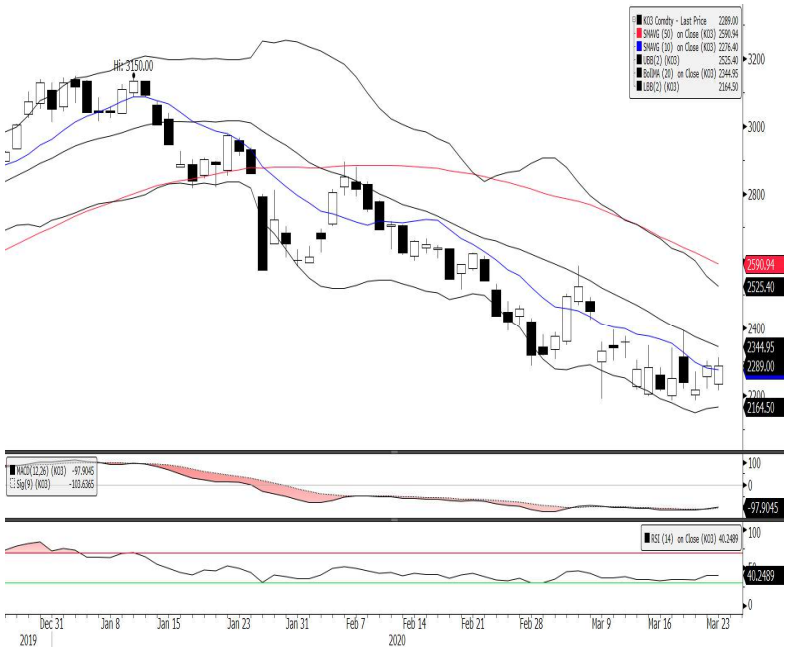
CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures ended on a flattish note on Monday, as sentiments were buoyed by firmer soybean and soy oil prices despite demand worries continued as the coronavirus pandemic escalate. Globally, the West Texas Intermediate (WTI) crude oil rose by $0.73, or 3.2%, to close at $23.36 per barrel on Friday surrounded by the optimism of major stimulus to boost the ailing economy, further supported by a potential reconciliation between Saudi Arabia and Russia to curb output. Meanwhile, the overnight CBOT soy oil contract edged higher at $0.50 to end at 26.14 cents per pound tracking the gains in rival soy meal commodities due to rising demand. Therefore, palm oil prices are expected to trade higher today as overnight gains in crude oil prices and weaker ringgit might provide support to the palm oil market.

Technical

Palm oil futures for June contract closed at 2,289 ringgit per tonne with a slight gain of 1 point, hitting an intraday high of 2,312 after the market recovered from its early monotonous tone due to stronger external rebound in rival competing oils. Trading activities for the day can be depicted through the formation of a white-bodied candlestick which indicates buyers took control of the session. Technical wise, MACD indicates its buy signal as it cross above the trigger line while RSI remained on its neutral region. Therefore, palm oil prices are expected to trade higher today tracking the overnight gains in crude oil prices and rival edible oils. The support and resistance for today can be pegged at 2,250 and 2,350 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
APR 20	2,348	10	2,360	2,295	390	3,722	-1,339	-17.76 Mn	2,507	2,241
MAY 20	2,321	10	2,342	2,235	5,708	22,735	-2,925	-38.34 Mn	2,441	2,210
JUN 20	2,289	1	2,312	2,214	26,768	40,827	-977	-12.63 Mn	2,393	2,186
JUL 20	2,276	-5	2,302	2,210	12,100	28,478	-527	-6.77 Mn	2,352	2,163
AUG 20	2,271	-2	2,296	2,209	6,928	14,130	-612	-7.85 Mn	2,317	2,150
SEP 20	2,266	-8	2,290	2,205	4,155	20,656	-3,135	-40.12 Mn	2,307	2,143
OCT 20	2,265	-8	2,285	2,212	2,220	17,910	-270	-3.45 Mn	2,300	2,140
NOV 20	2,271	-8	2,296	2,218	4,343	31,505	-852	-10.93 Mn	2,297	2,148
DEC 20	2,284	-8	2,306	2,230	1,715	13,732	-317	-4.09 Mn	2,306	2,162
JAN 21	2,310	-1	2,320	2,251	519	8,828	84	1.1 Mn	2,322	2,185
FEB 21	2,325	1	2,308	2,280	246	2,197	1	.01 Mn	2,352	2,200
MAR 21	2,339	1	2,361	2,287	284	8,743	-55	-.73 Mn	2,371	2,219
MAY 21	2,354	1	2,357	2,296	60	3,170	17	.23 Mn	2,385	2,230
JUL 21	2,340	1	-	-	-	3	-1	-.01 Mn	2,305	2,295
SEP 21	2,344	1	-	-	-	-	0	. Mn	-	-
NOV 21	2,346	1	-	-	-	-	0	. Mn	-	-
JAN 22	2,346	1	-	-	-	-	0	. Mn	-	-
MAR 22	2,346	1	-	-	-	-	0	. Mn	-	-
MAY 22	2,346	1	-	-	-	-	0	. Mn	-	-
JUL 22	2,346	1	-	-	-	-	0	. Mn	-	-
SEP 22	2,346	1	-	-	-	-	0	. Mn	-	-
NOV 22	2,346	1	-	-	-	-	0	. Mn	-	-
JAN 23	2,346	1	-	-	-	-	0	. Mn	-	-
MAR 23	2,346	1	-	-	-	-	0	. Mn	-	-
Total					**65,436**	**216,636**	**-10,908**			

