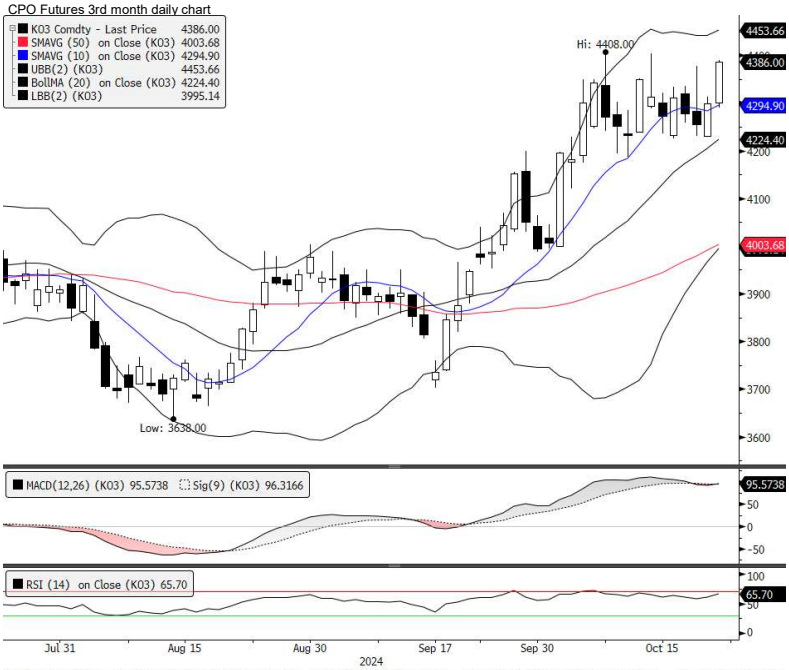
CPO Futures 3rd month daily chart



K03 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 24JUL2024-22OCT2024 Copyright© 2024 Bloomberg Finance L.P. 22-Oct-2024 19:23:53

Preview

Fundamental

Malaysian palm oil futures advanced for the second straight session on Tuesday, closing 2.02% higher, reaching their highest point in over a week driven by firmer rival oils, alongside signs of lower production and increasing exports from Malaysia, the world's second-largest producer, which is expected to lead to a decline in domestic stockpiles. Globally, crude oil prices rose for the second consecutive session on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) for November delivery rising by $1.53, or 2.2%, to settle at $72.09 per barrel and expired after Tuesday's settlement, as stronger demand signals from China, which could lead to tighter market conditions in the coming months weighed over the possibility of a Middle East ceasefire. In addition, the CBOT soy oil surged on Tuesday, with December soy oil rose 1.3 cents to finish at 43.69 cents per pound, driven by gains in rival crude oil and signs of a rebound in export demand, as lower soybean prices made the product more appealing to global buyers. Therefore, palm oil futures are expected to trade higher today driven by overnight gains in rival oils and strong export demand amid anticipated weaker output in the coming weeks due to seasonal trends along with a softer Malaysian ringgit is also enhancing palm oil's appeal to international buyers by lowering its price in foreign currencies.

Technical

Palm oil futures for the January contract opened on a positive note and steadily climbed throughout the session and closed above positive territory supported by ongoing buying interest bolstered by stronger performance in competing oils as well as indications of reduced production and robust export demand from Malaysia, the world's second-largest producer. At the close, the January contract settled at 4,386 ringgit per tonne with gains of 87 points, forming a long, white-bodied candlestick pattern with extended upper and bottom shadows, indicating bulls took control of the trading session aggressively. Technical wise, MACD indicator turned to issue a buying signal while RSI is lingering in a neutral region. Therefore, palm oil futures are expected to exhibit an upward bias today buoyed by strong overnight gains in competing oils and concerns regarding potential production slowdowns and a weakening Malaysian ringgit are likely to add further support to the market. Therefore, the support and resistance for the January futures contract can be pegged at 4,355 and 4,500 respectively.

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD	Previous Week High	Previous Week Low
NOV 24	4,450	84	4,451	4,361	1,372	15101	-976	-25. Mn	4,439	4,271
DEC 24	4,411	89	4,412	4,315	9,328	47684	-1,818	-46.17 Mn	4,404	4,236
JAN 25	4,386	87	4,389	4,290	39,786	85053	1,661	41.94 Mn	4,378	4,210
FEB 25	4,345	86	4,346	4,253	5,609	23017	-675	-16.88 Mn	4,339	4,178
MAR 25	4,299	77	4,300	4,216	4,843	21666	29	.72 Mn	4,295	4,144
APR 25	4,250	71	4,249	4,174	2,571	15322	89	2.18 Mn	4,248	4,102
MAY 25	4,202	65	4,204	4,135	5,168	17462	637	15.41 Mn	4,205	4,065
JUN 25	4,150	60	4,151	4,089	1,460	6520	-199	-4.75 Mn	4,155	4,022
JUL 25	4,100	57	4,101	4,045	1,558	8532	140	3.3 Mn	4,103	3,975
AUG 25	4,064	57	4,065	4,013	967	3655	123	2.88 Mn	4,063	3,944
SEP 25	4,035	55	4,032	3,985	1,770	8442	-268	-6.23 Mn	4,035	3,920
OCT 25	4,021	55	4,012	3,972	236	134	-41	-.95 Mn	3,945	3,945
NOV 25	4,007	52	4,007	3,970	445	1867	97	2.24 Mn	4,000	3,914
JAN 26	4,007	52				1	0	. Mn	3,950	3,950
MAR 26	4,007	52				0	0	. Mn	-	-
MAY 26	4,007	52				0	0	. Mn	-	-
JUL 26	4,007	52				0	0	. Mn	-	-
SEP 26	4,007	52				0	0	. Mn	-	-
NOV 26	4,007	52				0	0	. Mn	-	-
JAN 27	4,007	52				0	0	. Mn	-	-
MAR 27	4,007	52				0	0	. Mn	-	-
MAY 27	4,007	52				0	0	. Mn	-	-
JUL 27	4,007	52				0	0	. Mn	-	-
SEP 27	4,007	52								
Total					**75,113**	**254,456**	**-1,201**			

