

CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures extended their upward trend on Monday, achieving a 0.76% increase for the fourth consecutive session, attributed to strong performances in rival edible oils and positive export outlooks driven by substantial purchasing activity from India in anticipation of increased demand for the upcoming Diwali festival. Globally, crude oil prices slid on Monday, with the U.S. benchmark West Texas Intermediate (WTI) for November fell 63 cents, or 0.9%, to \$70.37 a barrel, as concerns over demand were heightened by weaker-than-expected business activity in the euro zone and continued softness in the Chinese economy. Meanwhile, the CBOT soy oil rose on Monday, with December soy oil rose 0.48 cent at 41.84 cents per pound, driven by uncertainties surrounding Brazilian planting weather and the magnitude of the U.S. harvest, resulting in a wave of fund-driven short-covering, particularly as the end of the month and quarter approaches. Therefore, palm oil futures are expected to trade higher today supported by overnight gains in competing soy oil and concerns about production levels due to adverse weather conditions in the world's second-largest producer while the upward momentum may encounter headwinds from profit-taking activities after recent rallies.

Technical

Palm oil futures for the December contract opened gap up and maintained to trade higher above positive territory throughout the trading session buoyed by stronger rival edible oils during Asian trading hours and concerns over slowing production along with expectation of rising demand from top importer, India ahead of festive season. At the close, the December contract settled at 3,977 ringgit per tonne with gains of 30 points, forming a short, black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating bulls took control of the trading session despite bears tried to take over. Technical view, MACD indicator turned to issue a buying signal while RSI is lingering in a neutral region. Therefore, palm oil futures are expected to trade range bound with slight upward bias today fueled by stronger rival soy oils and a recovery in September export demand, coupled with a tight supply outlook for the first quarter of next year while potential gains may be constrained by persistent concerns over the strengthening Malaysian ringgit and the declining rival crude oil prices. Therefore, the support and resistance for the December futures contract can be pegged at 3,945 and 4,050 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 22JUN2024-23SEP2024 Copyright© 2024 Bloomberg Finance L.P. 23-Sep-2024 19:13:56

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
OCT 24	4,049	22	4,112	4,046	2,314	2655	-1,215	-29.27 Mn	4,041	3,827	4,050	4,080	2.3%	0.0%
NOV 24	4,006	32	4,070	3,989	9,329	11642	-1,135	-27.05 Mn	3,993	3,740	Source: Reuters			
DEC 24	3,977	30	4,040	3,961	30,067	39907	6,571	155.47 Mn	3,967	3,702	Source: Reuters			
JAN 25	3,948	23	4,010	3,940	7,273	11010	1,708	40.12 Mn	3,944	3,680	Source: Reuters			
FEB 25	3,923	16	3,979	3,920	2,836	5373	148	3.45 Mn	3,921	3,671	Source: Reuters			
MAR 25	3,899	14	3,953	3,895	2,253	5098	-566	-13.13 Mn	3,897	3,663	Source: Reuters			
APR 25	3,870	14	3,916	3,858	1,410	2963	-460	-10.59 Mn	3,866	3,649	Source: Reuters			
MAY 25	3,828	12	3,873	3,817	1,568	2078	-117	-2.66 Mn	3,831	3,627	Source: Reuters			
JUN 25	3,781	12	3,822	3,774	1,090	915	134	3.01 Mn	3,787	3,593	Source: Reuters			
JUL 25	3,732	12	3,766	3,727	542	798	97	2.15 Mn	3,742	3,558	Source: Reuters			
AUG 25	3,692	12	3,724	3,679	337	375	119	2.61 Mn	3,707	3,543	Source: Reuters			
SEP 25	3,675	12	3,694	3,654	294	355	16	.35 Mn	3,686	3,524	Source: Reuters			
NOV 25	3,657	12	3,679	3,658	56	115	6	.13 Mn	3,668	3,520	Source: Reuters			
JAN 26	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
MAR 26	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
MAY 26	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
JUL 26	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
SEP 26	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
NOV 26	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
JAN 27	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
MAR 27	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
MAY 27	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
JUL 27	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
SEP 27	3,657	12	0	0	0	0	0	. Mn	-	-	Source: Reuters			
Total					59,369	260,058		5,306						

Source: Bloomberg

Export Est Period	Sep-24		Aug-24		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	412,771	448,985	435,413	470,706	-5.20%	-4.61%	35.07%	27.98%
1 - 15th days	660,767	695,136	599,663	637,466	10.19%	9.05%	14.93%	19.67%
1 - 20th days	892,017	953,986	834,948	866,641	6.84%	10.08%	8.60%	12.51%
1 - 25th days	-	-	1,008,418	1,055,768	-	-	-	-
Full month	-	-	1,376,412	1,445,442	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2023	2024	2024	2024	Sep Chg	KF's Expected
	August	June	July	August	(Mean)	September
Production	1,753,472	1,615,283	1,840,999	1,893,859	7.26%	2,031,269
Stocks	2,124,963	1,829,469	1,733,219	1,883,214	14.98%	2,165,226
Export	1,221,814	1,205,214	1,689,365	1,525,115	-9.97%	1,373,053
Import	110,621	11,738	10,483	9,970	8.48%	10,816

Source: Reuters

Commodity Futures (3rd month)

Commodity	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3977	0	0.00%	2.03%	-5.04%	0.02	-0.05
Dalian Olein	8210	58	0.71%	7.55%	11.49%	1.05	1.17
Soybean Oil	42.62	0.46	1.09%	-2.00%	-10.54%	0.96	0.94
WTI Crude	70.37	-0.63	-0.89%	-11.25%	-8.41%	0.96	0.97
CRB Index (realtime)	284.13	1.7400	0.62%	-3.61%	-0.57%	0.87	0.96

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
	USDMYR	4.2023	-0.02%	-10.82%
USDIDR	15205.5	0.37%	-7.59%	-4.11%

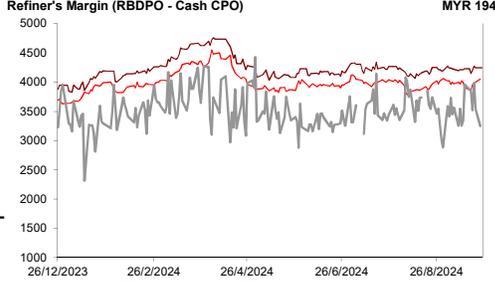
Source: Bloomberg

Overnight Lead

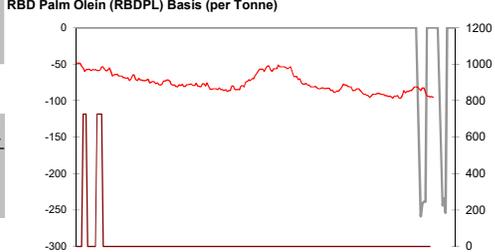
Chicago Board of Trade soybean futures rose to their highest in nearly seven weeks on Monday as uncertainty about Brazilian planting weather and the size of the U.S. harvest sparked a round of fund-driven short-covering. - Reuters

Spreads	Last	Bid	Offer	Vol	High	Low	Avg
Oct24-Nov24	43	39	48	220	99	27	50
Oct24-Dec24	72	65	99	67	137	30	77
Nov24-Dec24	29	28	30	954	51	3	27
Nov24-Jan25	58	53	56	181	79	-5	41
Dec24-Jan25	29	25	26	516	33	-10	14
Dec24-Feb25	54	45	48	383	62	-22	22

Refiner's Margin (RBDPO - Cash CPO)



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



3rd mth FCPO Volatility

