

CPO Futures 3rd month daily chart



Preview Fundamental

Malaysian palm oil futures advanced 0.28% on Tuesday, recovering from two consecutive sessions of declines supported by a strong increase in overnight soy oil prices and a weaker Malaysian ringgit, which boosted the appeal of palm oil for international buyers, particularly India, the largest importer and demand from India is expected to increase ahead of the Hindu festival season, further supporting the market. Globally, crude oil prices rallied on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) rose \$1.66, or 2.4%, to settle at \$69.83 per barrel, followed by Iran's launch of ballistic missiles at Israel in retaliation for Israel's military strikes against Tehran's Hezbollah allies in Lebanon. Meanwhile, the CBOT soy oil ended lower on Tuesday, with December soy oil ended down 0.40 cent at 42.91 cents per pound, driven by the ongoing U.S. harvest and a report from the U.S. Department of Agriculture indicating that soybean stocks as of September 1 had hit a four-year high. Therefore, palm oil futures are expected to trade higher today supported by increased overnight crude oil prices and ongoing concerns regarding escalating tensions in the Middle East and the potential for bargain-hunting after recent declines, combined with a weaker Malaysian ringgit is likely to further enhance the attractiveness of palm oil.

Technical

Palm oil futures for the December contract opened higher and stayed above positive territory throughout the trading session supported by persistent selloff activities tracking stronger rival edible oils during Asian trading hours and Indonesia's decision to raise its October reference price and the retreat in Malaysian Ringgit increased the appeal of local tropical oil. At the close, the December contract settled at 4,006 ringgit per tonne with gains of 11 points, forming a short, black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that bears intended to control the trading session but bulls managed to defend it. Technical wise, MACD indicator issued a buying signal while RSI is lingering in a neutral region. Therefore, palm oil futures are expected to trade higher today tracking the overnight stronger rival crude oil and the likelihood bargain hunting activities as Malaysia's export outlook appears strong along with persistent concerns over escalating tensions in the Middle East, may further support the rally in global oil markets. Therefore, the support and resistance for the December futures contract can be pegged at 3,980 and 4,120 respectively.

K03 Comdty (Generic 3rd 'K03' Future) DAILY REPORT CHART Daily 03JUL2024-01OCT2024 Copyright © 2024 Bloomberg Finance L.P. 01-Oct-2024 19:35:34

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg			
OCT 24	4,166	42	4,190	4,124	1,249	4128	-624	-15.61 Mn	4,283	4,030	Oct24	4,160	4,200	1.4%	0.0%			
NOV 24	4,055	18	4,088	4,041	4,787	36754	-129	-3.14 Mn	4,242	3,981	Source: Reuters							
DEC 24	4,006	11	4,046	3,994	29,207	88118	6	.14 Mn	4,199	3,952								
JAN 25	3,963	7	4,006	3,952	8,356	32232	-186	-4.43 Mn	4,158	3,931								
FEB 25	3,928	7	3,969	3,916	6,047	15899	368	8.68 Mn	4,114	3,910	Oct24-Nov24	111	107	2	120	32	55	
MAR 25	3,894	10	3,930	3,880	3,760	23398	-62	-1.45 Mn	4,071	3,889	Oct24-Dec24	160	131	171	253	167	52	84
APR 25	3,849	14	3,879	3,832	2,713	13829	745	17.22 Mn	4,021	3,858	Nov24-Dec24	49	50	51	1,388	54	12	31
MAY 25	3,797	16	3,823	3,778	2,495	16439	28	.64 Mn	3,963	3,817	Nov24-Jan25	92	95	97	399	98	15	53
JUN 25	3,741	20	3,763	3,718	1,510	6278	87	1.95 Mn	3,909	3,771	Dec24-Jan25	43	45	47	912	47	3	22
JUL 25	3,692	28	3,708	3,664	1,736	8827	53	1.18 Mn	3,847	3,708	Dec24-Feb25	78	81	84	181	88	6	37
AUG 25	3,656	32	3,667	3,627	855	2546	202	4.44 Mn	3,792	3,679	Source: Bloomberg							
SEP 25	3,639	39	3,651	3,607	720	7491	273	5.97 Mn	3,775	3,635	Refiner's Margin (RBDPO - Cash CPO)							
NOV 25	3,621	39	3,630	3,593	122	1684	29	.63 Mn	3,748	3,637	MYR 208							
JAN 26	3,621	39			0	0	0	. Mn										
MAR 26	3,621	39			0	0	0	. Mn										
MAY 26	3,621	39			0	0	0	. Mn										
JUL 26	3,621	39			0	0	0	. Mn										
SEP 26	3,621	39			0	0	0	. Mn										
NOV 26	3,621	39			0	0	0	. Mn										
JAN 27	3,621	39			0	0	0	. Mn										
MAR 27	3,621	39			0	0	0	. Mn										
MAY 27	3,621	39			0	0	0	. Mn										
JUL 27	3,621	39			0	0	0	. Mn										
SEP 27	3,621	39			0	0	0	. Mn										
Total					63,557	257,623	790											

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	1,148,592	1,193,471	1,008,418	1,055,768	13.90%	13.04%	5.48%	4.26%
Full month	1,390,806	1,457,408	1,376,412	1,445,442	1.05%	0.83%	12.56%	12.18%

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)	Relative to FCPO						
	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	4006	0	0.00%	-2.03%	-7.10%	-0.02	-0.07
Dalian Olein	8532	24	0.28%	11.94%	16.02%	1.14	1.25
Soybean Oil	42.91	0.73	1.73%	-6.37%	-11.05%	0.96	0.96
WTI Crude	69.83	1.66	2.44%	-12.98%	-12.24%	1.00	1.03
CRB Index (realtime)	286.37	1.4300	0.50%	-2.05%	-2.67%	0.89	0.94

Source: Bloomberg

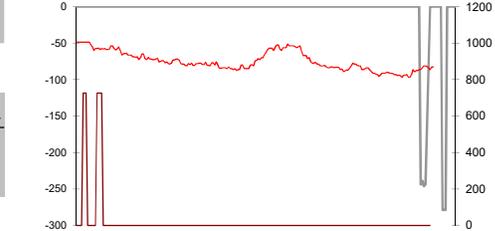
Currency	Last	1d Chg	3m Chg	6m Chg
USD/MYR	4.1625	0.13%	-11.95%	-12.53%
USD/IDR	15206.0	0.44%	-7.24%	-4.75%

Source: Bloomberg

Overnight Trade

Chicago Board of Trade soybean futures ended the day on Tuesday nearly unchanged, as traders continued to adjust their positions and futures faced pressure from the ongoing U.S. harvest, market analysts said. - Reuters

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



3rd mth FCPO Volatility

