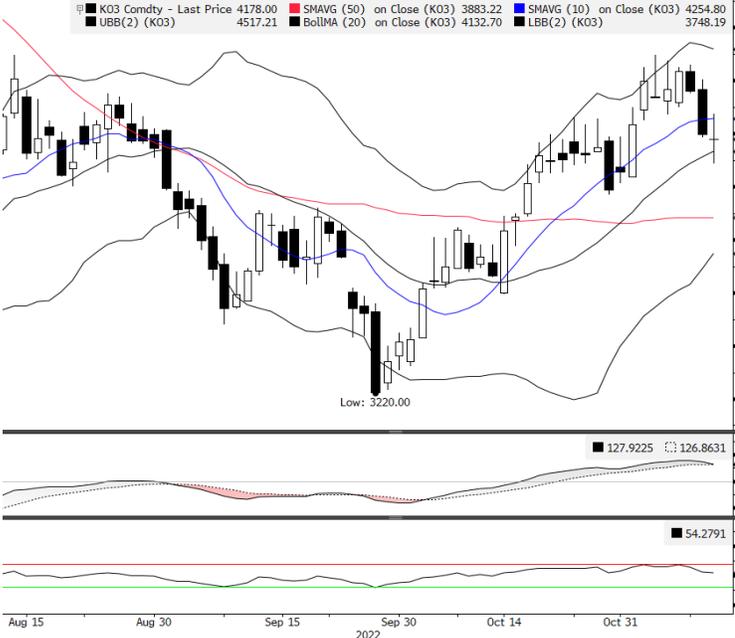


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures traded in a choppy session and ended 0.48% lower on Thursday, as earlier losses were weighed by China lockdowns due to Covid-19 outbreak and was pared by a smaller-than-expected inventories data published by MPOB and surprisingly double digit growth of November export data by cargo surveyors. In the overnight competing oils market, crude oil prices rebounded with the U.S. benchmark West Texas Intermediate (WTI) rose 0.8% to settle at \$84.67 per barrel, or 64 cents higher, as cooler than expected inflation data offset on renewed concerns about fuel demand since China announced another round of Covid-19 curb. In addition, the CBOT soy oil edged higher, with December soy oil settled up 0.55 cent at 76.09 cents per lb, borrowed strength from bounced in crude oil prices despite the slump in its soy bean price which was dragged by profit taking activities in the agricultural commodity markets and supply concern due to weakening U.S. Dollar after a tamer than expected inflation data is announced. Thus, palm oil futures are expected to trade on an optimism note today tracking the gains in overnight competing oils and encouraging demand due to a widening spread against rival soy oil while upside could be limited by a potential of profit booking activities ahead of weekend and renewed demand worries as China's commitment to its zero-COVID approach could hurt consumption.

Technical

Palm oil futures for the January contract opened sharply lower before lunch break but bounced stronger thereafter and closed marginally lower as earlier losses were pared by short covering activities after MPOB shows a lower than expected inventories data and tropical oil output. At the close, the January contract settled at 4,178 ringgit per tonne with losses of 20 points. Trading activities for the day can be depicted through the formation of a black-bodied doji candlestick pattern with extended upper and bottom shadows, indicating that an indecisiveness in direction. Technical wise, MACD indicator issued a buy signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade higher today on buying support taking cue from the gains in overnight competing oils market while upside could be limited by the bulking stockpiles that hit the highest level in three years and a potential of profit booking activities ahead of weekend. Hence, the support and resistance for January futures contract can be found at 4,080 and 4,370 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 11AUG2022-10NOV2022

