

Crude Palm Oil Weekly

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Market Commentary

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Malaysian palm oil futures eased on Monday, tracking losses in Dalian palm olein and Chicago soyoil, while weaker crude oil prices further weighed on sentiment, with the market awaiting confirmation of Malaysia's proposed export duty waiver.

The benchmark palm oil contract for January delivery on the Bursa Malaysia Derivatives Exchange lost 38 ringgit, or 0.79%, to 4,780 ringgit (\$1,170.71) a metric ton by the midday break.

"The futures opened gap lower following weakness in energy prices and in related vegetable oil futures, mainly Dalian Palm olein and CBOT soybeans and soyoil. However, the main catalyst is the absence of any confirmation of an export duty waiver from Malaysia and market seen erasing the news premium from the palm oil prices," said Anilkumar Bagani, head of research at Mumbai-based vegetable oil broker Sunvin Group.

Dalian's most-active soyoil contract rose 0.09%, while its palm oil contract dropped 0.39%. Soyoil prices on the Chicago Board of Trade were down 1.02%.

Oil prices fell on Monday after surging last week to near six-month highs, amid hopes of easing hostilities between the United States and Iran, although persistent attacks on key producer Saudi Arabia by Yemen's Houthis kept investors wary.

Exports of Malaysian palm oil products for October 1-25 rose 46.9% to 1,303,703 metric tons from 887,557 metric tons shipped during September 1-25, cargo surveyor Intertek Testing Services said on Sunday.

Based on the <Oil World Report>, current prices of palm oil and soya oil are undervalued relative to fossil fuels. If prices of crude mineral oil and gas oil do not come down in the medium term, palm and soya oil prices should strengthen. Malaysian palm oil exports are picking up. In the first 20 days of October, they jumped by 0.5 MnT or 78% from a month earlier to 1.08 MnT, 12% above a year earlier, according to Amspec.

This week, FCPO may trade within a range, pressured by high production and stock levels in Malaysia, while exports continue to gain pace. The market may focus on upcoming export data and elevated crude oil prices amid geopolitical tensions in the Middle East.

Call of The Week:

Range Bound

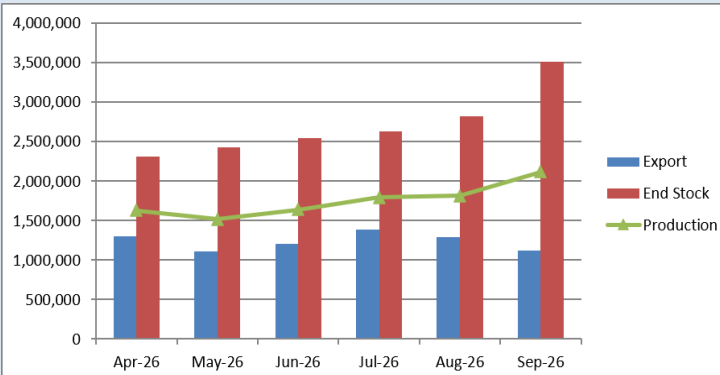
26/10/2026

Fundamental Data

Malaysia Palm Oil Board Data ('000 tonnes)

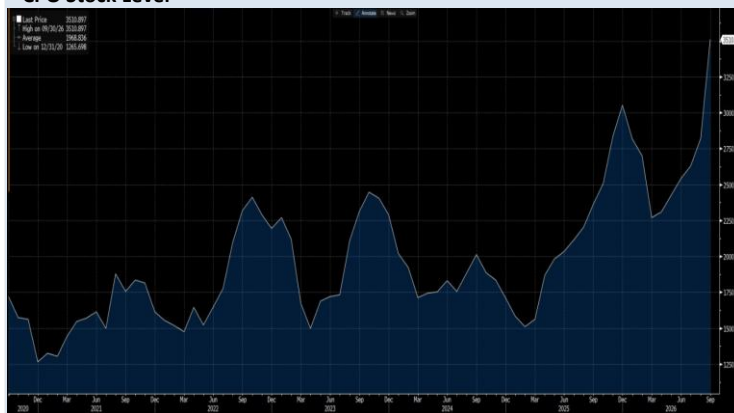
	Sep-26	Aug-26	Diff.	MoM%	Sep-25	YoY%
Opening Stocks	2824	2628	196	7.46%	2203	28.19%
Production	2116	1817	299	16.46%	1841	14.94%
Imports	58	49	9	18.37%	78	-25.64%
Total Supply	4998	4494	504	11.21%	4122	21.25%
Exports	1120	1294	-174	-13.45%	1427	-21.51%
Dom Disapp	368	376	-8	-2.13%	335	9.85%
Total Demand	1488	1670	-182	-10.90%	1762	-15.55%
End Stocks	3510	2824	686	24.29%	2360	48.73%
Stock/Usage Ratio	19.66%	14.09%			11.16%	

Source: MPOB/ Phillip Capital



Source: MPOB/ Phillip Capital

CPO Stock Level



Source: Bloomberg/ Phillip Capital

Chart of the Day - Crude Palm Oil Daily Chart

Crude Palm Oil Futures · 1D · MYX O4,793 H4,797 L4,767 C4,778 -40 (-0.83%)



Source: Phillip Nova/Phillip Capital

Based on the NOVA Daily Chart, FCPO retraced last week after encountering strong resistance at the 78.6% Fibonacci retracement level of RM4,823. The rejection at this level suggests that the market may continue to move sideways with a slight bearish bias here, this week lowest may fall within RM4,610 - 4,645.

For this week, FCPO is expected to trade within the range of RM4,338 to RM4,900.

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