

CPO Futures 3rd month daily chart

■ K03 Comdty - Last Price 3824.00 ■ SMAVG (50) on Close (K03) 3705.76 ■ SMAVG (10) on Close (K03) 3984.80
■ UBB(2) (K03) 4126.67 ■ BollIMA (20) on Close (K03) 3947.25 ■ LBB(2) (K03) 3767.83



Preview

Fundamental

Malaysian palm oil futures erased previous session's gain to close 2.32% lower on Thursday, the lowest level since June 30 as it followed the fall in rival edible oil prices and as traders assessed rising supplies in producers Indonesia and Malaysia while expectations of resilient export outlook and a widening discount against substitute oils capped losses. Globally, crude oil prices rebounded from previous session decline to closed higher on Thursday, with the U.S. benchmark West Texas Intermediate (WTI) rose \$2.06, or 2.6%, to settle at \$81.55 a barrel, on tight crude supply concerns after Saudi Arabia reiterated it will extend a voluntary oil output cut for a third month to include September as well as Russia took steps to cut oil exports in September and probably beyond. Meanwhile, the CBOT soy oil extended its downward course, with September soy oil dropped 0.62 cents to close at 64.04 cents per lb, while most-active December sank 0.67 cents to close at 60.04 cents per lb, pressured by crop-friendly weather forecast that could boost crop production and better soybean supply outlook from South America. Nevertheless, palm oil futures are expected to trade on a supportive note today following gains in rival oils during Asian trading hours and a widening discount against substitute oils while anticipations of higher tropical oil output and ahead of the weekend might cap gains.

Technical

Palm oil futures for the October contract opened lower and trended gradually lower throughout the session as profit booking activities intensified following the sluggish rival edible oil market performance along with expectation of rising stockpiles in Malaysia due to better tropical oil supply outlook. At the close, the October contract settled at 3,824 ringgits per tonne with losses of 91 points, forming a long black-bodied candlestick pattern with short upper and short 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. Nevertheless, palm oil futures are expected to trade range bound with slight upward bias today on a likelihood of bargain buying activities taking cue from positive performance in competing edible oils market during Asian trading hours and widening discounts to competing substitutes vegetable oils while anticipation of rising productions and ahead of the weekend could limit the upside. Hence, the support and resistance for September futures contract can be found at 3,780 and 3,900 respectively.

K03 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 05HAY2023-03AUG2023

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Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	Previous Week				Last Bid	Last Offer	3m Chg	6m Chg
									High	Low	Cash CPO (MYR/MT)	Aug23				
AUG 23	3,755	-61	3,795	3,745	217	2,292	-222	-4.59 Mn	4,124	3,830	3,830	3,760	3,800	-8.8%	0.0%	
SEP 23	3,794	-82	3,890	3,780	3,454	20,009	-1,507	-31.46 Mn	4,189	3,915	3,915	Source: Reuters				
OCT 23	3,824	-91	3,931	3,817	27,392	50,808	725	15.25 Mn	4,209	3,944	4,209					
NOV 23	3,843	-87	3,947	3,835	9,248	25,815	-267	-5.65 Mn	4,209	3,956	4,209					
DEC 23	3,863	-84	3,962	3,854	5,083	21,008	-363	-7.72 Mn	4,210	3,972	4,210					
JAN 24	3,885	-80	3,980	3,876	3,784	24,704	-191	-4.08 Mn	4,215	3,985	4,215					
FEB 24	3,908	-73	3,988	3,896	1,993	11,016	283	6.09 Mn	4,222	3,999	4,222					
MAR 24	3,911	-77	3,998	3,900	2,428	13,590	21	.45 Mn	4,223	4,003	4,223					
APR 24	3,902	-77	3,971	3,881	1,990	5,672	199	4.27 Mn	4,210	3,990	4,210					
MAY 24	3,881	-77	3,946	3,858	1,959	12,506	438	9.35 Mn	4,182	3,960	4,182					
JUN 24	3,850	-77	3,884	3,838	1,017	3,411	-5	-.11 Mn	4,146	3,925	4,146					
JUL 24	3,821	-77	3,864	3,812	837	5,389	52	1.09 Mn	4,114	3,900	4,114					
SEP 24	3,781	-77	3,827	3,778	248	1,727	92	1.91 Mn	4,060	3,865	4,060					
NOV 24	3,758	-77	3,757	3,756	21	1,252	2	.04 Mn	4,036	3,853	4,036					
JAN 25	3,758	-77	-	-	-	-	0	. Mn	3,877	3,810	-					
MAR 25	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
MAY 25	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
JUL 25	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
SEP 25	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
NOV 25	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
JAN 26	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
MAR 26	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
MAY 26	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
JUL 26	3,758	-77	-	-	-	-	0	. Mn	-	-	-					
Total					59,671	199,199	-743									

Source: Bloomberg

Export Est Period	Jul-23		Jun-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	326,569	373,204	275,211	295,990	18.66%	26.09%	5.93%	-
1 - 15th days	510,249	554,054	437,101	464,380	16.73%	19.31%	2.06%	-
1 - 20th days	687,098	754,214	624,306	632,345	10.06%	19.27%	6.22%	-
1 - 25th days	987,414	1,056,830	891,361	897,180	10.78%	17.79%	14.21%	-
Full month	1,176,912	1,238,438	1,091,891	1,085,920	7.79%	14.05%	-4.09%	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2021	2022	2023	2023	Jun Chg (Mean)	KF's Expected
	June	April	May	June		
Production	1,545,129	1,196,450	1,517,546	1,447,795	1.68%	1,472,112
Stocks	1,655,073	1,497,535	1,686,782	1,720,567	1.22%	1,741,487
Export	1,193,861	1,074,447	1,079,020	1,171,741	2.85%	1,205,134
Import	59,195	33,678	80,926	135,271	41.27%	191,097

Source: Reuters

Commodity Futures (3rd month)	Overnight close	+/-	Relative to FCPO			
			1d Chg (%)	3m Chg	6m Chg	3m Chg
CPO	3824	0	0.00%	11.65%	-0.70%	0.12
Dalian Olein	7570	-34	-0.45%	10.61%	-1.69%	0.99
Soybean Oil	66.99	-0.10	-0.15%	27.92%	13.43%	1.15
WTI Crude	81.55	2.06	2.59%	19.93%	11.32%	0.92
CRB Index (realtime)	278.48	1.9754	0.71%	8.44%	4.61%	1.07

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USD/MYR	4.5435	-0.26%	2.25%	6.96%
USD/IDR	15186.0	0.07%	3.29%	1.89%

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures fell on Wednesday to one-month lows, pressured by cool, wet forecasts and outside market pressures. - Reuters

