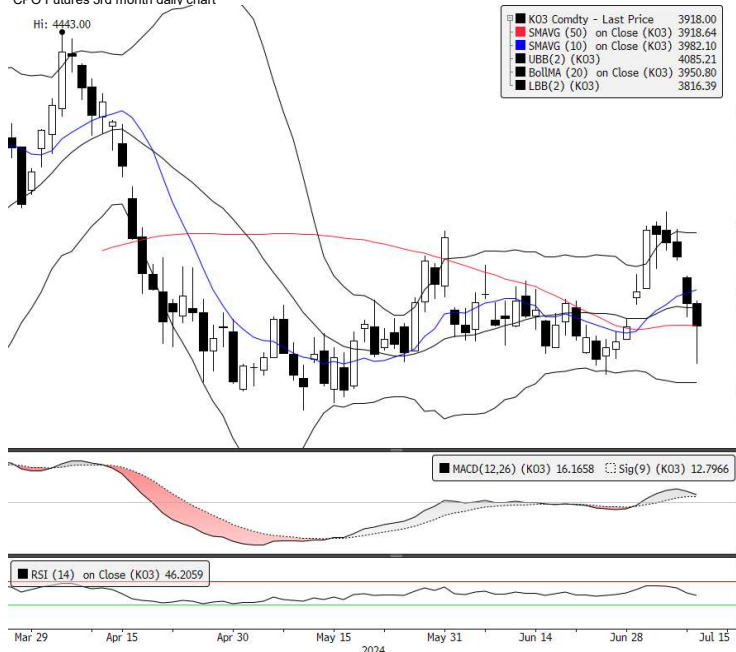


CPO Futures 3rd month daily chart



## Preview

## Fundamental

Malaysian palm oil futures extended their losing streak to a sixth consecutive session, declining 1.04% on Wednesday attributed to a rise in inventories to a four-month high in June, driven by a sharp decline in shipments and tracking the weakness in rival soy oil while an increase in July exports helped limit the downside. Globally, crude oil prices rebounded on Wednesday, with the U.S. benchmark West Texas Intermediate (WTI) gained 0.69 cents, or 0.85% higher, and settled at \$82.10 a barrel spurred by a surge in U.S. refining activity last week which led to a larger-than-expected decrease in gasoline and crude inventories while gains were tempered by minimal supply disruptions from Hurricane Beryl. Meanwhile, the CBOT soy oil continued its downward momentum on Wednesday, with August soy oil finished 0.61 cents lower at 46.34 cents per pound, pressured by weak demand and the prospect of a strong U.S. crop condition continued to weigh on the market. Thus, palm oil futures are expected to trade higher today on a potential of bargain hunting activities after recent rout and optimism over strong demand recovery after cargo surveyors published better than expected shipment data while gains could be capped by a strengthening Malaysian Ringgit which diminishes the appeal of tropical oil and weaker rival soy oil.

## Technical

Palm oil futures for the September contract opened sharply lower during morning session but managed to recover some of the early steep losses and ended in negative column pressured by persistent selling activities following the weakness in rival edible oil and slightly bearish Malaysian Palm Oil Board's supply and demand data while losses were partly cushioned by bullish July exports data published by cargo surveyors. At the close, the September contract settled at 3,918 ringgit per tonne with losses of 41 points. Trading activities for the day can be depicted through the formation of a black-bodied candlestick pattern with shorter upper and longer bottom shadows, indicating that the bears seized control over the trading session aggressively. Technical wise, MACD indicator remained issue a buy signal while RSI is lingering in a neutral region. Therefore, palm oil futures are expected to rebound today on a potential of bargain hunting activities after recent rout and bullish export demand data while the mixed overnight rival oil prices and strengthening Malaysian Ringgit could limit the gains. Hence, the support and resistance for the September futures contract can be eyed at 3,880 and 4,000 respectively.

K03 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 12APR2024-10JUL2024 Copyrights 2024 Bloomberg Finance L.P. 10-Jul-2024 19:36:53

