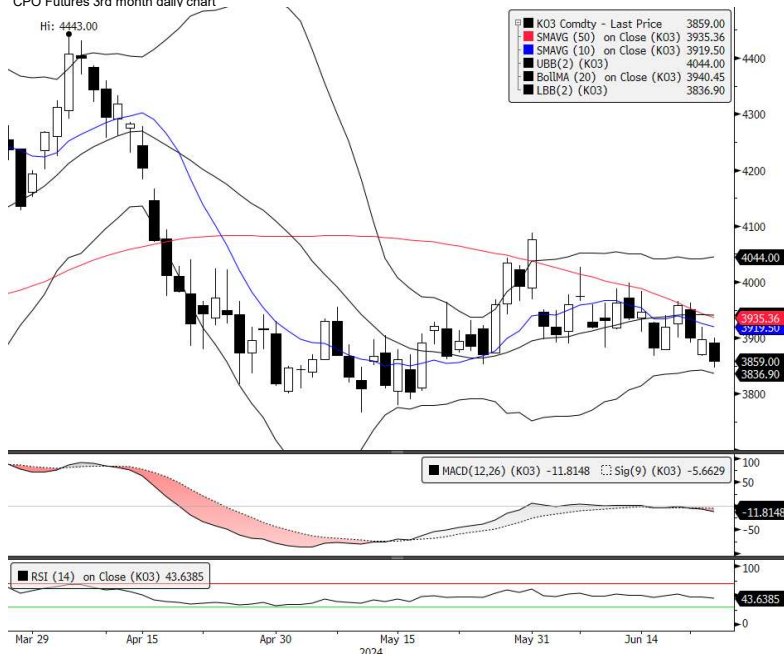


CPO Futures 3rd month daily chart



## Preview

### Fundamental

Malaysian palm oil futures dropped 1% to a near six-week low on Tuesday, marking their third consecutive session of decline pressured by weaker rival edible oil prices along with a less optimistic export outlook and increasing concerns about rising stockpiles in the world's second-largest producer for Malaysia. Globally, crude oil prices fell on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) settled at \$80.83, down 80 cents per barrel or 1%, driven by weak U.S. consumer confidence data that heightened worries about the economic outlook and fuel demand, especially after a slow start to the U.S. summer driving season. Additionally, the CBOT soy oil extended its downward trend on Tuesday, with July soy oil finished 0.73 cent lower at \$42.76 cents per pound, after participants evaluated the impact of extreme heat and flooding in the central U.S., with rains potentially alleviating heat stress. Therefore, palm oil futures are expected to trade lower today following the weaker overnight rival oils and ongoing concerns over weak exports and increasing stockpiles amid the narrowing spread between palm oil and soy oil could also contribute to the downtrend while a potential of bargain hunting after the recent downturn could help cushion the losses.

### Technical

Palm oil futures for the September contract opened lower during morning trading session and stuck below negative territory throughout the trading session tracking the weakness in competing Chinese edible oils and sluggish Malaysian exports during the first 25 days of June were adding further bearish sentiment to the market. At the close, the September contract settled at 3,859 ringgit per tonne with losses of 39 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with extended upper and bottom shadows, indicating bears controlled the trading session aggressively. 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 with downward bias today following the weaker overnight rival oil prices and the narrowing spread between palm oil and soy oil that reduce the appeal of palm oil while a potential of bargain hunting activities after recent rout could limit the downside. Therefore, the support and resistance for the September futures contract can be eyed at 3,800 and 3,890 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 26MAR2024-25JUN2024 Copyright© 2024 Bloomberg Finance L.P. 25-Jun-2024 19:10:57

