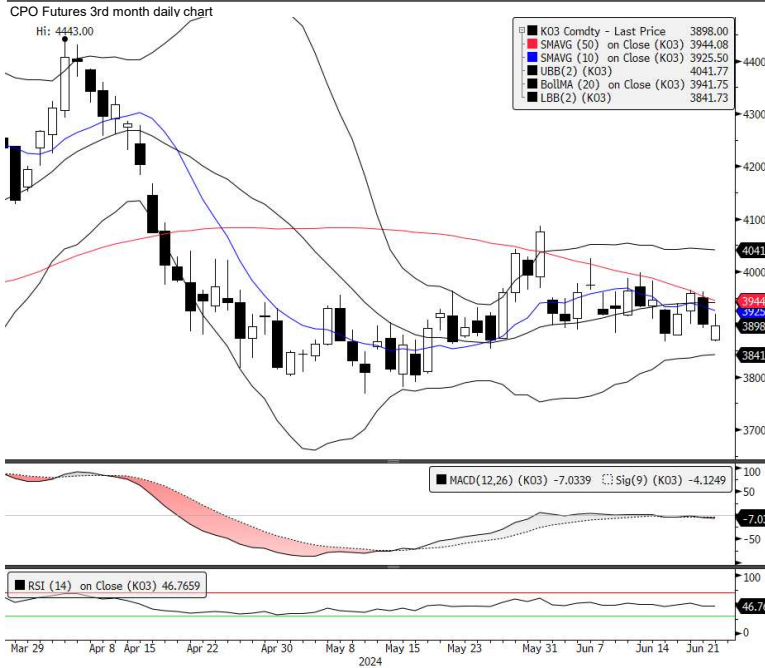


CPO Futures 3rd month daily chart



## Preview

### Fundamental

Malaysian palm oil futures reversed early gains, closing slightly lower by 0.05% on Monday as initial optimism was fuelled by concerns over reduced production in Malaysia, the world's second-largest producer was later offset by weak June export data and ongoing softness in competing edible oils. Globally, crude oil prices climbed higher on Monday, with the U.S. benchmark West Texas Intermediate (WTI) settled at \$81.63 a barrel, gaining 90 cents, or 1.1% driven by anticipated strong summer driving demand, heightened tensions in the Middle East, drone attacks on Russian refineries, and a weakening U.S. dollar, which collectively bolstered crude prices. Meanwhile, the CBOT soy oil fell on Monday, with July soy oil finished 0.45 cent lower at \$43.49 cents per pound, despite a rally in soybean prices, triggered by weekend thunderstorms in the upper Midwest that caused localized flooding, threatening crop conditions. Therefore, palm oil futures are expected to trade range bound with slight downward bias today following the selloff activities in overnight rival soy oil and lingering concerns over subdued June exports data along with a recovery in Malaysian Ringgit while losses could be cushioned by a potential of bargain hunting activities.

### Technical

Palm oil futures for the September contract opened higher during morning trading session and swung between gains and losses before closed below moving territory tracking the weakness in competing edible oils during Asian trading hour and concerns over sluggish June export demand amid persistent profit taking activities. At the close, the September contract settled at 3,898 ringgit per tonne with losses of 2 points. Trading activities for the day can be depicted through the formation of a short white-bodied candlestick pattern with longer upper and shaven bottom shadows, indicating an indecisiveness in direction. Technical wise, MACD indicator remained issue a sell signal while RSI is lingering in a neutral region. Therefore, palm oil futures are expected to trade range bound with slight downward bias today following the weaker rival soy oil prices and the rebound in Malaysian currency that reduce the appeal of palm oil while a potential of bargain hunting activities and renewed concerns over potential drop in June production could limit the downside. Therefore, the support and resistance for the September futures contract can be eyed at 3,840 and 3,930 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 26MAR2024-24JUN2024 Copyright © 2024 Bloomberg Finance L.P. 24-Jun-2024 19:09:32

