

CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures pared early advance to log a fourth consecutive weekly loss and culminating in a 0.41% decline on Friday, tracking weaker rival edible oils prices and discouraging tropical oil exports demand along with strengthening Ringgit overshadowed supply pressures from top producer Indonesia on expectations of Indonesia's September palm oil export duties and levies to rise. Globally, crude oil prices slipped on Friday, with the U.S. benchmark West Texas Intermediate (WTI) settled at \$76.65 a barrel, down \$1.51, or 1.9%, pressured by weak demand after data from China showed economy losing momentum and Gaza ceasefire talked halted, set to resume this week. Meanwhile, the CBOT soy oil rebounded, with December soy oil contract ended 0.16 cents higher to settle at 38.67 cents per pound, despite the U.S. Department of Agriculture's projection indicating a record U.S. yields, renewed concern about China's economy and sluggish Chinese demand for new-crop U.S. soybeans countered by bargain buying activities due to weaker dollar and higher-than-expected weekly U.S. soybean export sales helped buoyed prices. Therefore, palm oil futures are expected to remain cautious today following the mixed performance in overnight rival soy oil and stronger Malaysia currency which made the tropical oil less attractive for overseas buyers while a potential of bargain hunting activities on expectations of recovery in exports demand from India and expectations of lower tropical oil supply might cap losses.

Technical

Palm oil futures for the November contract opened gap down and trended below negative territory throughout the trading session mirroring the losses in rival edible oil prices during Asian trading hours and subdued tropical oil exports demand while losses were cushioned by anticipations of reduced tropical oil stockpiles. At the close, the November contract settled at 3,681 ringgit per tonne with losses of 15 points, forming a short black-bodied candlestick pattern with long upper and short bottom shadows, indicating that the bears seized control over the trading session. Technical wise, MACD indicator remained issue a sell signal while RSI is lingering in a neutral region. Hence, palm oil futures are expected to trade soft today on a potential of extended selling interest following the mixed overnight rival oil prices and stronger Malaysian Ringgit while expectations of recovery export demand and the decline in tropical oil stockpiles could limit the decline. Thus, the support and resistance for November futures contract can be eyed at 3,630 and 3,720 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 18MAY2024-16AUG2024 Copyright© 2024 Bloomberg Finance L.P. 16-Aug-2024 19:51:59

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	3,872	-18	3,899	3,852	2,477	17,439	-852	-18.81 Mn	3,899	3,716	Sep24	3,880	3,930	-0.5%	0.0%			
OCT 24	3,752	-111	3,788	3,740	13,443	43,485	-3,484	-74.54 Mn	3,788	3,638	Source: Reuters							
NOV 24	3,681	-73	3,734	3,672	25,981	44,841	1,782	37.4 Mn	3,734	3,610								
DEC 24	3,659	-37	3,715	3,650	9,586	25,793	2,723	56.81 Mn	3,715	3,605								
JAN 25	3,653	-25	3,710	3,648	4,740	21,964	495	10.31 Mn	3,715	3,613	Sep24-Oct24	120	122	1,461	122	8	45	
FEB 25	3,655	-21	3,709	3,651	1,936	11,481	393	8.19 Mn	3,722	3,625	Sep24-Nov24	191	191	194	403	192	11	67
MAR 25	3,655	-20	3,705	3,651	2,482	21,869	353	7.36 Mn	3,726	3,630	Oct24-Nov24	71	71	73	3,681	74	1	22
APR 25	3,639	-31	3,688	3,636	613	10,281	52	1.08 Mn	3,711	3,618	Oct24-Dec24	93	95	97	871	99	-12	26
MAY 25	3,620	-34	3,668	3,618	627	12,991	8	.17 Mn	3,697	3,602	Nov24-Dec24	22	23	24	4,195	26	-12	4
JUN 25	3,596	-35	3,646	3,612	378	2,819	0	. Mn	3,671	3,592	Nov24-Jan25	28	27	29	1,242	35	-30	-3
JUL 25	3,573	-34	3,628	3,613	227	5,787	-70	-1.43 Mn	3,657	3,580	Source: Bloomberg							
AUG 25	3,567	-17	-	-	3	3	3	.06 Mn	-	-								
SEP 25	3,561	-23	3,616	3,585	138	5,227	63	1.28 Mn	3,644	3,570								
NOV 25	3,551	-21	3,599	3,576	13	1,297	6	.12 Mn	3,599	3,559								
JAN 26	3,551	-11	0	0	0	0	0	. Mn	-	-								
MAR 26	3,551	-11	0	0	0	0	0	. Mn	-	-								
MAY 26	3,551	-11	0	0	0	0	0	. Mn	-	-								
JUL 26	3,551	-11	0	0	0	0	0	. Mn	-	-								
SEP 26	3,551	-11	0	0	0	0	0	. Mn	-	-								
NOV 26	3,551	-11	0	0	0	0	0	. Mn	-	-								
JAN 27	3,551	-11	0	0	0	0	0	. Mn	-	-								
MAR 27	3,551	-11	0	0	0	0	0	. Mn	-	-								
MAY 27	3,551	-11	0	0	0	0	0	. Mn	-	-								
JUL 27	3,551	-11	0	0	0	0	0	. Mn	-	-								
Total			62,644		225,277		1,472											