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg			
JUL 24	3,897	-40	3,933	3,891	1,933	7339	-1,032	-21.36 Mn	3,985	3,916	Jul24	3,900	3,960	-12.5%	0.0%			
AUG 24	3,874	-40	3,913	3,863	7,694	33612	-1,675	-34.46 Mn	3,970	3,798	Source: Reuters							
SEP 24	3,859	-39	3,900	3,846	32,571	61014	300	6.15 Mn	3,978	3,804								
OCT 24	3,852	-36	3,891	3,841	8,437	26724	284	5.81 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	3,856	-32	3,894	3,847	4,056	17728	533	10.91 Mn	3,929	3,702	Jul24-Aug24	23	20	29	35	29	-8	6
DEC 24	3,874	-28	3,908	3,864	2,972	15950	206	4.24 Mn	3,970	3,867	Jul24-Sep24	38	-	45	63	55	-17	9
JAN 25	3,899	-26	3,929	3,889	1,878	14801	294	6.09 Mn	3,994	3,919	Aug24-Sep24	15	15	16	625	28	-11	4
FEB 25	3,922	-25	3,937	3,912	1,618	7823	232	4.83 Mn	4,010	3,860	Aug24-Oct24	22	21	23	75	48	-21	5
MAR 25	3,935	-21	3,956	3,924	2,149	14692	265	5.54 Mn	3,993	3,846	Sep24-Oct24	7	6	7	705	20	-11	1
APR 25	3,931	-21	3,946	3,926	588	4500	54	1.13 Mn	3,947	3,817	Sep24-Nov24	3	0	2	354	22	-28	-5
MAY 25	3,923	-21	3,940	3,918	915	4360	163	3.4 Mn	3,931	3,782	Source: Bloomberg							
JUN 25	3,908	-21	3,922	3,922	27	10	9	.19 Mn	3,907	3,770	<b>Refiner's Margin (RBDPO - Cash CPO)</b>							
JUL 25	3,893	-21	3,907	3,892	201	2062	65	1.34 Mn	3,735	3,672								
SEP 25	3,870	-21	3,890	3,877	95	616	16	.33 Mn	3,867	3,759								
NOV 25	3,872	-18	3,882	3,870	106	286	66	1.36 Mn	3,877	3,810								
JAN 26	3,872	-18			0	0	0	. Mn	-	-								
MAR 26	3,872	-18			0	0	0	. Mn	-	-								
MAY 26	3,872	-18			0	0	0	. Mn	-	-								
JUL 26	3,872	-18			0	0	0	. Mn	-	-								
SEP 26	3,872	-18			0	0	0	. Mn	-	-								
NOV 26	3,872	-18			0	0	0	. Mn	-	-								
JAN 27	3,872	-18			0	0	0	. Mn	-	-								
MAR 27	3,872	-18			0	0	0	. Mn	-	-								
MAY 27	3,872	-18			0	0	0	. Mn	-	-								
<b>Total</b>					<b>65,240</b>	<b>211,517</b>	<b>-220</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	891,570	994,009	1,073,429	1,125,451	-16.94%	-11.68%	0.02%	-
<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)	Overnight close	+/-	Relative to FCPO				
			1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3859	0	0.00%	-8.90%	2.55%	-0.09	0.03
Dalian Olein	7574	-70	-0.92%	-1.41%	7.95%	1.08	1.05
Soybean Oil	42.76	-0.73	-1.68%	-11.69%	-10.75%	0.97	0.87
WTI Crude	80.83	-0.80	-0.98%	1.38%	7.74%	1.00	0.88
CRB Index (realtime)	292.06	-2.7200	-0.92%	1.47%	8.72%	1.11	1.05

Source: Bloomberg

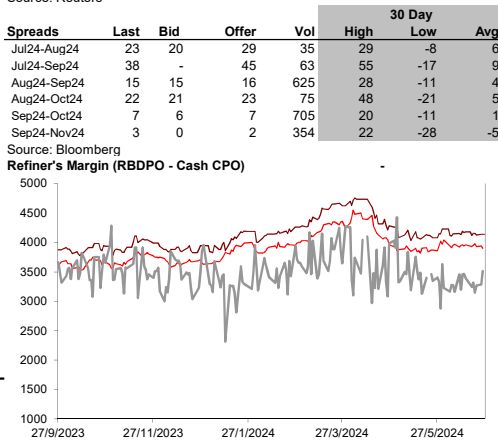
Currency	Last	1d Chg	3m Chg	6m Chg
USD/IDR	16375.0	-0.12%	3.76%	5.88%

Source: Bloomberg

## Overnight Lead

Chicago Board of Trade soybean futures dipped on Tuesday as traders weighed the impact of heat and flooding on the central U.S. - Reuters

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



3rd mth FCPO Volatility

