

CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures maintained their upward trust for a third consecutive session, marking a 0.13% increase on Thursday, supported by stronger rival edible oils alongside super strong tropical oil exports demand from Malaysia while gains were tempered by anticipations of recovery in tropical oil production growth in Malaysia and strengthening Ringgit. Globally, crude oil prices slipped on Thursday, with the U.S. benchmark West Texas Intermediate (WTI) fell \$0.03, and settled at \$82.82 per barrel, weighed by mixed signals about crude demand, with concerns about an economic slowdown in the U.S. contending with rising expectations the Federal Reserve would soon cut interest rates. Meanwhile, the CBOT soy oil prices rebounded and closed higher, with August soy oil ended up 0.24 cents to settle at 46.45 cents per pound, after the U.S. Department of Agriculture reported a significant sale of U.S. soybeans to unknown buyers overshadowed favorable crop weather that fueling expectations of a large U.S. soybean harvest. Nevertheless, palm oil futures are expected to trade cautiously lower today on a potential of profit taking activities ahead of the weekend along with expectations of improving tropical oil output growth and resonating with the mixed overnight competing oils performance while sturdy tropical oil exports demand in July and weaker Ringgit might cushion the selling pressure.

Technical

Palm oil futures for the October contract ended the choppy session on firmer footing mirroring the gains in rival edible oil prices and bargain hunting activities amid support stemmed from robust tropical oil exports demand in the first half of July. At the close, the October contract settled at 3,937 ringgit per tonne with gains of 5 points, forming a short black-bodied candlestick pattern with short upper and long bottom shadows, indicating that the bulls seized control over the trading session despite bears tried to take over. Technical wise, MACD indicator remained issue a sell signal while RSI oscillated at neutral region. Hence, palm oil futures are expected to trade range bound with downward bias today on likely hood of profit taking activities ahead of the weekend and anticipations of recovery in tropical oil productions growth in Malaysia and following overnight mixed performance in rival oils while healthy tropical oil exports demand and soft Malaysian currency might cap losses. Thus, the support and resistance for July futures contract can be eyed at 3,890 and 3,970 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 18APR2024-18JUL2024 Copyright © 2024 Bloomberg Finance L.P. 18-Jul-2024 19:05:40

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	Previous Week		Last Bid	Last Offer	3m Chg	6m Chg					
									High	Low									
AUG 24	3,985	8	4,007	3,952	1,056	12522	-280	-5.96 Mn	4,027	3,879	Aug24	3,990	4,030	-4.6%	0.0%				
SEP 24	3,959	6	3,985	3,919	13,027	45858	-2,702	-57.19 Mn	-	-	Source: Reuters	-	-	-	-				
OCT 24	3,937	5	3,961	3,900	26,501	48884	2,677	56.34 Mn	-	-	-	-	-	-	-				
NOV 24	3,924	3	3,946	3,890	6,687	24985	1,491	31.28 Mn	-	-	Spreads	Last	Bid	Offer	Vol				
DEC 24	3,925	4	3,945	3,893	3,586	19750	289	6.06 Mn	-	-	Aug24-Sep24	26	30	32	144				
JAN 25	3,934	2	3,952	3,907	1,635	17451	86	1.01 Mn	-	-	Aug24-Oct24	48	29	38	1				
FEB 25	3,943	4	3,962	3,920	970	9573	50	1.05 Mn	4,016	3,888	Sep24-Oct24	22	20	20	899				
MAR 25	3,943	3	3,964	3,922	2,414	18486	711	14.99 Mn	4,010	3,860	Sep24-Nov24	35	32	34	20				
APR 25	3,928	3	3,945	3,916	830	8557	239	5.02 Mn	3,993	3,846	Oct24-Nov24	13	12	13	290				
MAY 25	3,913	3	3,927	3,901	986	8917	235	4.92 Mn	3,947	3,817	Oct24-Dec24	12	12	13	56				
JUN 25	3,900	3	3,897	3,885	284	1362	113	2.36 Mn	3,931	3,782	Source: Bloomberg	-	-	-	-				
JUL 25	3,888	-	3,884	3,863	352	3415	19	.39 Mn	3,907	3,770	Refiner's Margin (RBDPO - Cash CPO)	-	-	-	-				
SEP 25	3,861	-2	3,865	3,855	163	1681	72	1.49 Mn	3,917	3,838	5000	4500	4000	3500	3000	2500	2000	1500	1000
NOV 25	3,858	-7	3,853	3,852	26	442	0	. Mn	3,867	3,759	20/10/2023	20/12/2023	20/2/2024	20/4/2024	20/6/2024				
JAN 26	3,858	-7	0	0	0	0	0	. Mn	3,877	3,810	4000	3500	3000	2500	2000	1500	1000		
MAR 26	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
MAY 26	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
JUL 26	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
SEP 26	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
NOV 26	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
JAN 27	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
MAR 27	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
MAY 27	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
JUL 27	3,858	-7	0	0	0	0	0	. Mn	-	-	4000	3500	3000	2500	2000	1500	1000		
Total						58,517	221,883	3,000											

