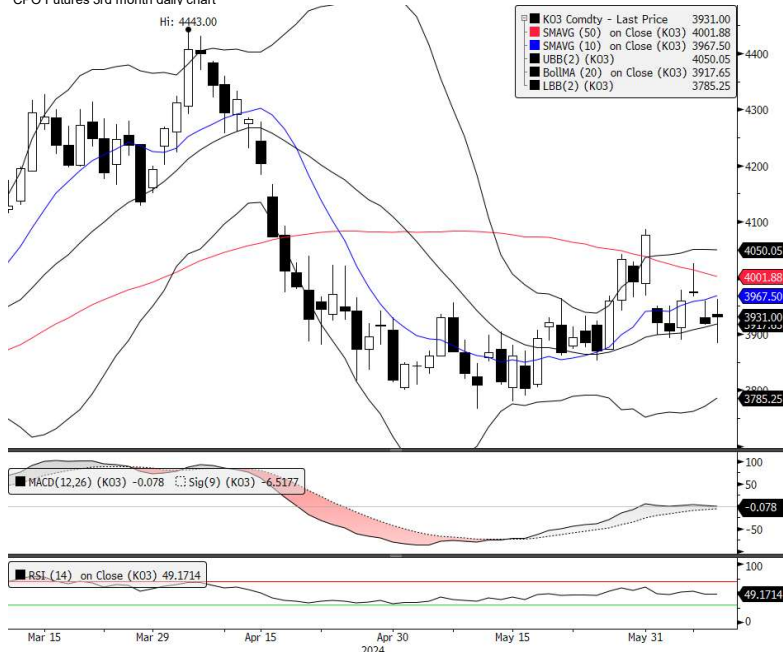


CPO Futures 3rd month daily chart



## Preview

## Fundamental

Malaysian palm oil futures concluded its volatile session on Tuesday with a 0.31% gain, reversing midday losses which were pressured by expectations of higher stockpiles and rising output while the market found support as lower rapeseed projections overshadowed improved U.S. soybean ratings boosted rival soy oil prices and consequently palm oil. Globally, crude oil prices inched higher on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) gained 16 cents, or 0.2%, to settle at \$77.90 a barrel, after the U.S. Energy Information Administration's (EIA) upward revision of its global oil demand growth forecast for the year, while OPEC maintained its forecast for strong demand growth into 2024. In addition, the CBOT soy oil recovered previous session losses to end the session marginally higher, with July soy oil finished up 0.01 cent at 43.67 cents per pound, as initial losses due to strong U.S. soybean crop condition ratings, the highest initial ratings since 2018 were aided by spill over strength from crude oil prices and lower rapeseed projections. Therefore, palm oil futures are expected to trade range bound with slight upward bias today following the recovery demonstrated by overnight rival oils and expectation of extended bargain hunting activities from key importing countries driven by a cheaper Malaysian Ringgit.

## Technical

Palm oil futures for the August contract swung between gains and losses before closed above its overnight level as initial losses pressured by the expectations of higher stockpiles and rising output were erased by the anticipation of robust demand from key importing countries due to weakening Malaysian Ringgit. At the close, the August contract settled at 3,931 ringgit per tonne with gains of 12 points. Trading activities for the day can be depicted through the formation of a short black-bodied candlestick pattern with shorter upper and longer bottom shadows, indicating that the bulls seized control over the trading session despite bears intended to take over. 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 a potential of bargain hunting activities supported by weaker Malaysian Ringgit 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 3,900 and 4,000 respectively.

K03 Comdty (Generic 'K03' Future) DAILY REPORT CHART Daily 12MAR2024-11JUN2024 Copyright© 2024 Bloomberg Finance L.P. 11-Jun-2024 19:25:12

