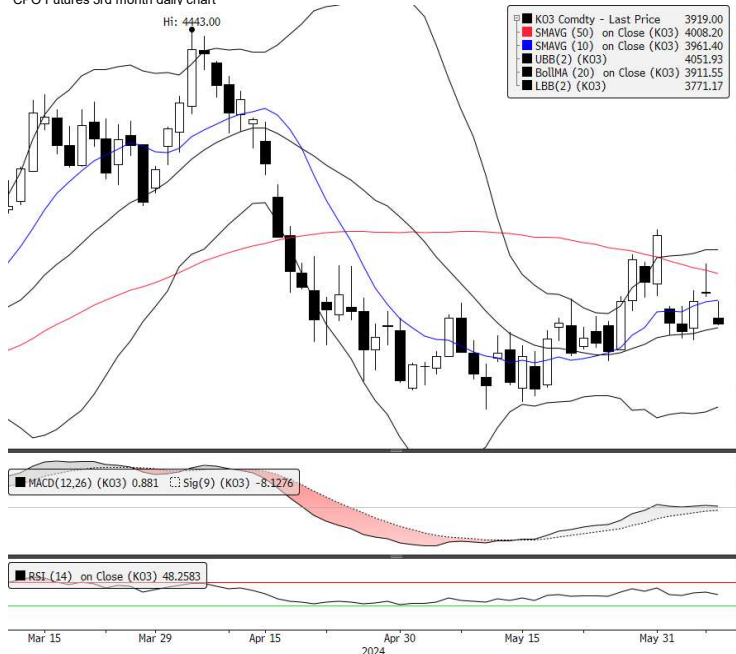


CPO Futures 3rd month daily chart



## Preview

## Fundamental

Malaysian palm oil futures halted its second consecutive session to close 1.41% lower on Monday, mirroring the downturn in rival soy oil prices and diminished forecasts for Malaysian palm oil exports in June along with worries over palm oil stockpiles in Malaysia that rose for the second consecutive month due to increased output adding further pressure on prices. Globally, crude oil prices rallied on Monday, with the U.S. benchmark West Texas Intermediate (WTI) rose \$2.21, or 2.9%, to settle at \$77.74 a barrel, marking the highest close since May 30 driven by optimism for increased fuel demand during the summer despite a stronger U.S. dollar and expectations that the U.S. Federal Reserve will maintain higher interest rates for a prolonged period. In addition, the CBOT soy oil inched lower on Monday, with July soy oil ended down 0.03 cent at 43.66 cents per pound, as early losses were mostly erased by the spill over strength from crude oil even as the rallying U.S. dollar exerted pressure. Therefore, palm oil futures are expected to trade range bound with upward bias today following the recovery demonstrated by overnight rival oils and a potential of bargain hunting activities from foreign currency holders driven by a weaker Malaysian Ringgit while gains could be limited by weaker export data reported by cargo surveyors.

## Technical

Palm oil futures for the August contract opened gap down and traded gradually lower below negative territory pressured by the weaker rival soy oil during Asian trading hours along with cautious sentiment as MPOB data reveals a marginal increase in stockpiles despite a recovery in exports. At the close, the August contract settled at 3,919 ringgit per tonne with losses of 56 points. Trading activities for the day can be depicted through the formation of a short black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bears seized control over the trading session. Technical wise, MACD indicator remained issue a buy signal while RSI is lingering in a neutral region. Therefore, palm oil futures are expected to trade higher today following the stronger overnight rival crude oil along with the recovery in rival soy oil and a potential of bargain hunting activities while upside could be capped by slower export data reported by cargo surveyors. Therefore, the support and resistance for the August futures contract can be eyed at 3,885 and 3,975 respectively.

K03 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 12MAR2024-10JUN2024 Copyrights 2024 Bloomberg Finance L.P. 10-Jun-2024 19:37:30

