

CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures ended 0.22% lower on Wednesday, continue to struggle at three-month low and extending their decline for a third consecutive session as initial gains driven by concerns over reduced supply from Indonesia and Malaysia were erased by weaker performance in both Dalian and Chicago rival edible oils which diminished the upward momentum. Globally, crude oil prices advanced on Wednesday, with the U.S. benchmark West Texas Intermediate (WTI) gained \$2.03, or 2.77%, to \$75.23 per barrel, as the recovery from multi-month lows came after data revealed a larger-than-anticipated draw in U.S. crude inventories, although concerns about weak oil demand from China continued to linger. Additionally, the CBOT soy oil rebounded on Wednesday, with active December soy oil ended up 0.92 cent at 40.88 cents per pound, tracking the strong performance in crude oil markets while gains were tempered by a strengthening U.S. dollar, ongoing uncertainties about the global economy, and reduced Chinese imports. Thus, palm oil futures are expected to trade with upward bias today tracking the stronger performance of overnight rival oils and a potential of bargain hunting activities after recent rout while gains could be capped by the firmer Malaysian Ringgit.

Technical

Palm oil futures for the October contract opened higher during morning trading session but reversed its course to trade gradually lower and closed below negative territory as early gains on soothed worries over lower tropical oil supply were shrugged off by the weaker rival edible oil prices during Asian hours. At the close, the October contract settled at 3,697 ringgit per tonne with losses of 8 points. Trading activities for the day can be depicted through the formation of a short, black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bears took control of the trading session despite bulls tried to take over. Technical wise, MACD indicator issued a sell signal while RSI is lingering in an oversold region. Therefore, palm oil futures are expected to trade range bound with slight upward bias today on a potential of bargain buying activities as prices stayed at seven months low level along with the optimism over stronger overnight rival oils while the worries over stronger Malaysian Ringgit could limit the upside. Hence, the support and resistance for the October futures contract can be eyed at 3,675 and 3,780 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 08MAY2024-07AUG2024 Copyright © 2024 Bloomberg Finance L.P. 07-Aug-2024 19:35:20

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	O/I chg	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
AUG 24	3,800	-29	3,870	3,743	93	2431	-146	4,065	-3.99 Mn	4,065	3,968	Aug24	3,780	3,900	-3.4%	0.0%
SEP 24	3,763	-15	3,826	3,753	4,727	23592	-1,000	-20.97 Mn	3,993	3,887	3,843	Source: Reuters				
OCT 24	3,697	-8	3,749	3,679	37,936	56883	-184	-3.79 Mn	3,952	3,843						
NOV 24	3,673	2	3,712	3,652	16,105	32488	1,333	27.28 Mn	3,934	3,820						
DEC 24	3,669	7	3,700	3,646	10,366	22207	-110	-2.25 Mn	3,929	3,809						
JAN 25	3,679	11	3,703	3,653	6,368	20520	687	14.08 Mn	3,930	3,805						
FEB 25	3,690	17	3,708	3,660	2,341	10291	553	11.37 Mn	3,939	3,805						
MAR 25	3,692	17	3,708	3,661	4,120	20738	24	.49 Mn	3,939	3,800						
APR 25	3,676	22	3,693	3,646	1,779	10155	174	3.56 Mn	3,923	3,786						
MAY 25	3,662	22	3,675	3,627	2,631	11806	339	6.92 Mn	3,909	3,766						
JUN 25	3,638	22	3,653	3,614	936	2535	330	6.69 Mn	3,869	3,675						
JUL 25	3,625	22	3,642	3,600	1,321	5318	41	.83 Mn	3,871	3,705						
SEP 25	3,617	22	3,625	3,587	986	4773	381	7.88 Mn	3,850	3,724						
NOV 25	3,606	21	3,614	3,581	331	1135	129	2.59 Mn	3,841	3,716						
JAN 26	3,606	21			0	0	0	. Mn	-	-						
MAR 26	3,606	21			0	0	0	. Mn	-	-						
MAY 26	3,606	21			0	0	0	. Mn	-	-						
JUL 26	3,606	21			0	0	0	. Mn	-	-						
SEP 26	3,606	21			0	0	0	. Mn	-	-						
NOV 26	3,606	21			0	0	0	. Mn	-	-						
JAN 27	3,606	21			0	0	0	. Mn	-	-						
MAR 27	3,606	21			0	0	0	. Mn	-	-						
MAY 27	3,606	21			0	0	0	. Mn	-	-						
JUL 27	3,606	21			0	0	0	. Mn	-	-						
Total					90,040	224,872	2,551									

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	1,002,572	1,062,238	708,873	763,129	41.43%	39.20%	45.91%	40.84%
1 - 25th days	1,173,224	1,240,593	891,570	994,009	31.59%	24.81%	18.82%	17.39%
Full month	1,555,529	1,604,578	1,188,180	1,306,689	30.92%	22.80%	32.17%	29.56%

Source: Reuters

Malaysian Palm Oil Board Statistic	2023	2024	2024	2024	Jul Chg	KF's Expected
	June	April	May	June	(Mean)	July
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)	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3697	0	0.00%	-4.45%	-4.57%	-0.04	-0.05
Dalian Olein	7584	-114	-1.48%	0.64%	12.49%	1.05	1.18
Soybean Oil	42.25	1.21	2.95%	-3.65%	-9.64%	1.01	0.95
WTI Crude	75.23	2.03	2.77%	-2.97%	0.93%	0.97	1.05
CRB Index (realtime)	273.70	3.5500	1.31%	-5.30%	0.05%	1.02	1.06

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USD/MYR	4.4862	-0.26%	-5.14%	-5.75%
USD/IDR	16005.0	-0.19%	-0.07%	2.56%

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures fell on Wednesday, with several contracts setting new lifetime lows, as a recovering U.S. dollar, lingering concerns over the health of the global economy and easing Chinese imports pressured the market. - Reuters

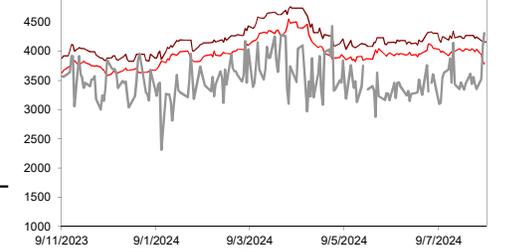
Previous Week	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
Aug24	4,065	3,968	Aug24	3,780	3,900	-3.4%	0.0%

Spreads	Last	Bid	Offer	Vol	High	Low	Avg
Aug24-Sep24	37	-	80	51	95	-15	38
Aug24-Oct24	103	-	159	10	158	19	67
Sep24-Oct24	66	61	63	394	81	5	30
Sep24-Nov24	90	81	89	101	124	-1	45
Oct24-Nov24	24	23	24	1,221	47	-6	15
Oct24-Dec24	28	25	25	706	67	-24	15

Source: Bloomberg

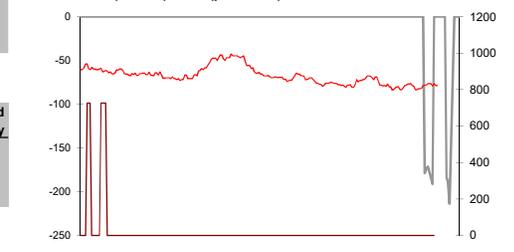
Refiner's Margin (RBDPO - Cash CPO)

MYR 379



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

#VALUE!



3rd mth FCPO Volatility

30 Days 60 Days 90 Days

19.50% 20.93% 21.46%