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	-	3,975	3,892	188	2773	-42	-88 Mn	4,017	3,855	Jul24	3,950	4,000	-4.0%	0.0%			
JUL 24	3,931	11	3,960	3,885	6,921	22482	-1,972	-41.09 Mn	3,970	3,798	Source: Reuters							
AUG 24	3,931	12	3,962	3,883	34,863	55529	-142	-2.96 Mn	3,978	3,804								
SEP 24	3,927	6	3,964	3,885	15,451	43176	1,208	25.15 Mn	3,986	3,815	Spreads	Last	Bid	Offer	Vol	High	Low	Avg
OCT 24	3,921	-4	3,963	3,888	5,844	18827	88	1.83 Mn	3,929	3,702	Jun24-Jul24	0	-30	-	63	75	-40	4
NOV 24	3,923	-12	3,973	3,900	3,160	17062	-337	-7.01 Mn	4,023	3,895	Jun24-Aug24	0	-	100	4	70	-49	8
DEC 24	3,940	-13	3,990	3,921	1,781	14286	266	5.56 Mn	4,031	3,905	Jul24-Aug24	0	-2	0	761	27	-8	5
JAN 25	3,966	-13	4,014	3,950	1,510	12521	109	2.29 Mn	4,010	3,860	Jul24-Sep24	4	0	2	132	40	-17	3
FEB 25	3,992	-13	4,038	3,975	808	6105	31	.66 Mn	3,993	3,846	Aug24-Sep24	4	1	2	492	14	-11	1
MAR 25	3,995	-21	4,049	3,990	1,218	12868	222	4.7 Mn	3,947	3,817	Aug24-Oct24	10	4	6	149	22	-21	-3
APR 25	3,993	-21	4,011	3,998	624	3707	105	2.22 Mn	3,931	3,782	Source: Bloomberg							
MAY 25	3,989	-12	4,033	3,981	388	3737	-52	-1.1 Mn	3,907	3,770	Refiner's Margin (RBDPO - Cash CPO)							
JUL 25	3,959	-12	3,966	3,949	78	1864	53	1.11 Mn	3,735	3,672	5000							
SEP 25	3,937	-12			3	372	-3	-.06 Mn	3,867	3,759								
NOV 25	3,925	-12			1	143	0	. Mn	3,877	3,810	4500							
JAN 26	3,925	-12			0	0	0	. Mn	-	-	4000							
MAR 26	3,925	-12			0	0	0	. Mn	-	-	3500							
MAY 26	3,925	-12			0	0	0	. Mn	-	-	3000							
JUL 26	3,925	-12			0	0	0	. Mn	-	-	2500							
SEP 26	3,925	-12			0	0	0	. Mn	-	-	2000							
NOV 26	3,925	-12			0	0	0	. Mn	-	-								
JAN 27	3,925	-12			0	0	0	. Mn	-	-								
MAR 27	3,925	-12			0	0	0	. Mn	-	-								
MAY 27	3,925	-12			0	0	0	. Mn	-	-								
Total					72,838	215,452	-466				1500							

Source: Bloomberg

Export Est Period	Jun-24 AMSPEC	ITS	May-24 AMSPEC	ITS	Change (m-o-m) AMSPEC	ITS	Change (y-o-y) AMSPEC	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)	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO 3m Chg	6m Chg
CPO	3931	0	0.00%	-4.80%	5.25%	-0.05	0.05
Dalian Olein	7680	-126	-1.61%	4.66%	8.41%	1.10	1.03
Soybean Oil	43.67	0.01	0.02%	-7.54%	-13.34%	0.97	0.82
WTI Crude	77.90	0.16	0.21%	1.88%	11.75%	1.07	0.90
CRB Index (realtime)	292.75	1.3600	0.47%	5.19%	13.43%	1.07	1.06

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USD/MYR	4.7163	-0.06%	0.87%	0.74%
USD/IDR	16291.0	0.05%	4.45%	4.22%

Source: Bloomberg

## Overnight Lead

Chicago Board of Trade soybean futures closed lower on Tuesday on strong U.S. crop condition ratings and positioning ahead of monthly supply/demand reports due from the U.S. Department of Agriculture on Wednesday. - Reuters

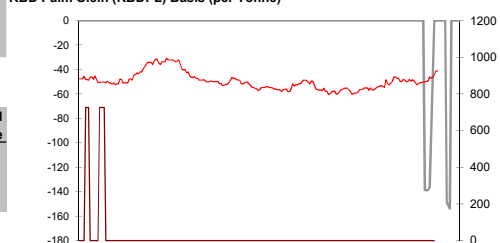
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Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPO) Basis (per Tonne)



3rd mth FCPO Volatility

