

### Preview

#### Fundamental

Malaysian palm oil futures continued their upward trajectory for the fourth straight session on Monday, increasing by 1.61% and approaching their highest close since late May as the bullish trend was supported by rising energy prices that led the gains in competing edible oils and concerns over reduced production in Malaysia further lifted the prices. Globally, crude oil prices surged to two-month high on Monday, with the U.S. benchmark West Texas Intermediate (WTI) rose \$1.84, or 2.3%, to settle at \$83.38 per barrel, driven by anticipations of increased demand during the Northern Hemisphere's summer driving season and concerns about potential conflict escalation in the Middle East, posing risks to global oil supply chains. In addition, the CBOT soy oil prices rallied on Monday, with the August soy oil finished 1.96 cents higher at \$46.03 per pound, following the spillover strength over crude oil and forecast that China, the leading importer, is likely to import record volumes of soybeans in July. Hence, palm oil futures are expected to trade higher today tracking the overnight rival oils rally and lingering concerns over slowing production in both top growers Indonesia and Malaysia while gains could be capped by sluggish exports data in June published by cargo surveyors and a potential of profit taking activities after recent surge.

#### Technical

Palm oil futures for the September contract opened gap up and trended gradually higher to close above positive territory lifted by stronger rival oil prices during Asian hours and projections of lower tropical oil output while gains were limited by final hour profit taking activities. At the close, the September contract settled at 3,979 ringgit per tonne with gains of 63 points. Trading activities for the day can be depicted through the formation of a short white-bodied candlestick pattern with long upper and short bottom shadows, indicating that the bulls seized control over the trading session aggressively. Technical wise, MACD indicator turned to issue a buying signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade higher today following the surge in overnight rival oil and heightened worries over slowing tropical oil productions particularly with reports of poor yields in eastern Malaysia while a potential of profit taking activities could cap the gains. Thus, the support and resistance for the September futures contract are envisaged at 3,950 and 4,050 respectively.

K03 Comdy (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 30MAR2024-01JUL2024 Copyright© 2024 Bloomberg Finance L.P. 01-Jul-2024 19:17:00

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	Previous Week		Last Bid	Last Offer	3m Chg	6m Chg
									High	Low				
JUL 24	4,024	48	4,060	4,021	298	4323	-120	-2.56 Mn	3,994	3,879	4,010	4,060	-9.4%	0.0%
AUG 24	3,998	66	4,027	3,973	4,168	28437	-879	-18.61 Mn	3,970	3,798	Source: Reuters			
SEP 24	3,979	63	4,011	3,955	28,982	58976	3,095	65.23 Mn	3,978	3,804				
OCT 24	3,965	60	3,995	3,943	7,475	30081	1,960	41.16 Mn	3,986	3,815				
NOV 24	3,959	56	3,989	3,937	4,956	16610	342	7.17 Mn	3,929	3,702				
DEC 24	3,963	52	3,994	3,947	2,877	17101	1,087	22.82 Mn	3,933	3,851				
JAN 25	3,979	48	4,009	3,967	3,484	16246	597	12.58 Mn	3,994	3,919				
FEB 25	3,995	47	4,027	3,975	1,504	7555	151	3.2 Mn	4,010	3,860				
MAR 25	3,999	46	4,070	3,977	2,877	15927	503	10.65 Mn	3,993	3,846				
APR 25	3,989	47	4,021	3,966	1,354	6043	307	6.49 Mn	3,947	3,817				
MAY 25	3,977	47	4,007	3,955	776	5825	-68	-1.43 Mn	3,931	3,782				
JUN 25	3,962	47	3,982	3,956	115	254	44	.92 Mn	3,907	3,770				
JUL 25	3,947	47	3,975	3,912	414	2514	140	2.93 Mn	3,735	3,672				
SEP 25	3,924	47	3,958	3,930	13	634	-2	-.04 Mn	3,867	3,759				
NOV 25	3,926	47	3,921	3,921	1	322	0	. Mn	3,877	3,810				
JAN 26	3,926	47			0	0	0	. Mn	-	-				
MAR 26	3,926	47			0	0	0	. Mn	-	-				
MAY 26	3,926	47			0	0	0	. Mn	-	-				
JUL 26	3,926	47			0	0	0	. Mn	-	-				
SEP 26	3,926	47			0	0	0	. Mn	-	-				
NOV 26	3,926	47			0	0	0	. Mn	-	-				
JAN 27	3,926	47			0	0	0	. Mn	-	-				
MAR 27	3,926	47			0	0	0	. Mn	-	-				
MAY 27	3,926	47			0	0	0	. Mn	-	-				
<b>Total</b>					<b>59,294</b>	<b>210,848</b>		<b>7,157</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>1,188,180</b>	<b>1,306,689</b>	<b>1,404,719</b>	<b>1,481,916</b>	<b>-15.42%</b>	<b>-11.82%</b>	<b>8.82%</b>	<b>-</b>

Source: Reuters

#### Malaysian Palm Oil Board Statistic

	2023	2024	2024	2024	Jun Chg (Mean)	KF's Expected
	May	March	April	May		
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)

Commodity	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3979	0	0.00%	-7.72%	8.72%	-0.08	0.09
Dalian Olein	7780	124	1.62%	0.73%	11.94%	1.09	1.03
Soybean Oil	45.83	2.34	5.38%	-5.00%	-4.20%	1.03	0.88
WTI Crude	83.38	1.84	2.26%	1.26%	17.93%	1.03	0.85
CRB Index (realtime)	291.57	1.1000	0.38%	-0.90%	11.02%	1.10	1.08

Source: Bloomberg

#### Currency

	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.7200	0.13%	-0.82%	2.34%
USIDR	16321.0	-0.33%	3.02%	6.34%

Source: Bloomberg

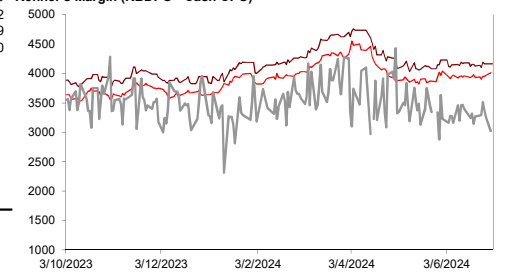
#### Overnight Lead

Chicago Board of Trade (CBOT) most active soybean Sv1 futures rose on Monday as traders and analysts said top importer China is likely to import record volumes of soybeans in July. - Reuters

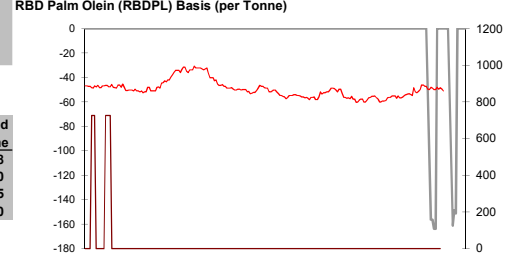
Source: Reuters

Spreads	Last	Bid	Offer	Vol	30 Day		
					High	Low	Avg
Jul24-Aug24	26	29	48	70	55	-8	9
Jul24-Sep24	45	46	-	182	71	-17	14
Aug24-Sep24	19	17	18	97	28	-11	6
Aug24-Oct24	33	32	33	52	48	-21	10
Sep24-Oct24	14	14	15	345	20	-11	4
Sep24-Nov24	20	18	20	317	22	-28	-1

#### Refiner's Margin (RBDPO - Cash CPO)



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



#### 3rd mth FCPO Volatility

