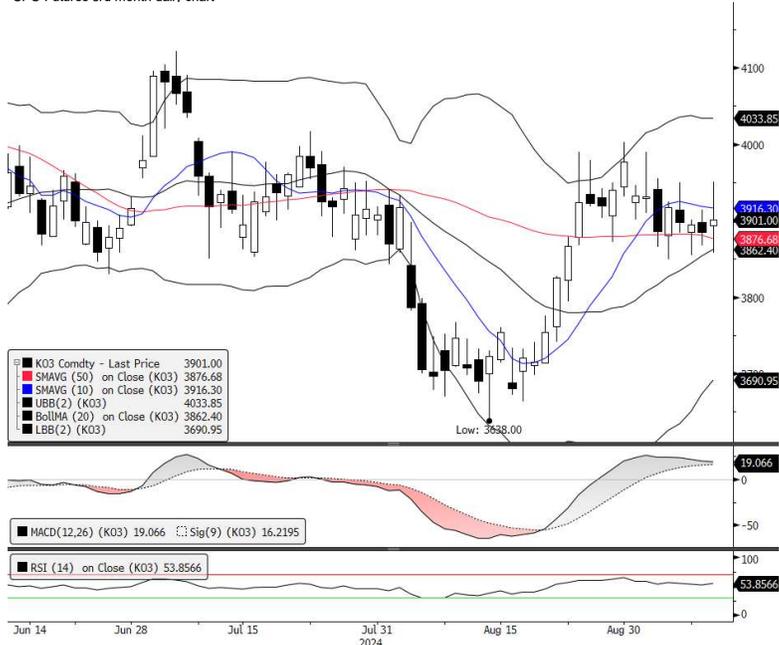


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures seesawed before ending 0.41% higher on Wednesday, as MPOB data revealed a larger-than-anticipated rise in inventories and concerns over the biofuel demand for palm oil, amid recent declines in petroleum prices, were counterbalanced by Indonesia's expanding biodiesel program, which raised fears of tighter supply and lent support to prices. Globally, crude oil prices rebounded on Wednesday, with the U.S. benchmark West Texas Intermediate (WTI) finished up \$1.56 a barrel, or 2.37%, at \$67.31 a barrel, driven by worries over potential long-term production disruptions in the U.S. offshore oil sector as Hurricane Francine approached Louisiana, overshadowing a rise in crude inventories reported by the U.S. Energy Information Administration. Meanwhile, the CBOT soy oil fell on Wednesday, with December soy oil fell 0.33 cent to settle at 39.30 cents, as better-than-expected U.S. crop ratings, which raised production forecasts, continued to dampen market sentiment despite the rebound in crude oil prices. Therefore, palm oil futures are expected to trade lower today on the likelihood of sustained selling pressure weighed down by the overnight decline in rival soy oil and MPOB data that revealed Malaysian inventories remain at a six-month high while a potential of bargain buying activities could cushion the selling pressure.

Technical

Palm oil futures for the November contract opened lower but trended higher thereafter to close marginally higher above negative territory tracking stronger rival soy oil prices during Asian trading hours and bargain hunting activities after recent declines emerged offset the losses pressured by worries over bulking inventories. At the close, the November contract settled at 3,901 ringgit per tonne with gains of 16 points, forming a short, white-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating bulls managed to take over despite bears tried to take control of the trading session. Technical wise, MACD indicator issued a buy signal while RSI is lingering in a neutral region. Nevertheless, palm oil futures are expected to trade range bound with slight downward bias today tracking the decline in overnight rival soy oil and rising inventory levels in Malaysia, and sluggish export demand in early September while optimism around Indonesia's continued push to increase palm oil usage in renewable energy may provide some support, limiting further downside. Therefore, the support and resistance for the November futures contract can be pegged at 3,810 and 3,945 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 12JUN2024-11SEP2024 Copyrights 2024 Bloomberg Finance L.P. 11-Sep-2024 19:24:43

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	3,967	-14	4,024	3,950	51	1299	-5	-1.1 Mn	4,070	3,975	Sep24	4,020	4,030	1.5%	0.0%
OCT 24	3,963	18	4,009	3,921	4,797	17979	-43	-98 Mn	4,023	3,890	Source: Reuters				
NOV 24	3,901	16	3,951	3,858	39,520	77328	-28	-63 Mn	3,990	3,849					
DEC 24	3,857	16	3,906	3,817	15,331	38204	3,289	73.19 Mn	3,957	3,823					
JAN 25	3,833	14	3,880	3,797	9,413	25713	463	10.24 Mn	3,935	3,812					
FEB 25	3,822	8	3,868	3,790	5,723	13225	719	15.86 Mn	3,927	3,813					
MAR 25	3,817	8	3,862	3,787	3,331	22677	192	4.23 Mn	3,921	3,807					
APR 25	3,798	9	3,844	3,772	1,036	11115	-58	-1.27 Mn	3,894	3,793					
MAY 25	3,775	11	3,819	3,747	1,554	14443	136	2.96 Mn	3,869	3,765					
JUN 25	3,737	11	3,780	3,717	765	5313	119	2.57 Mn	3,830	3,727					
JUL 25	3,695	14	3,717	3,679	434	6565	15	.32 Mn	3,781	3,690					
AUG 25	3,664	14	3,686	3,664	97	1032	31	.66 Mn	3,756	3,668					
SEP 25	3,651	14	3,704	3,637	248	5881	-38	-.8 Mn	3,745	3,646					
NOV 25	3,644	14	3,690	3,627	67	1485	-3	-.06 Mn	3,720	3,640					
JAN 26	3,644	14			0	0	0	. Mn	-	-					
MAR 26	3,644	14			0	0	0	. Mn	-	-					
MAY 26	3,644	14			0	0	0	. Mn	-	-					
JUL 26	3,644	14			0	0	0	. Mn	-	-					
SEP 26	3,644	14			0	0	0	. Mn	-	-					
NOV 26	3,644	14			0	0	0	. Mn	-	-					
JAN 27	3,644	14			0	0	0	. Mn	-	-					
MAR 27	3,644	14			0	0	0	. Mn	-	-					
MAY 27	3,644	14			0	0	0	. Mn	-	-					
JUL 27	3,644	14			0	0	0	. Mn	-	-					
Total					82,367	242,259		4,789							

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	-	-	599,663	637,466	-	-	-	-
1 - 20th days	-	-	866,641	834,948	-	-	-	-
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)	Overnight close	+/-	Relative to FCPO				
			1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3901	0	0.00%	-1.56%	-5.52%	-0.02	-0.06
Dalian Olein	7822	-46	-0.58%	1.66%	9.77%	1.03	1.16
Soybean Oil	40.32	-1.29	-3.10%	-7.67%	-12.44%	0.94	0.93
WTI Crude	67.31	1.56	2.37%	-12.73%	-9.93%	0.92	0.98
CRB Index (realtime)	269.36	3.8800	1.46%	-8.73%	-3.22%	0.89	0.95

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures closed modestly higher on Wednesday on position-squaring a day ahead of key monthly supply/demand reports due from the U.S. Department of Agriculture, traders said. - Reuters

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