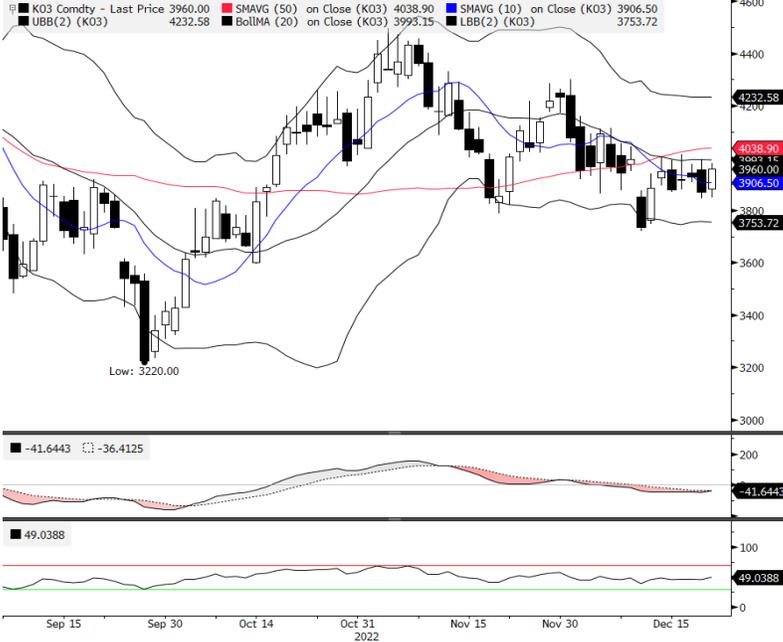


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures retreated from a 12-day closing high to close 1.57% lower on Thursday, as the prices were pressured by the weaker performance in its competing oil and worries over surging Covid-19 cases in major importer, China could dampen palm oil demand and curb Chinese New Year buying demand too. In the overnight competing oils market, crude oil prices slipped after a volatile trading session on Thursday, with the U.S. benchmark West Texas Intermediate (WTI) settled at \$77.49 per barrel, falling by 80 cents, or 1%, as earlier gains buoyed by tighter US crude stockpiles were offset by rising interest rate and surging Covid-19 cases in top importer China that could curb demand. In addition, the CBOT soy oil declined on Thursday, with most active March soy oil lost 0.82 cents to 64.01 cents per lb, as weather forecast in South American crop region turned wetter and further brought down by profit taking activities. Therefore, palm oil futures are expected to trade on a pessimistic tone today tracking overnight losses in rival oils and concerns about slower tropical oil export demand along with the worries of the slowing down in global economy while the downside could be limited by the possible supply disruption due to continuous heavy rain that could cause flood in Malaysia.

Technical

Palm oil futures for the March contract opened steadier but trended gradually lower in negative territory as profit booking activities emerged following the fall in the rival soy oil market during Asian trading hours along with worries over reducing demand from key buyer, China due to surging Covid-19 cases. At the close, the March contract settled at 3,898 ringgit per tonne with losses of 62 points. Trading activities for the day can be depicted through the formation of a black-bodied candlestick pattern with extended upper and bottom shadows, indicating that the bears took control of the trading session. Technical wise, MACD indicator remained issue a sell signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade downward today on continued selling pressure taking cue from losses in overnight competing oils market and discouraging tropical oil export demand along with expectation of lacking of buying interest ahead of holiday extended weekend. Hence, the support and resistance for March futures contract can be found at 3,780 and 3,975 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 07SEP2022-21DEC2022 Copyright © 2022 Bloomberg Finance LP. 21-Dec-2022 19:04:55

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD
JAN 23	3,863	-51	3,939	3,818	1,791	7,105	-729	-15.88 Mn
FEB 23	3,886	-58	3,972	3,840	5,449	30,061	-1,130	-24.76 Mn
MAR 23	3,898	-62	3,994	3,857	21,174	56,605	1,585	34.84 Mn
APR 23	3,894	-62	3,991	3,858	5,923	27,766	-173	-3.8 Mn
MAY 23	3,884	-65	3,984	3,850	4,770	27,082	-725	-15.88 Mn
JUN 23	3,872	-59	3,965	3,835	1,861	14,570	106	2.31 Mn
JUL 23	3,848	-55	3,929	3,816	1,952	16,588	64	1.39 Mn
AUG 23	3,825	-55	3,911	3,806	646	7,174	25	.54 Mn
SEP 23	3,813	-55	3,900	3,792	1,354	10,215	304	6.54 Mn
OCT 23	3,821	-45	3,890	3,790	274	1,766	11	.24 Mn
NOV 23	3,820	-45	3,882	3,799	384	7,534	25	.54 Mn
DEC 23	3,819	-45	3,833	3,815	158	217	95	2.05 Mn
JAN 24	3,817	-45	3,875	3,803	74	1,291	34	.73 Mn
MAR 24	3,800	-17	3,800	3,796	6	445	2	.04 Mn
MAY 24	3,750	-17	-	-	2	72	-1	-.02 Mn
JUL 24	3,750	-17	-	-	-	1	-	0
SEP 24	3,750	-17	-	-	-	-	-	0
NOV 24	3,750	-17	-	-	-	-	-	0
JAN 25	3,750	-17	-	-	-	-	-	0
MAR 25	3,750	-17	-	-	-	-	-	0
MAY 25	3,750	-17	-	-	-	-	-	0
JUL 25	3,750	-17	-	-	-	-	-	0
SEP 25	3,750	-17	-	-	-	-	-	0
NOV 25	3,750	-17	-	-	-	-	-	0
Total					45,818	208,492		-507