Source: Bloomberg

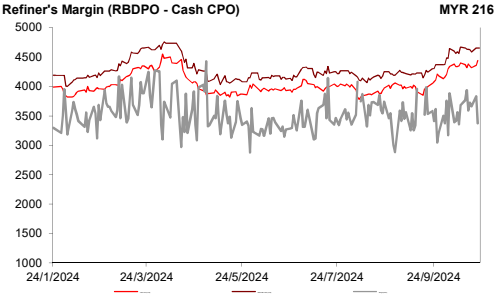
Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
Oct24	4,440	4,470	9.8%	0.0%

Source: Reuters

Spreads	Last	Bid	Offer	Vol	30 Day High	30 Day Low	30 Day Avg
Nov24-Dec24	39	24	26	386	56	20	39
Nov24-Jan25	64	42	64	112	114	40	72
Dec24-Jan25	25	27	28	1,682	60	10	33
Dec24-Feb25	66	70	73	138	117	25	65
Jan25-Feb25	41	43	44	940	61	5	33
Jan25-Mar25	87	91	92	649	123	8	65

Source: Bloomberg

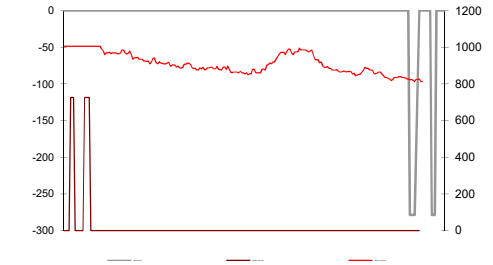
Refiner's Margin (RBDPO - Cash CPO) MYR 216



Export Est Period	Oct-24 AMSPEC	Oct-24 ITS	Sep-24 AMSPEC	Sep-24 ITS	Change (m-o-m) AMSPEC	Change (m-o-m) ITS	Change (y-o-y) AMSPEC	Change (y-o-y) ITS
1 - 10th days	490,582	509,962	412,771	448,985	18.85%	13.58%	23.92%	29.25%
1 - 15th days	753,102	803,252	660,767	695,136	13.97%	15.55%	24.07%	28.88%
1 - 20th days	976,822	1,036,867	892,017	953,986	9.51%	8.69%	10.26%	11.32%
1 - 25th days	-	-	1,148,592	1,193,471	-	-	-	-
Full month	**-**	**-**	**1,390,806**	**1,457,408**	**-**	**-**	**-**	**-**

Source: Reuters

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



Malaysian Palm Oil Board Statistic	2023 September	2024 July	2024 August	2024 September	Oct Chg (Mean)	KF's Expected October
Production	1,829,434	1,840,999	1,893,859	1,821,933	0.71%	**1,834,837**
Stocks	2,313,569	1,733,219	1,883,214	2,013,837	4.21%	**2,098,596**
Export	1,196,113	1,689,365	1,525,115	1,542,805	9.53%	**1,689,802**
Import	49,054	10,483	9,970	5,482	-15.65%	**4,624**

Source: Reuters

Commodity Futures (3rd month) Overnight close		+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO 3m Chg	Relative to FCPO 6m Chg
CPO	4386	0	0.00%	10.51%	10.45%	0.11	0.10
Dalian Olein	8920	106	1.20%	14.21%	21.36%	1.03	1.10
Soybean Oil	43.69	1.30	3.07%	-6.37%	-3.58%	0.85	0.87
WTI Crude	71.74	1.70	2.43%	-3.59%	-8.70%	0.84	0.90
CRB Index (realtime)	284.24	3.1700	1.13%	1.36%	-4.47%	0.87	0.83

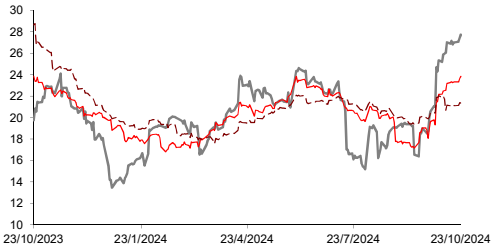
Source : Bloomber

Currency	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.3425	0.34%	-7.39%	-9.46%
USDIDR	15567.0	0.41%	-4.41%	-4.51%

Source : Bloomberg

3rd mth FCPO Volatility

30 Days	60 Days	90 Days
27.74%	23.84%	21.34%



Overnight Lead

Chicago Board of Trade soybean futures settled higher on Tuesday on signs of renewed export demand as low prices enticed international demand. - Reuters