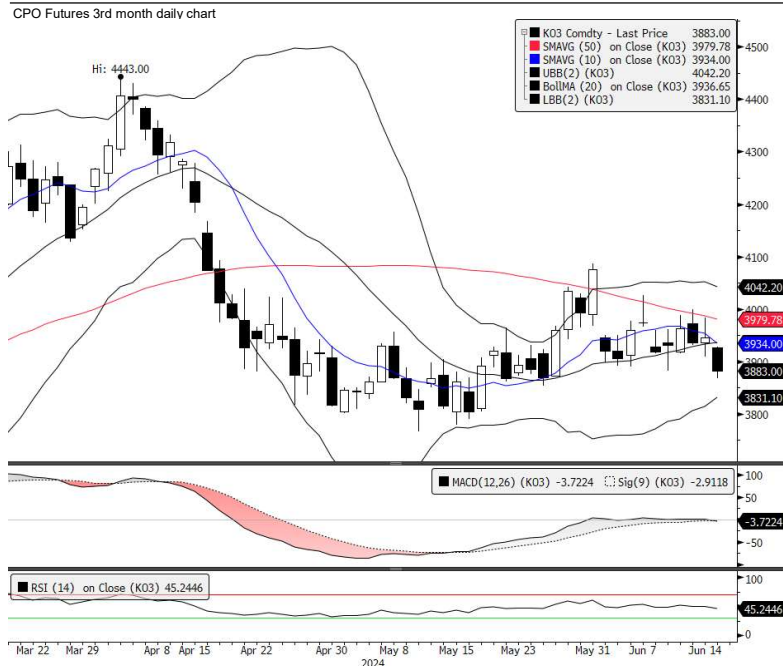


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures reopened after the Eid holiday and tumbled 1.15% on Tuesday, attributed to weaker rival soy oil prices and persistent concerns over declining Malaysian export demand and the anticipation of increased production from the world's second-largest producer further weighed on the market. Globally, crude oil prices continued its bullish momentum on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) ended \$1.24, or 1.5%, higher at \$81.57 a barrel, driven by escalating geopolitical tensions including a Ukrainian drone strike that caused a significant fire at a fuel tank in Russia's southern port of Azov and ongoing conflicts in the Middle East threatening global supply chains. In addition, the CBOT soy oil rose on Tuesday, with July soy oil finished 0.57 cent higher at 44.30 cents per pound, propelled by the rising crude oil prices and concerns over a heat wave moving across the eastern Corn Belt after a government report indicating a decline in U.S. crop ratings. Therefore, palm oil futures are expected to trade higher today tracking stronger overnight rival oils along with a potential of bargain hunting activities after previous session's rout while upside could be capped by lackluster June export data from cargo surveyors and expectations of increasing tropical oil stockpiles.

Technical

Palm oil futures for the September contract opened lower and traded gradually lower to close below negative territory tracking the weakness in overnight Dalian edible oils along with lingering concerns over sluggish June export demand data. At the close, the September contract settled at 3,883 ringgit per tonne with losses of 45 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with short upper and long bottom shadows, indicating that the bears took control over the trading session aggressively. Technical wise, MACD indicator issued a sell signal while RSI is lingering in a neutral region. Nevertheless, palm oil futures are expected to trade with upward bias today tracking stronger overnight rival oil prices and a potential of bargain hunting activities while upside could be capped by the rebound in Malaysian Ringgit and concerns over slower demand data during June first 15 days. Therefore, the support and resistance for the newly listed September futures contract can be eyed at 3,855 and 3,960 respectively.

K03 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 20MAR2024-18JUN2024 Copyright© 2024 Bloomberg Finance L.P. 18-Jun-2024 19:34:50