Source: Bloomberg

Export Est Period	Dec-22		Nov-22		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	480,404	473,086	420,477	408,867	14.25%	15.71%	-11.70%	-13.73%
1 - 15th days	631,401	634,618	657,896	662,816	-4.03%	-4.25%	-12.98%	-19.62%
1 - 20th days	921,811	923,642	921,808	943,030	0.00%	-2.06%	-7.48%	-16.02%
1 - 25th days	-	-	1,199,383	1,192,881	-	-	-	-
Full month	-	-	1,498,862	1,519,560	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2021		2022		2022		Dec Chg (Mean)	KF's Expected Dec
	December	September	October	November	December	November		
Production	1,450,905	1,770,441	1,813,591	1,680,743	-9.31%	-9.31%	1,524,277	
Stocks	1,583,040	2,315,464	2,403,719	2,288,473	0.49%	0.49%	2,299,627	
Export	1,414,566	1,420,235	1,503,779	1,517,731	-8.96%	-8.96%	1,381,678	
Import	102,768	132,303	66,349	47,047	42.20%	42.20%	66,901	

Source: Reuters

Commodity Futures (3rd month)	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3898	0	0.00%	4.34%	-17.83%	0.04	-0.18
Dalian Olein	7808	52	0.67%	-0.10%	-16.55%	0.96	1.02
Soybean Oil	65.80	-0.51	-0.77%	-1.79%	-2.82%	0.94	1.18
WTI Crude	77.49	-0.80	-1.02%	0.99%	-15.59%	1.01	1.10
CRB Index (realtime)	273.64	-2.5694	-0.93%	-1.51%	-10.18%	0.97	1.03

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15582.5	-0.04%	3.76%	4.88%

Source: Bloomberg

Overnight Lead

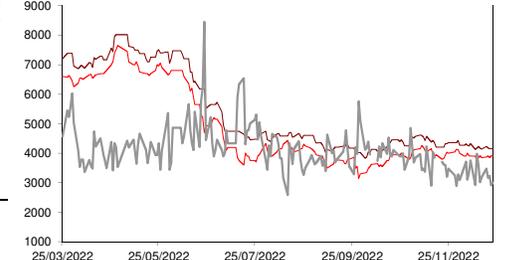
Chicago Board of Trade soybean futures slid on Thursday, pressured by technical selling and recent rains in Argentina that could revive parched soy crops, analysts said. - Reuters

Previous Week

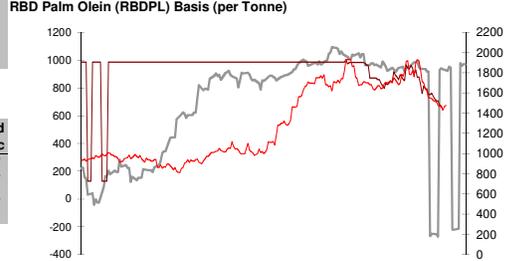
High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
3,961	3,690	JAN23	3,900	3,950	1.9%	0.0%
4,005	3,721	FEB23				
4,021	3,747	MAR23				
4,015	3,758	APR23				
4,000	3,762	MAY23				
3,964	3,746	JUN23				
3,938	3,719	JUL23				
3,903	3,688	AUG23				
3,877	3,668	SEP23				
3,849	3,702	OCT23				
3,860	3,665	NOV23				
3,786	3,774	DEC23				
3,825	3,680	JAN24				
3,800	3,680	MAR24				

Spreads				30 Day			
Last	Bid	Offer	Vol	High	Low	Avg	
-27	-19	-16	140	-14	-58	-31	
-55	-68	-25	162	-5	-85	-47	
-28	-15	-12	735	9	-39	-16	
-27	-13	-7	75	40	-46	-5	
1	3	5	475	30	-10	12	
18	12	14	284	75	-16	34	

Refiner's Margin (RBDPO - Cash CPO) MYR 250



Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPO) Basis (per Tonne) USD 971.17



3rd mth FCPO Volatility

