Crude Palm Oil Weekly

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Market Commentary

Call of The Week: **Mildly Bullish**

24/08/2026

Market Commentary:
Malaysian palm oil futures slipped on Monday, snapping a five-session winning streak, weighed down by weaker soyoil prices amid reduced U.S. biofuel demand expectations.

The benchmark palm oil contract for November delivery on the Bursa Malaysia Derivatives Exchange was down 27 ringgit, or 0.54%, at 4,991 ringgit ($1,236.01) a metric ton by the midday break.

The contract rose for five straight sessions, hovering near a December 2024 high since Tuesday, and is up 6.58% this week, its third weekly advance.

The palm market retreated from its highest level since December 2024, pressured by sharp losses in Chicago soyoil after the U.S. Environmental Protection Agency signaled plans to extend a September 1 deadline for oil refiners to demonstrate compliance with the nation's biofuel blending laws.

"Chicago soyoil's December contract fell more than 2% in overnight trading on Friday and extended its decline by another 2.7% on Monday, weighing on overall sentiment, " the trader added.

Soyoil prices on the Chicago Board of Trade were down 2.73%. Dalian's most-active soyoil contract fell 0.15%, while its palm oil contract added 0.3%.

Oil prices slipped more than $1 a barrel as investors took profits ahead of an expected announcement from Washington on imposing more sanctions on Iran that may further disrupt supplies from the Middle East.

Palm oil may retrace further into 4,901-4,919 ringgit per metric ton, following its failure to break resistance at 5,037 ringgit.

Based on the <Oil World Report>, prices of palm oil increased by 3%-4%, increasing awareness of the growing threat to production from the developing Ell Nino was probably mainly behind these price gains. Other, palm oil sellers are trying to take these time lags into account by demanding widening price premiums for the deferred positions. While this poins to the potential squeeze in global palm oil export supplies, only time will tell whether the price structure currently developing for early next year appropriately mirrors the actual development of productions and exports.

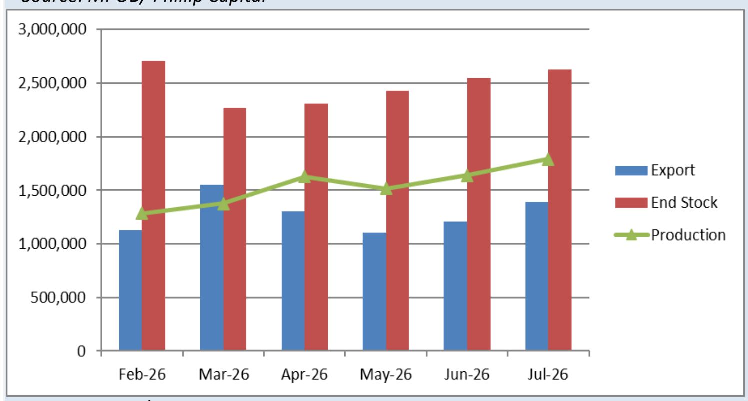
This week, FCPO may trade mildly bullish, as the market increases awareness of the impact of El Niño on palm oil production, and prices have broken above 5,000 level.

Fundamental Data

Malaysia Palm Oil Board Data ('000 tonnes)

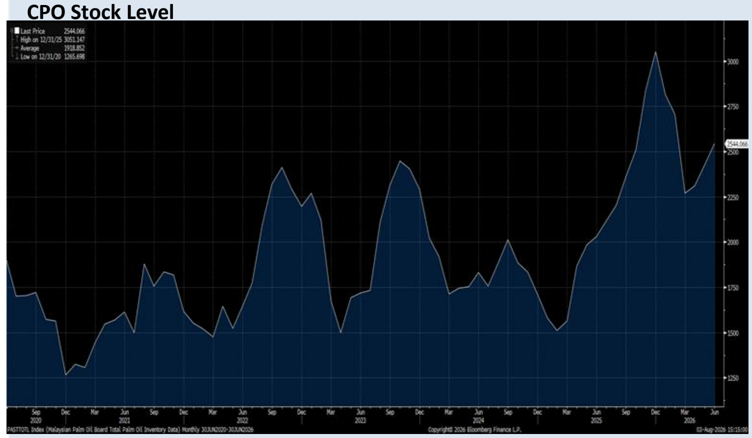
	Jul-26	Jun-26	Diff.	MoM%	Jul-25	YoY%
Opening Stocks	2544	2427	117	4.82%	2030	25.32%
Production	1792	1638	154	9.40%	1812	-1.10%
Imports	49	103	-54	-52.43%	61	-19.67%
Total Supply	**4385**	**4168**	**217**	**5.21%**	**3903**	12.35%
Exports	1392	1204	188	15.61%	1309	6.34%
Dom Disapp	365	420	-55	-13.10%	481	-24.12%
Total Demand	**1757**	**1624**	**133**	**8.19%**	**1790**	-1.84%
End Stocks	2628	2544	84	3.30%	2113	24.37%
Stock/Usage Ratio	**12.46%**	**13.05%**			**9.84%**	

Source: MPOB/ Phillip Capital



Source: MPOB/ Phillip Capital

CPO Stock Level



Source: Bloomberg/ Phillip Capital

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Chart of the Day - Crude Palm Oil Daily Chart

Source: Phillip Nova/Phillip Capital

Based no the Nova daily chart, FCPO surged higher, extending its recent uptrend and breaking above the 4,800 and 4,900 levels. Prices are currently trading around 5,018, approaching the 5,050 resistance level. The recent price action shows strong bullish momentum, with higher highs and higher lows. A sustained break above 5,050 could open the way for further upside, while a pullback could find initial support around 4,950.

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