

CPO Futures 3rd month daily chart



**Preview Fundamental**

Malaysian palm oil futures ended 0.62% higher on Tuesday, rebounding from earlier losses, supported by expectations of declining inventories due to reduced production following heavy rainfall that disrupted harvesting, but gains were limited by weaker rival soy oil and sluggish export demand, with caution prevailing over first-quarter prospects as competing vegetable oils continue to offer more competitive pricing. Globally, crude oil prices settled higher on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) finished at \$74.25 a barrel, up 69 cents, 0.94%, supported by concerns over restricted supply due to Western sanctions on Russia and Iran, alongside optimism about a potential increase in Chinese demand. In addition, the CBOT soy oil prices rose on Tuesday, with March soy oil rose 0.92 cents to settle at 41.25 cents per pound, supported by bargain-buying and strength in crude oil prices but expectations of rainfall providing relief to Argentina's drought-affected crops tempered the gains. Thus, palm oil futures are expected to trend upward today, supported by gains in overnight rival oils, the likelihood of continued bargain-buying on forecasts of a decline in Malaysia's palm oil inventories while concerns over palm oil's price premium relative to competing oils may temper the upward momentum.

**Technical**

Palm oil futures for the March contract opened lower during the morning session but gradually recovered, closing in positive territory as early losses pressured by weaker rival soy oil and concerns over softer export demand were offset by bargain-buying activity and expectations of a decline in Malaysia's December palm oil inventories. At the close, the March contract settled at 4,365 ringgit per tonne with gains of 27 points, forming a short, white-bodied candlestick pattern with extended upper and bottom shadows, indicating an indecisiveness in direction. Technical wise, MACD indicator issued a sell signal while RSI is approaching an oversold region. Nevertheless, palm oil futures are expected to trade higher today, supported by stronger overnight gains in rival oils, expectations of increased demand during the festive season, and forecasts of lower December inventories in Malaysia due to harvesting challenges caused by heavy rains and flooding while the price premium of palm oil over competing edible oils may cap further upside potential. Therefore, the support and resistance for the March futures contract can be eyed at 4,330 and 4,500 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 09OCT2024-07JAN2025 Copyright © 2025 Bloomberg Finance L.P. 07-Jan-2025 18:56:29

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	O/I chg	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg		
JAN 25	4,713	23	4,742	4,659	306	2591	-255	-6.68 Mn	4,993	4,609	Jan25	4,700	4,750	9.0%	0.0%			
FEB 25	4,506	23	4,560	4,426	4,021	21899	-1,286	-32.19 Mn	4,798	4,437	Source: Reuters							
MAR 25	4,365	27	4,425	4,286	47,331	78145	-2,472	-59.95 Mn	4,646	4,280								
APR 25	4,267	34	4,324	4,190	14,134	41178	559	13.25 Mn	4,484	4,165	<b>Spreads</b>	<b>Last</b>	<b>Bid</b>	<b>Offer</b>	<b>Vol</b>	<b>High</b>	<b>Low</b>	<b>Avg</b>
MAY 25	4,197	38	4,256	4,127	12,111	25831	-402	-9.37 Mn	4,356	4,086	Jan25-Feb25	207	-	237	2	270	59	143
JUN 25	4,155	44	4,216	4,085	4,204	15538	486	11.22 Mn	4,262	4,039	Jan25-Mar25	348	10	340	74	415	121	266
JUL 25	4,131	48	4,195	4,058	3,823	15767	349	8.01 Mn	4,209	4,009	Feb25-Mar25	145	135	137	166	172	58	128
AUG 25	4,128	49	4,189	4,067	3,216	6627	350	8.03 Mn	4,195	4,006	Feb25-Apr25	239	227	231	15	343	162	257
SEP 25	4,130	49	4,196	4,058	5,076	12197	811	18.61 Mn	4,188	4,006	Mar25-Apr25	98	92	94	676	175	82	129
OCT 25	4,139	51	4,195	4,065	1,429	3518	-182	-4.19 Mn	4,190	4,008	Mar25-May25	168	160	162	366	338	152	241
NOV 25	4,142	51	4,189	4,068	1,503	6082	-257	-5.91 Mn	4,190	4,012	Source: Bloomberg							
DEC 25	4,156	51	4,188	4,096	331	633	109	2.52 Mn	4,200	4,025	<b>Refiner's Margin (RBDPO - Cash CPO)</b>							
JAN 26	4,149	51	4,200	4,117	145	948	17	.39 Mn	4,186	4,064	<b>MYR 369</b>							
MAR 26	4,150	39	4,195	4,115	108	389	70	1.61 Mn	4,172	4,080								
MAY 26	4,124	39				45	0	. Mn	4,120	4,115								
JUL 26	4,084	39				2	0	. Mn	-	-								
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SEP 27	4,064	39				0	0	. Mn	-	-								
NOV 27	4,064	39				0	0	. Mn	-	-								
<b>Total</b>						<b>97,738</b>	<b>231,390</b>	<b>-2,103</b>										

Source: Bloomberg

Export Est Period	Dec-24		Nov-24		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	423,567	446,014	419,094	429,455	1.07%	3.86%	9.45%	-24.59%
1 - 15th days	660,642	671,454	707,932	744,347	-6.68%	-9.79%	6.45%	81.97%
1 - 20th days	889,992	900,004	963,302	981,687	-7.61%	-8.32%	4.44%	7.47%
1 - 25th days	1,144,412	1,152,229	1,156,791	1,200,421	-1.07%	-4.01%	4.02%	8.91%
<b>Full month</b>	<b>1,381,837</b>	<b>1,359,504</b>	<b>1,417,436</b>	<b>1,473,761</b>	<b>-2.51%</b>	<b>-7.75%</b>	<b>2.07%</b>	<b>-1.41%</b>

Source: Reuters

**Malaysian Palm Oil Board Statistic**

	2023	2024	2024	2024	Dec Chg	KF's Expected
	November	September	October	November	(Mean)	December
Production	1,788,870	1,821,933	1,797,348	1,621,294	-8.71%	1,480,080
Stocks	2,402,611	2,013,837	1,884,597	1,836,167	-2.15%	1,796,652
Export	1,406,462	1,542,805	1,732,448	1,487,212	-7.19%	1,380,327
Import	39,696	5,482	16,347	22,081	49.14%	

Source: Reuters

**Commodity Futures (3rd month)**

Commodity	Overnight close	+/-	1d Chg (%)	Relative to FCPO			
				3m Chg	6m Chg	3m Chg	6m Chg
CPO	4365	0	0.00%	2.20%	7.99%	0.02	0.08
Dalian Olein	8576	20	0.23%	1.40%	9.53%	0.99	1.01
Soybean Oil	40.72	1.32	3.35%	-8.62%	-17.94%	0.89	0.76
WTI Crude	74.25	0.69	0.94%	2.88%	-4.95%	0.99	0.93
CRB Index (realtime)	299.28	0.3500	0.12%	1.95%	1.99%	1.01	0.88

Source: Bloomberg

**Currency**

Currency	Last	1d Chg	3m Chg	6m Chg
USD/MYR	4.4998	0.27%	4.67%	-4.70%
USD/IDR	16142.5	-0.34%	3.26%	-0.37%

Source: Bloomberg

**Overnight Lead**

Chicago Board of Trade soybean futures inched down as rain relief was forecast for Argentina's parched crops in the coming weeks. - Reuters

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