

CPO Futures 3rd month daily chart



Preview

Fundamental
Malaysian palm oil futures extended its rally for a third straight session to close 0.83% higher on Thursday and reaching their highest level in ten days on bargain buying activities amid the prospects of reduced tropical oil stockpiles in Malaysia and a weaker Malaysian currency, which made the tropical oil more attractive for overseas buyers overshadowed sluggish tropical oil exports in the first fifteen days of August. Globally, crude oil prices reverse its course and ended Thursday's trading session higher, with the U.S. benchmark West Texas Intermediate (WTI) rose \$1.18 cents or 1.53% and settled at \$78.16 a barrel, on upbeat U.S. economic data and geopolitical tension while the upward trajectory was limited by concerns of slower global demand. Meanwhile, the CBOT soy oil maintained its downward trend, with December soy oil fell 0.37 cent to finish at 38.51 cents per pound, weighed by forecasts for a record U.S. soybean harvest and large 2024-25 ending stocks pressured prices offset better-than-expected weekly export sales numbers and U.S. soybean crush rebounded in July according to National Oilseed Processors Association (NOPA) data released on Thursday. Hence, palm oil futures are expected to trade cautiously lower today on a potential of profit taking activities ahead of the weekend and following overnight rival soy oil prices weakness while optimism over recovery in Malaysian palm oil exports demand from top buyers India and anticipations of lower tropical oil inventories might cushion the selling pressure.

Technical

Palm oil futures for the October contract opened gap up and traded gradually higher throughout the session to end above positive territory, driven by optimism over demand recovery from India and concerns over reduced supply from Malaysia. At the close, the October contract settled at 3,754 ringgit per tonne with gains of 31 points, forming a long white candlestick pattern with short upper and short bottom shadows, indicating that bulls controlled the trading session persistently. Technical wise, MACD indicator remained issue a sell signal while RSI is lingered at a neutral region. Thus, palm oil futures are expected to trade range bound with slight downward bias today tracking extended losses in overnight rival soy oils and discouraging first fifteen days exports demand data while worries over the decelerating stockpiles in Malaysia and expectations of improving export demand from major buyer India might cap losses. Therefore, the support and resistance for the newly listed benchmark month November futures contract are envisaged at 3,650 and 3,750 respectively.

KOx4 Comdty (CRUDE PALM OIL FU Nov24) DAILY REPORT CHART Daily 16FEB2024-15AUG2024 Copyright© 2024 Bloomberg Finance L.P. 16-Aug-2024 09:52:49

