mn	-	-						
MAY 26	3,904	-52				0	0	. Mn	-	-						
JUL 26	3,904	-52				0	0	. Mn	-	-						
SEP 26	3,904	-52				0	0	. Mn	-	-						
NOV 26	3,904	-52				0	0	. Mn	-	-						
JAN 27	3,904	-52				0	0	. Mn	-	-						
MAR 27	3,904	-52				0	0	. Mn	-	-						
MAY 27	3,904	-52				0	0	. Mn	-	-						
<b>Total</b>					<b>58,712</b>	<b>215,347</b>	<b>-2,819</b>									

Source: Bloomberg

Export Est Period	Jun-24		May-24		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	284,540	294,516	362,790	369,920	-21.57%	-20.38%	3.39%	-
1 - 15th days	450,513	481,689	574,760	600,777	-21.62%	-19.82%	3.07%	-
1 - 20th days	708,873	763,129	814,031	830,608	-12.92%	-8.12%	13.55%	-
1 - 25th days	-	-	1,073,429	1,125,451	-	-	-	-
<b>Full month</b>	-	-	<b>1,404,719</b>	<b>1,481,916</b>	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2023	2024	2024	2024	Jun Chg	KF's Expected
	May	March	April	May	(Mean)	June
Production	1,517,546	1,392,471	1,501,941	1,704,455	8.67%	1,852,248
Stocks	1,686,782	1,714,973	1,744,459	1,753,544	1.35%	1,777,190
Export	1,079,020	1,317,628	1,234,208	1,378,443	8.80%	1,499,745
Import	80,926	21,894	34,762	20,761	2.55%	21,290

Source: Reuters

Commodity Futures (3rd month)	Relative to FCPO						
	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3900	-59	-1.49%	-8.21%	4.25%	-0.08	0.04
Dalian Olein	7690	-14	-0.18%	0.13%	11.10%	1.09	1.07
Soybean Oil	43.94	-0.03	-0.07%	-7.77%	-9.46%	1.00	0.87
WTI Crude	80.73	-0.56	-0.69%	2.25%	10.11%	1.04	0.90
CRB Index (realtime)	293.22	-2.1600	-0.73%	2.61%	9.99%	1.11	1.06

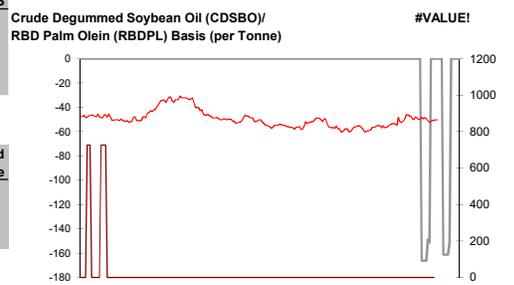
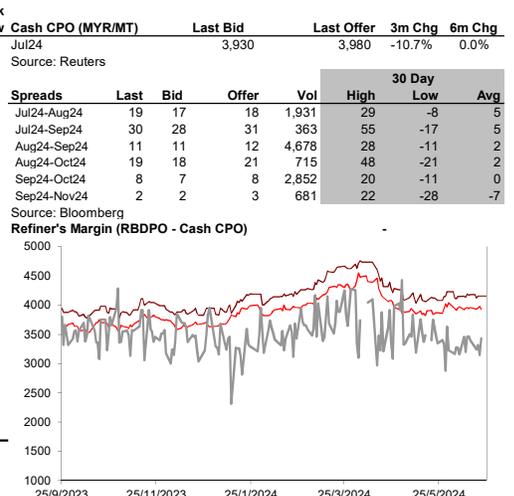
Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
	USD/MYR	4.7125	0.00%	-0.23%
USD/IDR	16450.0	0.12%	4.86%	5.83%

Source: Bloomberg

## Overnight Lead

Chicago Board of Trade soybean futures rose on Friday with a rainy forecast causing concern in some areas but easing heat fears in others. - Reuters



3rd mth FCPO Volatility 30 Days 60 Days 90 Days 23.35% 22.96% 21.52%