

Wednesday 24 April 2024

Overnight soybean oil		% change	
May	45.11c	-0.20	-0.45%
Jul	45.70c	-0.18	-0.40%
Aug	45.88c	-0.19	-0.42%
Sept	45.97c	-0.20	-0.44%

Matif rapeseed		change	
May	446.75	-4.00	-0.90%
Aug	456.75	-3.50	-0.77%
Nov	461.75	-4.00	-0.87%
Feb'25	463.50	-4.00	-0.87%

Malaysian Palm oil		change	
Apr	4044 rgt	-29	-0.72%
May	3986 rgt	-30	-0.76%
Jun	3943 rgt	-28	-0.72%
Jul	3916 rgt	-20	-0.51%

Brent crude US\$		% change	
Jun	88.16	-0.26	-0.30%
Jul	87.14	-0.25	-0.29%
Aug	86.30	-0.25	-0.29%

Fx spot rates		% change	
Eur / US\$	1.0687	-0.11%	
Eur / Stg£	0.8592	-0.01%	
US\$ / Stg£	1.2436	-0.10%	
US\$ / MYR	4.7750	-0.06%	
	0.2238	1.2438	

CBOT soybeans firm on rising wheat, weather risks

CHICAGO, April 23 - CBOT soybean futures firmed on Tuesday following rising wheat markets, supported by short covering and technical buying with wet weather expected to slow Midwest planting over the next week.

July soybean futures settled up 5 1/2c at \$11.82 /bushel. July soyoil ended up 0.22c at 45.88 c/lb & July soymeal finished up \$1.30 at \$346.10 /ton.

Soy gained support from strong wheat futures & short covering ahead of the expiration dates for May futures contracts. The USDA reported late Monday that 8% of the US soybean crop was planted as of Sunday, ahead of expectations according to analysts polled by Reuters, who predicted 7% of the crop planted.

Wet weather in the central US is expected to slow planting over the next week, but warm weather will boost soil temperatures, according to a Maxar forecast.

Palm oil closes lower on waning strength of rivals

SINGAPORE, April 24 - Malaysian palm oil futures surrendered earlier gains to reverse a 2 day climb on Wednesday amid waning strength in soyoil & crude oil, while a stronger ringgit further weighed on investor sentiment.

The benchmark palm oil contract for July delivery on the BMD Exchange closed down 28 ringgit at 3,943 ringgit. Dalian's most-active soyoil contract & palm oil contract closed afternoon trade up at 0.92% & 0.86%, respectively. Soyoil prices on the CBOT fell 0.59%.

Soybeans, used to derive soyoil, edged down as dealers assessed prospects for US planting weather this week. Oil prices were stable above \$88 a barrel on Wednesday, after industry data showed a surprise drop in US crude stocks last week & a drop in business activity from the world's largest oil consumer.

Brent crude futures fell 31c to \$88.11 a barrel. US West Texas Intermediate crude futures lost 36c to \$83 a barrel at 0950 GMT. Weaker crude oil futures make palm a less attractive option for biodiesel feedstock.

The Malaysian ringgit, palm's currency of trade, strengthened 0.06% against the dollar. A stronger ringgit makes palm oil less attractive to foreign currency holders.

Malaysian oil palm smallholders have been urged to replant old oil palm trees, which would maintain the productivity of the country's oil palm industry, Malaysia-based Bernama reported on Monday.

Malaysia's meteorological agency increased the issuance of Level 1 hot weather alerts to over 20 areas on Tuesday evening. Hot weather negatively affects palm yields. (\$1 = 4.7750 ringgit)

Crude oil

The Russian economy ministry has downgraded its forecasts for the country's crude oil export prices for the next 3 years to \$65 per barrel, according to an updated outlook seen by Reuters on Tuesday. The forecasts, used to compile the federal budget, were cut from previous estimates of \$71.3/barrel for 2024, \$70.1 for 2025 & \$70 for 2026.

US oil & gas deals hit a record \$51bn in the first quarter, a continuation of last year's fierce merger pace centered in the top US shale field, data provider Enverus said on Tuesday. Energy companies have rushed to expand oil & gas drilling inventories, especially in the Permian Basin of West Texas & New Mexico, where producer break-even costs are about \$64 /barrel. Oil prices averaged about \$77 /barrel last quarter & this week traded near \$83 /barrel.

Rapeseed oil

Stronger mineral oils prices coupled with energy drove the ICE canola market up to a 2 week high yesterday while in Europe, MATIF took the opposite direction & fell on the back of technical selling after moving higher on Monday.

We saw little action in the FDM rapeoil market yesterday with market participants being mixed between weaker seeds prices & soy & energy holding well. The fact that physical order flow from the biodiesel & food sectors was lacking, we saw rapeoil prices easing a bit, but price action was minimal.

The Lower Rhine rapemeal market was barely discussed with market participants attending the Hamburg Grains Exchange. Almost no paper was traded but sentiment was rather supportive given the strength seen in the soy complex.

Sunflower oil

The day started on the firm side with most participants back for a short week last week due to no liquidity during the NOFOTA event. The strength in mineral oils & soyoil being a touch firmer participated to that early sentiment but later in the day, as MATIF continued to trend lower, we saw the offer side of the sunoil 6-ports market improving. In short, we saw prices getting back to where they were last week prior to market participants heading to the NOFOTA. The sunmeal market was quiet in terms of activity but prices felt firmer & were catching up with the RSM & SBM price action.

Lauric Oil

Laurics market was mostly quiet while CNO did manage to post a gain yesterday. As market stabilized after the sharp drop on BMD, so did the consumer activity. Coconut oil was offered \$10 a tonne higher. Palmkernel was offered mostly between flat tracking palm oil futures & an easier dollar.

Crude Palm oil futures prices

O#FCPO:	CRU PA	
Mth	Last	Net.Ch B
MAY4	4044	-29
JUN4	3986	-30
JUL4	3943	-28
AUG4	3916	-20
SEP4	3902	-11
OCT4	3907	-2
NOV4	3922	+5
DEC4	3935	+10
JAN5	3952	+16
FEB5	3968	+19
MAR5	3973	+10

Crude Palm oil historical graph [Malaysian Ringgitt] Jan 2022 to date