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD	Previous Week High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
SEP 24	3,863	45	3,870	3,809	3,419	18291	-835	-18.13 Mn	3,953	3,737	Sep24	3,860	3,900	-1.0%	0.0%
OCT 24	3,754	31	3,761	3,714	25,253	46969	-2,577	-54.36 Mn	3,898	3,670	Source: Reuters				
NOV 24	3,696	15	3,702	3,672	15,426	43059	1,612	33.48 Mn	3,856	3,648					
DEC 24	3,678	12	3,689	3,660	7,472	23070	1,244	25.71 Mn	3,833	3,645	Spreads	Last	Bid	Offer	Vol
JAN 25	3,676	10	3,685	3,659	3,874	21469	600	12.39 Mn	3,821	3,653	Sep24-Oct24	109	103	106	139
FEB 25	3,675	5	3,686	3,663	1,650	11088	378	7.81 Mn	3,810	3,660	Sep24-Nov24	167	155	175	38
MAR 25	3,670	1	3,680	3,661	1,669	21516	125	2.58 Mn	3,794	3,661	Oct24-Nov24	58	55	56	405
APR 25	3,654	-2	3,665	3,649	403	10229	19	.39 Mn	3,770	3,646	Oct24-Dec24	76	74	76	151
MAY 25	3,631	-8	3,645	3,624	748	12983	80	1.63 Mn	3,746	3,627	Nov24-Dec24	18	19	20	677
JUN 25	3,607	-8	3,614	3,602	146	2819	13	.26 Mn	3,721	3,613	Nov24-Jan25	20	23	25	176
JUL 25	3,584	-8	3,598	3,585	206	5857	-31	-.62 Mn	3,708	3,597	Source: Bloomberg				
AUG 25	3,584	-	-	-	-	0	0	. Mn	-	-	Refiner's Margin (RBDPO - Cash CPO)				
SEP 25	3,572	-8	3,586	3,577	173	5164	29	.58 Mn	3,694	3,587	MYR 249				
NOV 25	3,562	-8	3,575	3,567	52	1291	-3	-.06 Mn	3,680	3,572					
JAN 26	3,562	-8	-	-	-	0	0	. Mn	-	-					
MAR 26	3,562	-8	-	-	-	0	0	. Mn	-	-					
MAY 26	3,562	-8	-	-	-	0	0	. Mn	-	-					
JUL 26	3,562	-8	-	-	-	0	0	. Mn	-	-					
SEP 26	3,562	-8	-	-	-	0	0	. Mn	-	-					
NOV 26	3,562	-8	-	-	-	0	0	. Mn	-	-					
JAN 27	3,562	-8	-	-	-	0	0	. Mn	-	-					
MAR 27	3,562	-8	-	-	-	0	0	. Mn	-	-					
MAY 27	3,562	-8	-	-	-	0	0	. Mn	-	-					
JUL 27	-	-	-	-	-	0	0	-	-	-					
Total					60,491	223,805	654								

Source: Bloomberg

Export Est Period	Aug-24		Jul-24		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	435,413	470,706	528,843	536,193	-17.67%	-12.21%	13.45%	19.12%
1 - 15th days	599,663	637,466	791,020	799,268	-24.19%	-20.24%	-5.35%	-3.19%
1 - 20th days	-	-	1,002,572	1,062,238	-	-	-	-
1 - 25th days	-	-	1,173,224	1,240,593	-	-	-	-
Full month	-	-	1,555,529	1,604,578	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2023	2024	2024	2024	Aug Chg	KF's Expected
	July	May	June	July	(Mean)	August
Production	1,610,052	1,704,455	1,615,283	1,840,999	3.54%	1,906,225
Stocks	1,731,512	1,753,544	1,829,469	1,733,219	-3.09%	1,679,653
Export	1,353,925	1,378,443	1,205,214	1,689,365	13.99%	1,925,684
Import	103,837	20,761	11,738	10,483	8.54%	11,378

Source: Reuters

Commodity Futures (3rd month)

Overnight close	+	1d Chg (%)	Relative to FCPO			
			3m Chg	6m Chg	3m Chg	6m Chg
CPO	3696	0	0.00%	-2.84%	-0.03	-0.03
Dalian Olein	7468	70	0.95%	-0.19%	1.03	1.14
Soybean Oil	39.47	-0.58	-1.45%	-11.34%	0.91	0.89
WTI Crude	78.16	1.18	1.53%	0.55%	0.91	1.03
CRB Index (realtime)	277.34	1.8600	0.68%	-4.36%	1.03	1.06

Source: Bloomberg

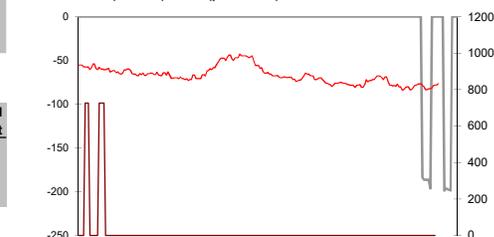
Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15750.5	0.48%	-2.20%	0.33%

Source: Bloomberg

Overnight Lead

Chicago Board of Trade nearby soybean futures were steady to lower on Thursday on falling soyoil prices and technical trading, as better-than-expected weekly export sales numbers kept a floor of support under the market. - Reuters

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



3rd mth FCPO Volatility