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Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD	Previous Week						
									High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
NOV 22	4,109	-36	4,142	4,020	12	1,232	-107	-2.36 Mn	4,230	3,795	NOV22	4,050	4,150	-3.5%	0.0%
DEC 22	4,115	-36	4,221	4,031	3,793	13,374	-424	-9.38 Mn	4,409	3,946	Source: Reuters				
JAN 23	4,178	-20	4,275	4,086	28,322	47,326	-631	-14.18 Mn	4,497	4,011					
FEB 23	4,198	-21	4,290	4,119	13,327	27,381	899	20.3 Mn	4,520	4,047	<b>Spreads</b>	<b>Last</b>	<b>Bid</b>	<b>Offer</b>	<b>Vol</b>
MAR 23	4,194	-18	4,283	4,123	9,028	28,257	223	5.03 Mn	4,501	4,043	Nov22-Dec22	-92	-200	-	12
APR 23	4,167	-24	4,248	4,103	5,785	17,611	-770	-17.25 Mn	4,452	4,005	Nov22-Jan23	-93	-71	-68	324
MAY 23	4,130	-19	4,220	4,070	5,156	20,561	-799	-17.75 Mn	4,399	3,957	Dec22-Jan23	-93	-71	-68	324
JUN 23	4,086	-18	4,177	4,032	2,952	14,934	283	6.22 Mn	4,345	3,920	Dec22-Feb23	-135	-95	-52	42
JUL 23	4,043	-30	4,137	3,990	1,421	11,302	-54	-1.17 Mn	4,302	3,885	Jan22-Feb23	-42	-26	-24	769
AUG 23	4,013	-30	4,106	3,963	720	4,246	65	1.4 Mn	4,269	3,884	Jan23-Mar23	-35	-25	-21	221
SEP 23	3,991	-31	4,100	3,938	555	5,500	98	2.1 Mn	4,250	3,873	Source: Bloomberg				
OCT 23	3,971	-31	4,033	3,928	112	773	20	.43 Mn	4,232	3,870	<b>Refiner's Margin (RBDPO - Cash CPO)</b>				
NOV 23	3,959	-31	4,019	3,915	141	5,549	56	1.19 Mn	4,215	3,863					
JAN 24	3,924	-31	3,930	3,911	16	1,020	-23	-.49 Mn	4,179	3,849					
MAR 24	3,811	-31				415	0	. Mn	-	-					
MAY 24	3,761	-31				72	0	. Mn	-	-					
JUL 24	3,761	-31					0	. Mn	-	-					
SEP 24	3,761	-31					0	. Mn	-	-					
NOV 24	3,761	-31					0	. Mn	-	-					
JAN 25	3,761	-31					0	. Mn	-	-					
MAR 25	3,761	-31					0	. Mn	-	-					
MAY 25	3,761	-31					0	. Mn	-	-					
JUL 25	3,761	-31					0	. Mn	-	-					
SEP 25	3,761	-31					0	. Mn	-	-					
<b>Total</b>					<b>71,340</b>	<b>199,553</b>	<b>-1,164</b>								

Source: Bloomberg

Export Est Period	Nov-22		Oct-22		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	420,477	408,867	373,030	361,602	12.72%	13.07%	-22.70%	-27.39%
1 - 15th days	-	-	594,282	640,119	-	-	-	-
1 - 20th days	-	-	895,522	872,508	-	-	-	-
1 - 25th days	-	-	1,146,132	1,146,113	-	-	-	-
<b>Full month</b>	-	-	<b>1,474,554</b>	<b>1,477,713</b>	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2021		2022		2022		2022		Nov Chg (Mean)	KF's Expected Nov
	November	August	September	October	September	October				
Production	1,634,932	1,725,781	1,770,441	1,813,591	3.68%	3.68%	1,880,389			
Stocks	1,816,879	2,094,667	2,315,464	2,403,719	3.21%	3.21%	2,480,941			
Export	1,467,518	1,299,654	1,420,235	1,503,779	15.43%	15.43%	1,735,835			
Import	97,092	145,452	132,303	66,349	7.70%	7.70%	71,458			

Source: Reuters

Commodity Futures (3rd month)

Commodity	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	4178	0	0.00%	-2.02%	-35.48%	-0.02	-0.35
Dalian Olein	8260	-150	-1.78%	-0.75%	-23.79%	1.01	1.18
Soybean Oil	76.09	0.55	0.73%	5.72%	-14.94%	1.08	1.32
WTI Crude	86.47	0.64	0.75%	-5.80%	-9.36%	1.07	1.22
CRB Index (realtime)	282.12	2.3390	0.84%	-4.39%	-7.47%	0.96	1.40

Source: Bloomberg

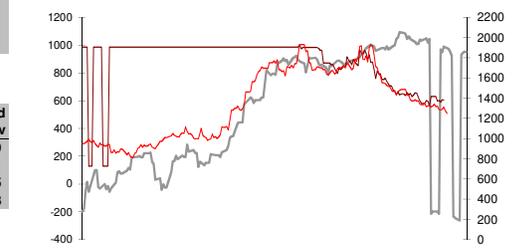
Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15693.5	0.23%	5.29%	7.57%

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures slumped as investors across much of the agricultural commodity markets sought to take profits on Thursday, even as the U.S. dollar tumbled on news that U.S. consumer prices rose less than expected in October, traders said. Reuters

Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPO) Basis (per Tonne) USD 953.67



3rd mth FCPO Volatility