Source: Bloomberg

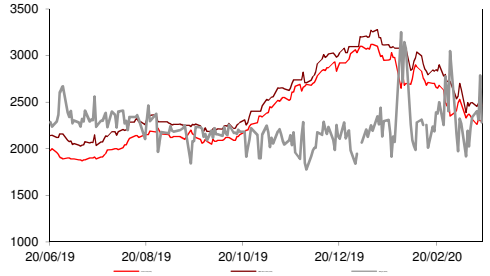
Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
Apr20	2,340	2,360	-28.2%	13.6%

Source: Reuters

Spreads	Last	Bid	Offer	Vol	30 Day High	30 Day Low	30 Day Avg
Apr20-May20	49	35	80	1,612	109	-3	26
Apr20-Jun20	82	60	-	423	159	-19	41
May20-Jun20	33	32	34	5,763	56	-21	15
May20-Jul20	61	60	63	936	103	-43	30
Jun20-Jul20	13	10	13	4,420	50	-22	11
Jun20-Aug20	18	16	20	1,627	87	-39	23

Source: Bloomberg

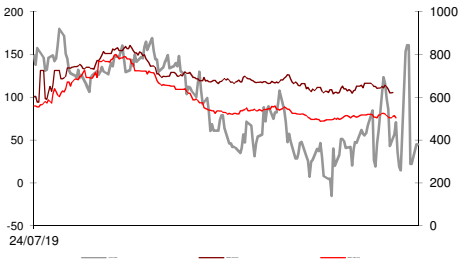
Refiner's Margin (RBDPO - Cash CPO) **MYR 159**



Export Est Period	Mar-20 AMSPEC	Mar-20 SGS	Feb-20 AMSPEC	Feb-20 SGS	Change (m-o-m) AMSPEC	Change (m-o-m) SGS	Change (y-o-y) AMSPEC	Change (y-o-y) SGS
1 - 10th days	364,456	335,086	364,456	323,341	0.00%	3.63%	-19.60%	-18.72%
1 - 15th days	502,287	511,460	511,629	529,191	-1.83%	-3.35%	-25.76%	-26.67%
1 - 20th days	654,440	-	819,653	744,230	-20.16%	-	-27.98%	-
1 - 25th days	-	-	981,073	970,094	-	-	-	-
Full month	**-**	**-**	**1,081,744**	**1,075,954**	**-**	**-**	**-**	**-**

Source: Reuters

Crude Degummed Soybean Oil (CDSBO)/ RBD Palm Olein (RBDPL) Basis (per Tonne) **USD 44.94**



Malaysian Palm Oil Board Statistic	2019 Mar	2019 Dec	2020 Jan	2020 Feb	Mar Chg (Mean)	KF's Expected Mar
Production	1,671,865	1,333,904	1,165,860	1,288,515	-12.52%	**1,127,154**
Stocks	2,917,443	2,007,124	1,755,480	1,681,599	-9.14%	**1,527,873**
Export	1,617,659	1,396,157	1,213,519	1,082,345	93.86%	**2,098,238**
Import	131,242	3,722	85,033	37,351	140.43%	**89,804**

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	2289	1	0.04%	-21.26%	4.57%	-0.21	0.05
Dalian Olein	4586	-80	-1.71%	-24.02%	-9.47%	0.96	0.87
Soybean Oil	26.14	0.66	2.59%	-22.62%	-10.45%	0.98	0.86
WTI Crude	23.36	0.73	3.23%	-61.23%	-57.28%	1.27	1.00
CRB Index (realtime)	124.71	0.8286	0.67%	-32.78%	-29.62%	0.49	0.41

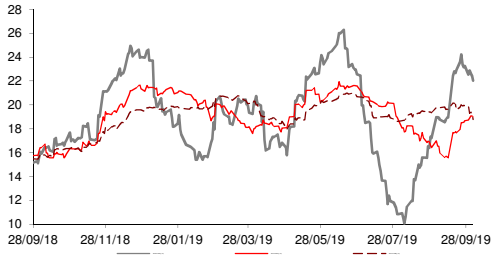
Source : Bloomber

Currency	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.4265	-0.49%	7.56%	6.44%
USDIDR	16490.0	-0.99%	19.03%	17.95%

Source : Bloomberg

3rd mth FCPO Volatility

30 Days	60 Days	90 Days
22.02%	19.00%	18.78%



Overnight Lead

Chicago Board of Trade soybean futures rose on Monday for a fifth consecutive session, buoyed by expectations for a pick-up in demand for soymeal, traders said. -Reuters

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