Source: Bloomberg

Export Est Period	Jul-24		Jun-24		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	528,843	536,193	284,540	294,516	85.86%	82.06%	61.94%	43.67%
1 - 15th days	791,020	799,268	450,513	481,689	75.58%	65.93%	55.03%	44.26%
1 - 20th days	-	-	708,873	763,129	-	-	-	-
1 - 25th days	-	-	891,570	994,009	-	-	-	-
Full month	-	-	1,188,180	1,306,689	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2023	2024	2024	2024	Jul Chg (Mean)	KF's Expected
	June	April	May	June		
Production	1,447,795	1,501,941	1,704,455	1,615,283	2.47%	1,655,127
Stocks	1,720,567	1,744,459	1,753,544	1,829,469	2.28%	1,871,118
Export	1,171,741	1,234,208	1,378,443	1,205,214	4.18%	1,255,611
Import	135,271	34,762	20,761	11,738	19.80%	14,063

Source: Reuters

Commodity Futures (3rd month)

Commodity	Overnight close	+/-	1d Chg (%)	Relative to FCPO			
				3m Chg	6m Chg	3m Chg	6m Chg
CPO	3937	0	0.00%	0.28%	-0.05%	0.00	0.00
Dalian Olein	7876	2	0.03%	5.92%	12.39%	1.06	1.12
Soybean Oil	46.45	0.24	0.52%	4.66%	-0.96%	1.04	0.99
WTI Crude	82.82	-0.03	-0.04%	2.40%	14.69%	1.06	1.03
CRB Index (realtime)	285.59	-0.4700	-0.16%	-4.21%	7.62%	1.02	1.15

Source: Bloomberg

Currency

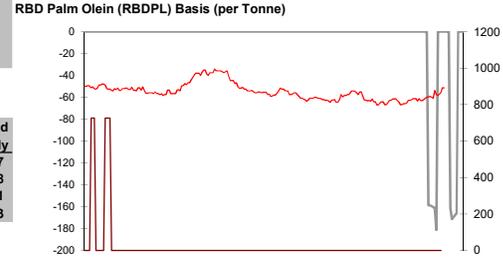
	Last	1d Chg	3m Chg	6m Chg
USD/MYR	4.6765	0.15%	-2.38%	-1.04%
USD/IDR	16212.5	0.36%	-0.65%	3.46%

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures closed higher on Thursday, with the most-active contract rebounding from a nearly four-year low after the U.S. Department of Agriculture reported a significant sale of U.S. soybeans to unknown buyers. - Reuters

Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPL) Basis (per Tonne)



3rd mth FCPO Volatility

30 Days 60 Days 90 Days
16.48% 20.63% 21.21%