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	3,937	-46	3,961	3,917	2,742	13,247	-1,728	-36.13 Mn	3,996	3,885	Jul24	3,930	3,960	-8.3%	0.0%
AUG 24	3,910	-51	3,947	3,893	16,806	51,951	-2,958	-61.42 Mn	3,970	3,798	Source: Reuters				
SEP 24	3,883	-63	3,929	3,868	32,478	59,013	5,324	109.78 Mn	3,978	3,804					
OCT 24	3,866	-62	3,914	3,853	11,930	25,323	1,030	21.14 Mn	3,986	3,815					
NOV 24	3,862	-49	3,909	3,852	6,734	18,824	-277	-5.68 Mn	3,929	3,702	Jul24-Aug24	27	14	17	937
DEC 24	3,877	-34	3,921	3,867	4,896	15,995	-101	-2.08 Mn	3,994	3,919	Jul24-Sep24	54	32	36	148
JAN 25	3,899	-25	3,942	3,889	2,424	14,626	678	14.04 Mn	3,994	3,919	Aug24-Sep24	27	19	20	1,344
FEB 25	3,919	-25	3,957	3,914	573	6,239	-102	-2.12 Mn	4,010	3,860	Aug24-Oct24	44	36	38	672
MAR 25	3,934	-28	3,974	3,928	1,059	13,608	73	1.52 Mn	3,993	3,846	Sep24-Oct24	17	16	18	900
APR 25	3,930	-44	3,960	3,939	186	4,016	-5	-.1 Mn	3,947	3,817	Sep24-Nov24	21	18	20	160
MAY 25	3,922	-48	3,963	3,926	849	4,122	191	3.98 Mn	3,931	3,782	Source: Bloomberg				
JUN 25	3,907	-55			4	0	0	. Mn	3,907	3,770					
JUL 25	3,892	-70	3,931	3,901	235	2,003	118	2.44 Mn	3,735	3,672					
SEP 25	3,870	-62	3,906	3,877	424	603	229	4.71 Mn	3,867	3,759					
NOV 25	3,869	-41	3,888	3,868	81	219	76	1.56 Mn	3,877	3,810					
JAN 26	3,869	-29			0	0	0	. Mn	-	-					
MAR 26	3,869	-29			0	0	0	. Mn	-	-					
MAY 26	3,869	-29			0	0	0	. Mn	-	-					
JUL 26	3,869	-29			0	0	0	. Mn	-	-					
SEP 26	3,869	-29			0	0	0	. Mn	-	-					
NOV 26	3,869	-29			0	0	0	. Mn	-	-					
JAN 27	3,869	-29			0	0	0	. Mn	-	-					
MAR 27	3,869	-29			0	0	0	. Mn	-	-					
MAY 27	3,869	-29			0	0	-	-	-	-					
Total					81,421	229,789	2,548								

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	450,513	481,689	574,760	600,777	-21.62%	-19.82%	3.07%	-
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	3883	0	0.00%	-7.57%	3.41%	-0.08 0.03
Dalian Olein	7594	14	0.18%	-0.21%	8.30%	1.08 1.05
Soybean Oil	44.30	0.62	1.42%	-9.03%	-12.52%	0.98 0.85
WTI Crude	81.57	1.24	1.54%	0.23%	9.27%	1.04 0.92
CRB Index (realtime)	295.68	2.6100	0.89%	3.08%	10.45%	1.08 1.06

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USD/MYR	4.7080	-0.11%	-0.50%	0.75%
USD/IDR	16412.0	0.87%	4.43%	4.95%

Source: Bloomberg

Overnight Lead

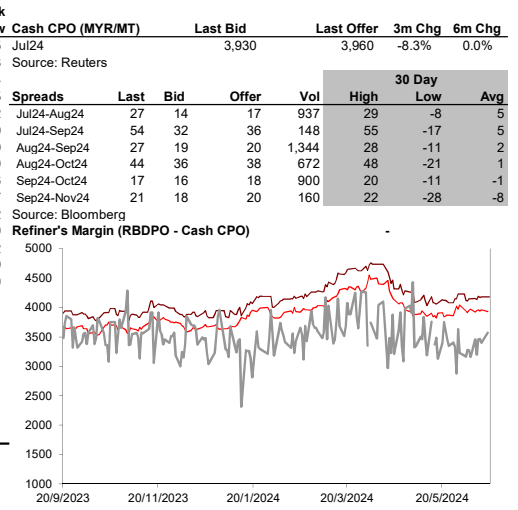
Chicago Board of Trade soybean futures turned higher on Tuesday, reversing direction after a two-day slide, as investors tracked a heat wave moving across the eastern Corn Belt after the government reported a decline in U.S. crop ratings. - Reuters

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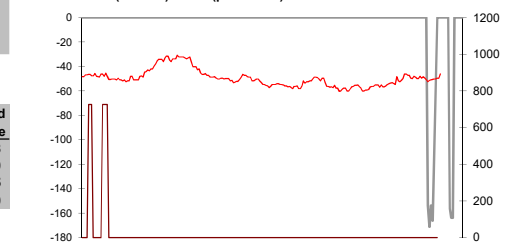
Fax: (603) 2172 2729 Email: futures@kenanga.com.my

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



3rd mth FCPO Volatility

30 Days 60 Days 90 Days

23.82% 23.01% 21.44%