

Crude Palm Oil Weekly

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Market Commentary

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Malaysian palm oil futures extended gains to a second straight session on Monday, and hit a one-week high, tracking strength in Dalian and Chicago edible oils, while gains in energy complex also lent support.

The benchmark palm oil contract for May delivery on the Bursa Malaysia Derivatives Exchange gained 61 ringgit, or 1.51%, to 4,103 ringgit (\$1,051.24) a metric ton by the midday break.

"Sentiment also find(ing) support from gains in the energy complex, as supply-risk concerns intensify amid escalating tensions in the Middle East, threatening one of the world's most critical energy corridors," a Kuala Lumpur-based trader said.

Dalian's most-active soyoil contract gained 0.29%, while its palm oil contract rose 1.55. Soy oil on the Chicago Board of Trade added 1.99%.

Oil prices jumped to its highest since January 2025 earlier in the session, as Iran and Israel stepped up attacks in the Middle East, damaging tankers and disrupting shipments from the key producing region.

Meanwhile, Indonesia has raised its crude palm oil exports levy to 12.5% of the CPO reference price from 10%, a finance ministry regulation showed, a move officials said aims to finance its biodiesel blending mandate.

Exports of Malaysian palm oil products fell 21.5% to 1,149,063 metric tons in February from 1,463,069 metric tons shipped during January, cargo surveyor Intertek Testing Services said.

Based on the Oil World Report, palm oil quotations declined significantly on the Malaysian futures market during the week in review, partly attributable to the strength of the Malaysian ringgit. Slower global demand in Jan–Mar 2026 is expected to tighten the surplus across major exporting countries.

Malaysian exports remain above last year's levels, supported by January's stocks, while Indonesian policy measures have limited near-term impact but could influence longer-term production and exports.

For this week, FCPO is likely to trade with a mildly bullish bias, supported by strength in rival edible oils and firmer energy prices amid Middle East tensions. However, the sharp month-on-month decline in Malaysian exports, alongside a stronger ringgit and softer global demand outlook, may limit upside and keep gains measured.

Call of The Week:

Mildly Bullish

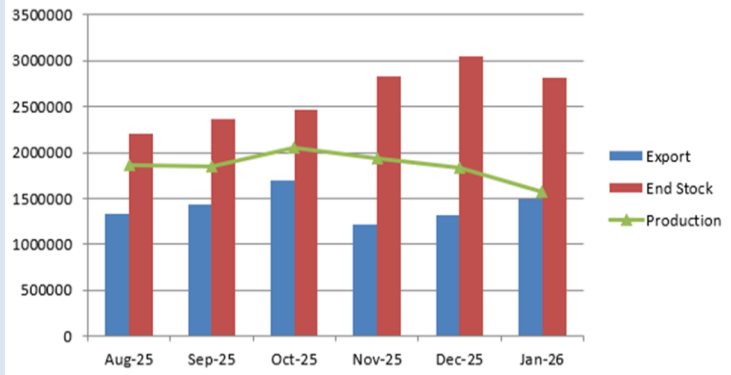
02/03/2026

Fundamental Data

Malaysia Palm Oil Board Data ('000 tonnes)

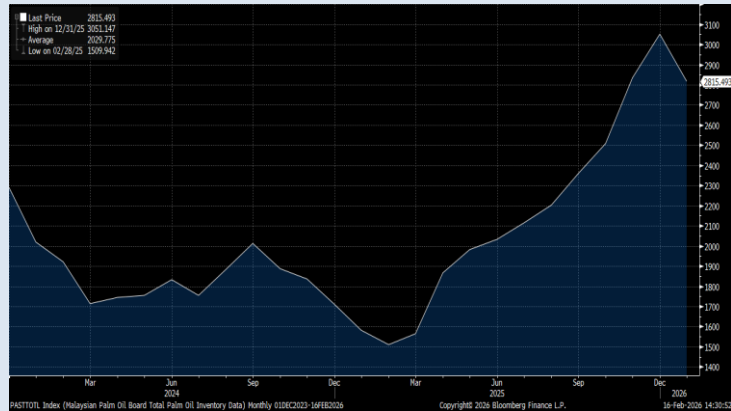
	Jan-26	Dec-25	Diff.	MoM%	Jan-25	YoY%
Opening Stocks	3050	2835	215	7.58%	1708	78.57%
Production	1577	1829	-252	-13.78%	1237	27.49%
Imports	32	33	-1	-3.03%	88	-63.64%
Total Supply	4659	4697	-38	-0.81%	3033	53.61%
Exports	1484	1316	168	12.77%	1168	27.05%
Dom Disapp	360	331	29	8.76%	286	25.87%
Total Demand	1844	1647	197	11.96%	1454	26.82%
End Stocks	2815	3050	-235	-7.70%	1579	78.28%
Stock/Usage Ratio	12.72%	15.43%			9.05%	

Source: MPOB/ Phillip Capital



Source: MPOB/ Phillip Capital

CPO Stock Level



Source: Bloomberg/ Phillip Capital

Chart of the Day - Crude Palm Oil Daily Chart



TradingView

Source: Phillip Nova/Phillip Capital

Based on the NOVA daily chart, FCPO is currently trading in a range-bound manner around the 4,100 pivot zone after failing to sustain its recent rally toward the 4,300 resistance. The recent price action continues to show consolidation within the 3,950–4,300 range, indicating a lack of clear directional momentum. A sustained daily close above 4,300 would signal a bullish breakout and open upside potential toward 4,500, while a break below 4,100 may trigger renewed downside pressure toward the 3,950 major support.

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