

CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures extended its losing streak to third consecutive session and closed 1.51% lower on Tuesday, settled at their lowest level in nearly a month following the weakness in rival edible oils amid global economic jitter after the default of some banks in the U.S. while downside was limited by stronger early March exports data by cargo surveyors. Globally, crude oil prices settled lower to a three-month low on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) fell \$3.47, or 4.6%, to settle at \$71.33 per barrel, as inflation worries continued to weigh prices down along with the collapse in several U.S. banks and further pressured by increasing stockpiles. Meanwhile, the CBOT soy oil scaled higher, with May soy oil rose 0.32 cent to finish at 56.18 cents per pound, supported by bargain buying activities after recent rout and buoyed by strength in corn and wheat markets. Therefore, palm oil futures are expected to trade cautiously higher today tracking overnight gains in rival soy oil and a potential of bargain buying activities after recent sell down while upside could be limited by global economic fears and expectations that cooking oil supplies from the Black Sea region will continue.

Technical

Palm oil futures for the May contract opened lower and trended gradually lower in negative territory on extended selling activities following the fall in the rival soy oil market during Asian trading hours along with global sell down due to a possible financial crisis after the collapse of Silicon Valley Bank. At the close, the May contract settled at 3,982 ringgit per tonnes with losses of 61 points. Trading activities for the day can be depicted through the formation of a short 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 range bound with slight upward bias today on a potential of bargain buying activities took cue from the rise in overnight competing soy oils market and easing jitters over global financial crisis while upside could be limited by the fall in rival crude oil. Hence, the support and resistance for May futures contract can be found at 3,940 and 4,140 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 10DEC2022-14MAR2023 Copyright© 2023 Bloomberg Finance L.P. 14-Mar-2023 19:18:45

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	O/I chg
MAR 23	4,103	-36			1,047	1,047	-7	-16 Mn	4,282
APR 23	4,044	-36	4,105	4,030	2,693	10,653	-373	-8.42 Mn	4,301
MAY 23	3,982	-61	4,064	3,967	30,582	43,601	-1,686	-37.46 Mn	4,317
JUN 23	3,934	-66	4,020	3,924	15,262	33,035	2,387	52.4 Mn	4,295
JUL 23	3,898	-63	3,980	3,892	10,055	27,908	1,471	32 Mn	4,249
AUG 23	3,869	-55	3,934	3,861	6,280	16,115	480	10.36 Mn	4,202
SEP 23	3,845	-51	3,905	3,837	5,707	13,290	-242	-5.19 Mn	4,163
OCT 23	3,827	-49	3,887	3,819	1,742	5,951	-22	-4.7 Mn	4,130
NOV 23	3,817	-49	3,869	3,808	1,534	9,673	207	4.41 Mn	4,118
DEC 23	3,819	-43	3,868	3,817	640	3,315	11	.23 Mn	4,116
JAN 24	3,817	-43	3,841	3,822	247	3,561	46	.98 Mn	4,102
FEB 24	3,819	-43	3,864	3,829	101	671	-20	-.43 Mn	4,105
MAR 24	3,810	-43	3,853	3,821	93	2,385	19	.4 Mn	4,102
MAY 24	3,799	-43			6	223	-3	-.06 Mn	4,102
JUL 24	3,799	-43				6	0	. Mn	3,993
SEP 24	3,799	-43					0	. Mn	-
NOV 24	3,799	-43					0	. Mn	-
JAN 25	3,799	-43					0	. Mn	-
MAR 25	3,799	-43					0	. Mn	-
MAY 25	3,799	-43					0	. Mn	-
JUL 25	3,799	-43					0	. Mn	-
SEP 25	3,799	-43					0	. Mn	-
NOV 25	3,799	-43					0	. Mn	-
JAN 26	3,799	-43					0	. Mn	-
Total					74,942	171,434	2,268		

Source: Bloomberg

Export Est Period	Mar-23		Feb-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	474,830	-	312,092	323,280	52.14%	-	28.16%	-
1 - 15th days	-	-	437,327	449,703	-	-	-	-
1 - 20th days	-	-	723,482	712,740	-	-	-	-
1 - 25th days	-	-	949,082	985,780	-	-	-	-
Full month	-	-	1,062,057	1,131,939	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2021		2022		2023		2023		Feb Chg (Mean)	KF's Expected Feb
	February	December	January	February	January	February				
Production	1,137,448	1,618,853	1,380,410	1,251,313				-4.21%	1,198,608	
Stocks	1,518,293	2,194,809	2,268,198	2,119,509				-2.66%	2,063,096	
Export	1,097,857	1,468,448	1,135,498	1,114,343				-8.90%	1,015,120	
Import	149,833	47,114	144,937	52,446				-7.70%	48,406	

Source: Reuters

Commodity Futures (3rd month)	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3982	0	0.00%	2.68%	6.93%	0.03	0.07
Dalian Olein	7764	-136	-1.72%	-1.75%	-2.76%	0.96	0.91
Soybean Oil	56.18	0.84	1.52%	-11.97%	-15.89%	0.86	0.79
WTI Crude	71.33	-3.47	-4.64%	-6.13%	-11.19%	0.85	0.90
CRB Index (realtime)	261.08	-3.5928	-1.36%	-4.97%	-7.09%	0.91	0.83

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15385.0	0.05%	-1.39%	3.15%

Source: Bloomberg

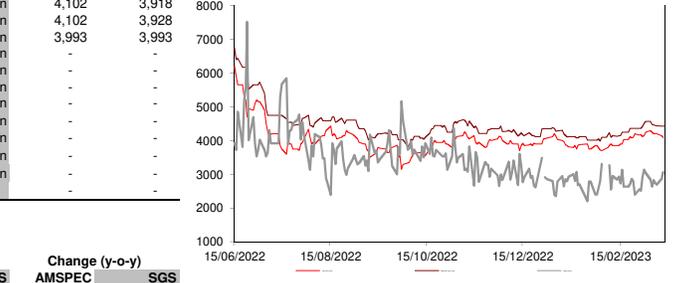
Overnight Lead

Chicago Board of Trade soybean futures closed mostly higher on Tuesday on bargain buying after a dip to two-week lows, buoyed by strength in corn and wheat, traders said. Reuters

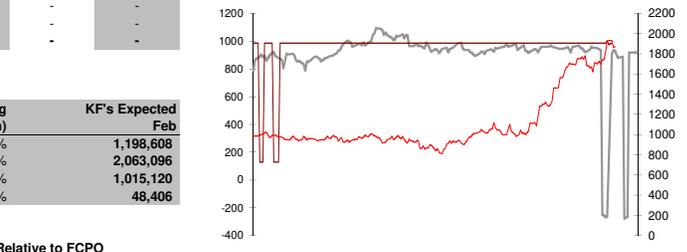
Previous Week		Last Bid		Last Offer		3m Chg		6m Chg	
High	4,282	4,100	4,100	4,200	5.1%	0.0%			
Low	4,098								

Spreads		Last		Bid		Offer		Vol		30 Day		
										High	Low	Avg
Mar23-Apr23	59	-	-	-	6	45	-58	-14				
Mar23-May23	121	-	-	1	59	-64	-14					
Apr23-May23	62	51	56	138	62	-17	0					
Apr23-Jun23	110	96	109	113	116	-21	20					
May23-Jun23	48	48	50	744	54	-6	19					
May23-Jul23	84	83	86	173	95	-4	49					

Source: Bloomberg



Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPO) Basis (per Tonne) USD 921.17



3rd mth FCPO Volatility 30 Days 60 Days 90 Days 25.70% 30.92% 36.74%