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
JUL 24	3,998	-17	4,000	3,950	54	2543	-97	-2.07 Mn	4,155	4,021	Aug24	3,980	4,050	-14.3%	0.0%
AUG 24	3,963	-17	3,977	3,879	7,175	17284	-2,948	-62.25 Mn	-	-	Source: Reuters				
SEP 24	3,918	-41	3,963	3,850	46,731	64542	-5,090	-106.26 Mn	-	-					
OCT 24	3,897	-52	3,949	3,841	19,383	40135	-221	-4.59 Mn	-	-					
NOV 24	3,891	-53	3,945	3,840	12,204	20966	483	10.01 Mn	-	-	Jul24-Aug24	35	-5	-	48
DEC 24	3,898	-51	3,942	3,852	7,882	19012	127	2.64 Mn	-	-	Jul24-Sep24	80	-	-	9
JAN 25	3,914	-48	3,954	3,868	5,459	17785	1,102	22.98 Mn	3,994	3,919	Aug24-Sep24	45	43	45	293
FEB 25	3,932	-46	3,971	3,888	1,935	8261	194	4.06 Mn	4,010	3,860	Aug24-Oct24	66	64	66	213
MAR 25	3,936	-44	3,978	3,890	2,056	17550	-79	-1.66 Mn	3,993	3,846	Sep24-Oct24	21	20	21	314
APR 25	3,927	-44	3,965	3,880	622	7865	8	-17 Mn	3,947	3,817	Sep24-Nov24	27	24	26	180
MAY 25	3,913	-43	3,945	3,866	1,631	7869	151	3.15 Mn	3,931	3,782	Source: Bloomberg				
JUN 25	3,895	-43	3,918	3,854	312	1081	24	.5 Mn	3,907	3,770	Refiner's Margin (RBDPO - Cash CPO)				
JUL 25	3,884	-43	3,916	3,843	968	2993	125	2.59 Mn	3,735	3,672	5000				
SEP 25	3,861	-43	3,900	3,838	795	1036	309	6.36 Mn	3,867	3,759					
NOV 25	3,863	-43	3,885	3,848	187	442	102	2.1 Mn	3,877	3,810	4500				
JAN 26	3,863	-43			0	0	0	. Mn	-	-	4000				
MAR 26	3,863	-43			0	0	0	. Mn	-	-	3500				
MAY 26	3,863	-43			0	0	0	. Mn	-	-	3000				
JUL 26	3,863	-43			0	0	0	. Mn	-	-	2500				
SEP 26	3,863	-43			0	0	0	. Mn	-	-	2000				
NOV 26	3,863	-43			0	0	0	. Mn	-	-					
JAN 27	3,863	-43			0	0	0	. Mn	-	-					
MAR 27	3,863	-43			0	0	0	. Mn	-	-					
MAY 27	3,863	-43			0	0	0	. Mn	-	-					
Total					107,394	229,364	-5,810								

Source: Bloomberg

Export Est Period	Jul-24 AMSPEC	Jul-24 ITS	Jun-24 AMSPEC	Jun-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	528,843	536,193	284,540	294,516	85.86%	82.06%	61.94%	43.67%
1 - 15th days	-	-	450,513	481,689	-	-	-	-
1 - 20th days	-	-	708,873	763,129	-	-	-	-
1 - 25th days	-	-	891,570	994,009	-	-	-	-
<b>Full month</b>	-	-	<b>1,188,180</b>	<b>1,306,689</b>	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2023 June	2024 April	2024 May	2024 June	Jul Chg (Mean)	KF's Expected July
Production	1,447,795	1,501,941	1,704,455	1,615,283	2.47%	1,655,127
Stocks	1,720,567	1,744,459	1,753,544	1,829,469	2.26%	1,871,118
Export	1,171,741	1,234,208	1,378,443	1,205,214	4.18%	1,255,611
Import	135,271	34,762	20,761	11,738	19.80%	14,063

Source: Reuters

Commodity Futures (3rd month)						Relative to FCPO	
Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg	
CPO	3918	0	0.00%	-9.26%	3.27%	-0.09	0.03
Dalian Olein	7648	-176	-2.25%	-2.72%	9.29%	1.07	1.06
Soybean Oil	46.26	-2.74	-5.59%	-2.82%	-3.34%	1.07	0.94
WTI Crude	82.10	0.69	0.85%	-1.11%	14.47%	1.02	0.93
CRB Index (realtime)	289.71	-0.2700	-0.09%	-1.98%	9.70%	1.09	1.11
Source : Bloomberg							
Currency		Last	1d Chg		3m Chg	6m Chg	
USDMYR		4.6920		-0.16%	-1.01%	1.20%	
USDIDR		16218.0		-0.20%	2.54%	4.37%	
Source : Bloomberg							

Source: Bloomberg

## Overnight Lead

Chicago Board of Trade soybean futures fell to a November 2020 low on Wednesday while August and September futures hit lifetime lows as weak demand and the prospect of a strong U.S. crop weighed on the market.- Reuters

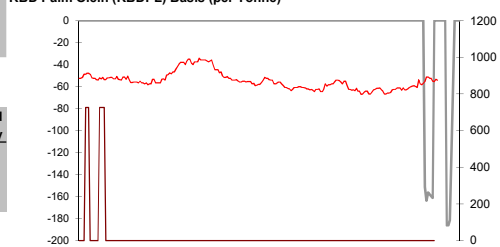
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Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPO) Basis (per Tonne)



3rd mth FCPO Volatility