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
JUN 24	3,931	-22	3,980	3,922	97	2815	-114	-2.37 Mn	4,017	3,855	Jul24	3,920	3,980	-5.3%	0.0%
JUL 24	3,920	-55	3,961	3,912	2,354	24454	-1,162	-24.1 Mn	3,970	3,798	Source: Reuters				
AUG 24	3,919	-56	3,960	3,916	17,091	55671	-3	-0.6 Mn	3,978	3,804					
SEP 24	3,921	-53	3,958	3,918	5,016	41968	1,047	21.72 Mn	3,986	3,815					
OCT 24	3,925	-47	3,956	3,919	3,024	18739	649	13.48 Mn	3,929	3,702	Jun24-Jul24	11	-30	75	29
NOV 24	3,935	-42	3,962	3,927	1,557	17399	112	2.33 Mn	4,023	3,895	Jun24-Aug24	12	-	98	9
DEC 24	3,953	-39	3,975	3,942	815	14020	72	1.51 Mn	4,031	3,905	Jul24-Aug24	1	0	1	350
JAN 25	3,979	-33	4,000	3,967	769	12412	176	3.71 Mn	4,010	3,860	Jul24-Sep24	-1	-3	0	200
FEB 25	4,005	-28	4,025	3,990	387	6074	126	2.67 Mn	3,993	3,846	Aug24-Sep24	-2	-2	-1	283
MAR 25	4,016	-26	4,037	4,000	294	12646	5	.11 Mn	3,947	3,817	Aug24-Oct24	-6	-6	-4	141
APR 25	4,014	-26	4,035	4,000	202	3602	22	.47 Mn	3,931	3,782	Source: Bloomberg				
MAY 25	4,001	-26	4,015	3,992	76	3789	1	.02 Mn	3,907	3,770	Refiner's Margin (RBDPO - Cash CPO)				
JUL 25	3,971	-26	3,969	3,966	8	1811	7	.15 Mn	3,735	3,672					
SEP 25	3,949	-26				375	0	. Mn	3,867	3,759					
NOV 25	3,937	-26				143	0	. Mn	3,877	3,810					
JAN 26	3,937	-26				0	0	. Mn	-	-					
MAR 26	3,937	-26				0	0	. Mn	-	-					
MAY 26	3,937	-26				0	0	. Mn	-	-					
JUL 26	3,937	-26				0	0	. Mn	-	-					
SEP 26	3,937	-26				0	0	. Mn	-	-					
NOV 26	3,937	-26				0	0	. Mn	-	-					
JAN 27	3,937	-26				0	0	. Mn	-	-					
MAR 27	3,937	-26				0	0	. Mn	-	-					
MAY 27	3,937	-26				0	-	-	-	-					
Total					31,690	215,918	938								

Source: Bloomberg

Export Est Period	Jun-24 AMSPEC	Jun-24 ITS	May-24 AMSPEC	May-24 ITS	Change (m-o-m) AMSPEC	Change (m-o-m) ITS	Change (y-o-y) AMSPEC	Change (y-o-y) ITS
1 - 10th days	284,540	294,516	362,790	369,920	-21.57%	-20.38%	3.39%	-
1 - 15th days	-	-	574,760	600,777	-	-	-	-
1 - 20th days	-	-	814,031	830,608	-	-	-	-
1 - 25th days	-	-	1,073,429	1,125,451	-	-	-	-
Full month	-	-	1,404,719	1,481,916	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2023 May	2024 March	2024 April	2024 May	Jun Chg (Mean)	KF's Expected 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	3919	0	0.00%	-5.13%	4.76%	-0.05	0.05
Dalian Olein	7806	162	2.12%	7.61%	10.82%	1.13	1.06
Soybean Oil	43.66	0.03	0.07%	-5.19%	-14.49%	1.00	0.82
WTI Crude	77.74	2.21	2.93%	1.37%	7.90%	1.10	0.89
CRB Index (realtime)	291.39	1.5300	0.53%	4.82%	11.32%	1.07	1.03
Source : Bloomberg							
Currency			Last	1d Chg		3m Chg	6m Chg
USDMYR			4.7248	0.04%		0.88%	0.86%
USDIDR			16282.5	0.53%		3.89%	3.67%
Source : Bloomberg							

Source: Bloomberg

## Overnight Lead

Chicago Board of Trade soybean futures closed higher on Monday, consolidating after last week's one-month lows as traders awaited crop condition ratings due later on Monday from the U.S. Department of Agriculture. - Reuters

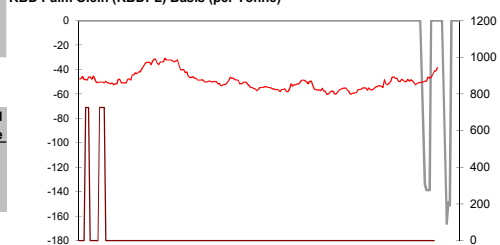
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Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPO) Basis (per Tonne)



3rd mth FCPO Volatility