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		Aug Chg (Mean)	KF's Expected August
	July	May	June	July	July	July		
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	+/-	Relative to FCPO				
			1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3681	-15	-0.41%	-3.23%	-3.36%	-0.03	-0.03
Dalian Olein	7528	60	0.80%	-0.26%	11.92%	1.03	1.16
Soybean Oil	39.95	0.48	1.22%	-11.75%	-12.37%	0.91	0.91
WTI Crude	76.65	-1.51	-1.93%	-2.46%	1.16%	0.88	1.01
CRB Index (realtime)	275.44	-1.9000	-0.69%	-6.23%	1.05%	1.01	1.05

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USDIR	15693.0	-0.04%	-1.41%	0.49%

Source: Bloomberg

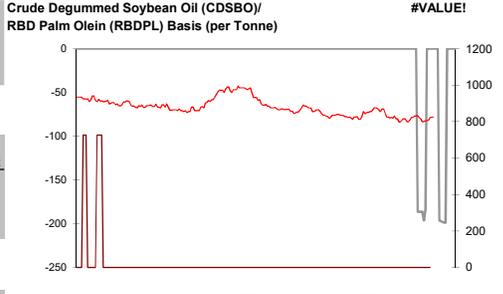
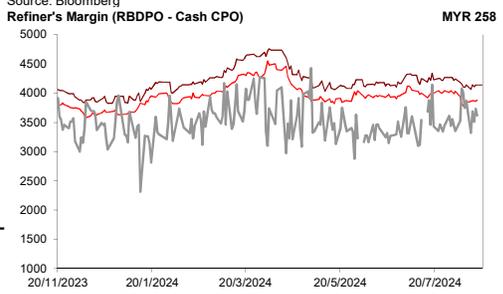
Overnight Lead

Chicago Board of Trade soybeans fell on Friday, and ended the week lower, amid forecasts of record U.S. yields, renewed concern about China's economy and sluggish Chinese demand for new-crop U.S. soybeans. - Reuters

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Previous Week		Last Bid		Last Offer		3m Chg		6m Chg	
High	3,899	3,716	Sep24	3,880	3,930	-0.5%	0.0%		
Low	3,638	3,638	Source: Reuters						
Vol	3,734	3,610							
Spreads	3,715	3,605	Last	Bid	Offer	Vol	High	Low	Avg
Sep24-Oct24	120	120	122	1,461	122	8	45		
Sep24-Nov24	191	191	194	403	192	11	67		
Oct24-Nov24	71	71	73	3,681	74	1	22		
Oct24-Dec24	93	95	97	871	99	-12	26		
Nov24-Dec24	22	23	24	4,195	26	-12	4		
Nov24-Jan25	28	27	29	1,242	35	-30	-3		



30 Days 60 Days 90 Days
17.70% 20.15% 20.61%