

CPO Futures 3rd month daily chart



Preview

Fundamental
Malaysian palm oil futures nosedived and slumped 3.09% on Friday, extended its losing streak to third consecutive session and closed in the lowest level in more than a week, as US Chicago biofuel mandate disappoints market sentiment which caused a slump in rival soy oil and local palm oil followed the dropping track of the relatable competing oil. Globally, crude oil prices plunged after a choppy trading session on Friday, with the U.S. benchmark West Texas Intermediate (WTI) fell \$1.24, or 1.5%, to \$79.98 per barrel, as participants stay cautious ahead of OPEC meeting as OPEC might try to shock and awe the market at their weekend meeting amid an EU ban on Russian crude on Monday. In addition, the CBOT soy oil continue its free fall on Friday, with January soy oil lost \$0.98 cents at 66.99 cents per lb, as disappointing U.S. biofuels targets still weigh over the sentiment. Thus, palm oil futures are expected to remain cautious today tracking overnight losses in rival oils as the bearish competing soy oil prices after a Biden administration proposal failed to match the booming growth expectations of the renewable diesel industry along with a stronger Malaysian currency that made the tropical oil costlier for overseas buyers.

Technical

Palm oil futures for the February contract opened higher but trended gradually lower and ended sharply lower in negative territory as selloff activities extended following the fall in the rival soy oil market during Asian trading hours along with strengthening Malaysian Ringgit. At the close, the February contract settled at 3,952 ringgit per tonne with losses of 126 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bears took control of the trading session aggressively. Technical wise, MACD indicator issued a sell signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade downward bias today on continued selling pressure on the back of stumble in overnight competing oils market and strengthening Malaysian Ringgit. Hence, the support and resistance for February futures contract can be found at 3,750 and 4,050 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 03SEP2022-02DEC2022

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Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD
DEC 22	3,905	-91	4,020	3,900	178	2,010	-89	-1.99 Mn
JAN 23	3,929	-112	4,118	3,900	7,663	22,332	-1,483	-33.38 Mn
FEB 23	3,952	-126	4,161	3,918	33,228	44,993	2,989	67.68 Mn
MAR 23	3,964	-132	4,175	3,926	17,325	37,672	-540	-12.26 Mn
APR 23	3,945	-132	4,155	3,913	6,920	23,657	-479	-10.83 Mn
MAY 23	3,917	-126	4,121	3,885	8,815	24,995	417	9.36 Mn
JUN 23	3,856	-126	4,053	3,840	3,756	15,315	-35	-77 Mn
JUL 23	3,813	-120	4,012	3,782	3,684	15,836	693	15.14 Mn
AUG 23	3,778	-120	3,845	3,745	1,686	6,104	240	5.19 Mn
SEP 23	3,756	-120	3,934	3,720	2,294	8,604	717	15.43 Mn
OCT 23	3,738	-120	3,796	3,706	324	1,370	65	1.39 Mn
NOV 23	3,738	-120	3,801	3,697	378	7,128	172	3.68 Mn
JAN 24	3,713	-120	3,769	3,685	16	1,075	11	.23 Mn
MAR 24	3,668	-120	-	-	1	443	0	. Mn
MAY 24	3,618	-120	-	-	-	73	0	. Mn
JUL 24	3,618	-120	-	-	-	-	0	. Mn
SEP 24	3,618	-120	-	-	-	-	0	. Mn
NOV 24	3,618	-120	-	-	-	-	0	. Mn
JAN 25	3,618	-120	-	-	-	-	0	. Mn
MAR 25	3,618	-120	-	-	-	-	0	. Mn
MAY 25	3,618	-120	-	-	-	-	0	. Mn
JUL 25	3,618	-120	-	-	-	-	0	. Mn
SEP 25	3,618	-120	-	-	-	-	0	. Mn
NOV 25	3,618	-120	-	-	-	-	0	. Mn
Total					86,268	211,607	2,678	

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	657,896	662,816	594,282	640,119	10.70%	3.55%	-17.60%	-27.31%
1 - 20th days	921,808	943,030	895,522	872,508	2.94%	8.08%	-13.60%	-17.96%
1 - 25th days	1,199,383	1,192,881	1,146,132	1,146,113	4.65%	4.08%	-4.43%	-10.72%
Full month	1,498,862	1,519,560	1,474,554	1,477,713	1.65%	2.83%	-4.67%	-9.61%

Source: Reuters

Malaysian Palm Oil Board Statistic

	2021	2022		2022		Nov Chg (Mean)	KF's Expected Nov
	November	August	September	October			
Production	1,634,932	1,725,781	1,770,441	1,813,591	-0.11%	1,811,641	
Stocks	1,816,879	2,094,667	2,315,464	2,403,719	0.61%	2,418,495	
Export	1,467,518	1,299,654	1,420,235	1,503,779	2.40%	1,539,818	
Import	97,092	145,452	132,303	66,349	4.51%	69,340	

Source: Reuters

Commodity Futures (3rd month)

Commodity	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3952	-126	-3.09%	0.95%	-38.90%	0.01	-0.39
Dalian Olein	8350	-194	-2.27%	4.01%	-24.39%	1.03	1.24
Soybean Oil	67.59	-7.64	-10.16%	-5.47%	-17.01%	0.94	1.36
WTI Crude	79.98	-1.24	-1.53%	-6.12%	-22.94%	1.03	1.25
CRB Index (realtime)	276.69	-2.7767	-0.99%	-2.74%	-14.41%	0.93	1.26

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USDIR	15425.5	-0.88%	4.48%	7.48%

Source: Bloomberg

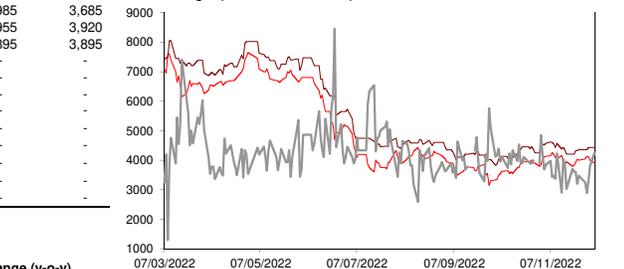
Overnight Lead

Chicago Board of Trade soybean futures rebounded modestly on Friday after a steep selloff the previous session related to disappointing U.S. biofuels targets. - Reuters

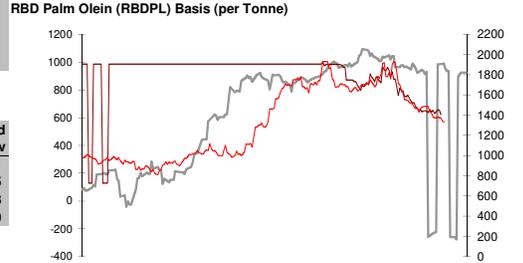
Previous Week

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NOV24	3,618	-120	-	-	-	-	0	. Mn
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MAY25	3,618	-120	-	-	-	-	0	. Mn
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SEP25	3,618	-120	-	-	-	-	0	. Mn
NOV25	3,618	-120	-	-	-	-	0	. Mn
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Refiner's Margin (RBDPO - Cash CPO)



Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPL) Basis (per Tonne)



3rd mth FCPO Volatility