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			
JUL 24	3,937	7	3,956	3,900	1,344	8371	-651	-13.61 Mn	3,985	3,916	Jul24	3,940	3,980	-9.9%	0.0%			
AUG 24	3,914	3	3,935	3,880	3,581	35287	-2,565	-53.3 Mn	3,970	3,798	Source: Reuters							
SEP 24	3,898	-2	3,919	3,868	20,935	60714	-1,789	-37.03 Mn	3,978	3,804								
OCT 24	3,888	-4	3,906	3,861	4,596	26440	402	8.3 Mn	3,986	3,815	<b>Spreads</b>	<b>Last</b>	<b>Bid</b>	<b>Offer</b>	<b>Vol</b>	<b>High</b>	<b>Low</b>	<b>Avg</b>
NOV 24	3,888	-10	3,909	3,866	2,220	17195	-214	-4.42 Mn	3,929	3,702	Jul24-Aug24	23	18	26	278	29	-8	5
DEC 24	3,902	-12	3,925	3,882	1,493	15744	-151	-3.13 Mn	3,970	3,867	Jul24-Sep24	39	30	40	272	55	-17	7
JAN 25	3,925	-12	3,948	3,904	1,356	14507	-52	-1.08 Mn	3,994	3,919	Aug24-Sep24	16	14	15	809	28	-11	3
FEB 25	3,947	-12	3,970	3,933	1,230	7591	576	12.07 Mn	4,010	3,860	Aug24-Oct24	26	22	24	49	48	-21	4
MAR 25	3,956	-14	3,978	3,940	2,209	14427	429	9.01 Mn	3,993	3,846	Sep24-Oct24	10	8	9	314	20	-11	1
APR 25	3,952	-14	3,969	3,942	814	4446	359	7.53 Mn	3,947	3,817	Oct24-Nov24	10	4	8	51	22	-28	-6
MAY 25	3,944	-14	3,956	3,936	216	4197	45	.94 Mn	3,931	3,782	Source: Bloomberg							
JUN 25	3,929	-14	-	-	-	1	0	. Mn	3,907	3,770	<b>Refiner's Margin (RBDPO - Cash CPO)</b>							
JUL 25	3,914	-14	3,929	3,916	83	1997	0	. Mn	3,735	3,672								
SEP 25	3,891	-14	3,901	3,895	4	600	0	. Mn	3,867	3,759								
NOV 25	3,890	-14	-	-	1	220	1	.02 Mn	3,877	3,810								
JAN 26	3,890	-14	0	0	0	0	0	. Mn	-	-								
MAR 26	3,890	-14	0	0	0	0	0	. Mn	-	-								
MAY 26	3,890	-14	0	0	0	0	0	. Mn	-	-								
JUL 26	3,890	-14	0	0	0	0	0	. Mn	-	-								
SEP 26	3,890	-14	0	0	0	0	0	. Mn	-	-								
NOV 26	3,890	-14	0	0	0	0	0	. Mn	-	-								
JAN 27	3,890	-14	0	0	0	0	0	. Mn	-	-								
MAR 27	3,890	-14	0	0	0	0	0	. Mn	-	-								
MAY 27	3,890	-14	0	0	0	0	0	. Mn	-	-								
<b>Total</b>					<b>40,082</b>	<b>211,737</b>	<b>-3,610</b>											

Source: Bloomberg

Export Est Period	Jun-24		May-24		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	284,540	294,516	362,790	369,920	-21.57%	-20.38%	3.39%	-
1 - 15th days	450,513	481,689	574,760	600,777	-21.62%	-19.82%	3.07%	-
1 - 20th days	708,873	763,129	814,031	830,608	-12.92%	-8.12%	13.55%	-
1 - 25th days	-	-	1,073,429	1,125,451	-	-	-	-
<b>Full month</b>	-	-	<b>1,404,719</b>	<b>1,481,916</b>	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2023	2024	2024	2024	Jun Chg	KF's Expected
	May	March	April	May	(Mean)	June
Production	1,517,546	1,392,471	1,501,941	1,704,455	8.67%	1,852,248
Stocks	1,686,782	1,714,973	1,744,459	1,753,544	1.35%	1,777,190
Export	1,079,020	1,317,628	1,234,208	1,378,443	8.80%	1,499,745
Import	80,926	21,894	34,762	20,761	2.55%	21,290

Source: Reuters

Commodity Futures (3rd month)	Relative to FCPO						
	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3898	0	0.00%	-8.22%	4.28%	-0.08	0.04
Dalian Olein	7644	-46	-0.60%	0.24%	10.40%	1.09	1.06
Soybean Oil	43.49	-0.45	-1.02%	-11.28%	-10.39%	0.97	0.86
WTI Crude	81.63	0.90	1.11%	1.96%	11.33%	1.01	0.89
CRB Index (realtime)	294.78	1.5600	0.53%	2.02%	10.57%	1.11	1.07

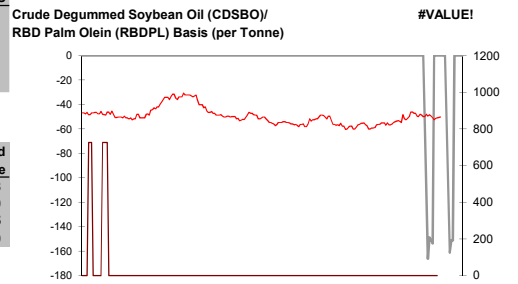
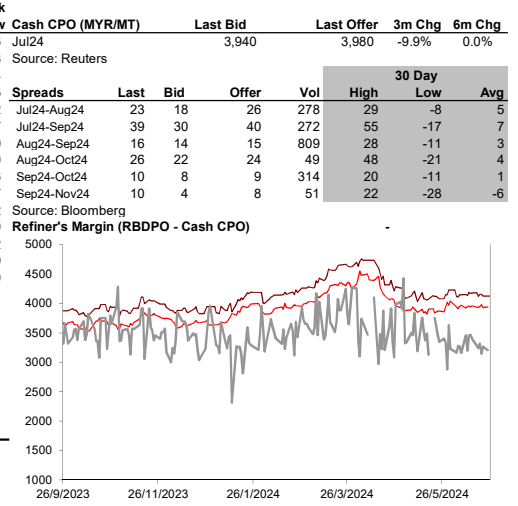
Source: Bloomberg

Currency	Last		1d Chg		3m Chg		6m Chg	
	USD/MYR	16394.0	-0.10%	-0.34%	-0.23%	4.11%	1.83%	6.24%
USD/IDR								

Source: Bloomberg

## Overnight Lead

Chicago Board of Trade soybean futures rallied on Monday after a round of thunderstorms in the upper Midwest over the weekend caused localized flooding that put the crop at risk. - Reuters



30 Days 60 Days 90 Days  
23.06% 22.56% 21.52%