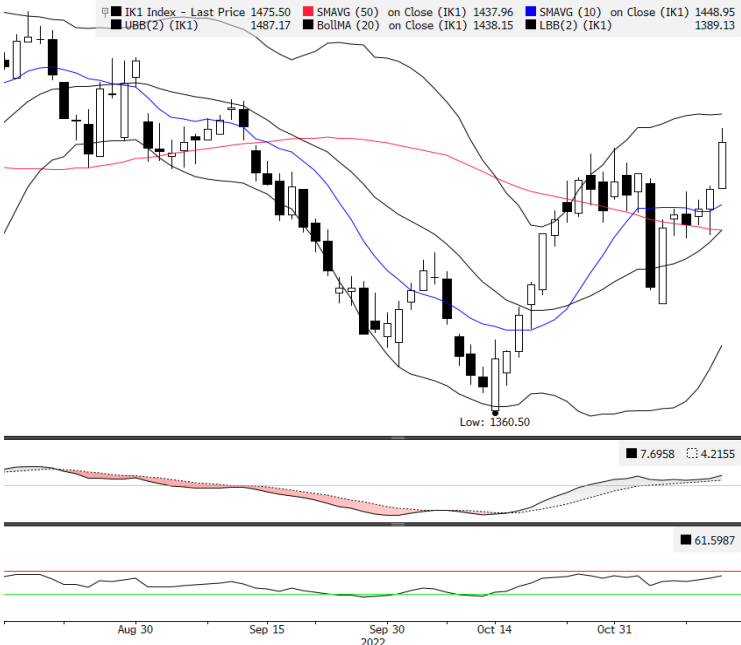


CPO Futures 3rd month daily chart



Preview
Fundamental

Malaysian palm oil futures ended its three consecutive losing streak and jumped 2.61% higher on Friday, lifted by a surge in early November exports data by cargo surveyors and the anticipation of Indonesian palm demand will switch to Malaysia as its government plan to raise its export tax reference price. Globally, crude oil prices edged higher on Friday, with the U.S. benchmark West Texas Intermediate (WTI) settled up \$2.49, or 2.9%, at \$88.96 a barrel, after health authorities in world's top importer China relaxed some of the country's heavy COVID-19 curbs which could boost economic activity and crude demand. In addition, the CBOT soy oil rallied, with December soy oil settled up 0.88 cent at 76.97 cents per lb, as participants were optimistic about the easing Chinese Covid-19 curb that could spur economic activity and boost commodity demand such as soy bean coupled with crude oil strength. Thus, palm oil futures are expected to trade cautiously higher today tracking overnight gains in rival oils and anticipation of Chinese demand to boost after health authorities of China eased the country's Covid-19 curb along with higher Indonesian tax and levy which is set to diminish Indonesia's price discount while a potential of profit booking activities could limit the upside.

Technical

Palm oil futures for the January contract opened higher and trended sharply higher as renewed buying activities emerged following the rally in the rival soy oil market during Asian trading hour along with signals that show increasing demand from key buyer, China due to easing Covid-19 curb. At the close, the January contract settled at 4,287 ringgit per tonne with gains of 109 points. Trading activities for the day can be depicted through the formation of a long white-bodied candlestick pattern with longer upper and shaven bottom shadows, indicating that the bulls took control of the trading session aggressively. Technical wise, MACD indicator issued a buy signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade cautiously higher today on continued buying support following the rally in overnight competing oils market and encouraging tropical oil export demand as the world's largest producer raise its export tax reference price. Hence, the support and resistance for January futures contract can be found at 4,200 and 4,460 respectively.

IK1 Index (Generic 1st 'IK' Future) DAILY REPORT CHART Daily 13AUG2022-11NOV2022 Copyright© 2022 Bloomberg Finance L.P. 11-Nov-2022 19:15:15

Source: Bloomberg

| Contract | Sett | Chg | High | Low | Vol | Open Int | O/I chg | Value USD | O/I chg | High | Low | Cash CPO (MYR/MT) | Last Bid | Last Offer | 3m Chg | 6m Chg | | | |
|--------------|-------|-----|-------|-------|---------------|----------------|-------------|-----------|---------|-------|-------|--|-------------|------------|--------------|------------|-------------|------------|------------|
| NOV 22 | 4,187 | 78 | | | 1,225 | 1,225 | -7 | -16 Mn | -7 | 4,270 | 4,020 | NOV22 | 4,150 | 4,200 | -4.0% | 0.0% | | | |
| DEC 22 | 4,193 | 78 | 4,255 | 4,109 | 3,862 | 12,342 | -1,032 | -23.47 Mn | -1,032 | 4,360 | 4,031 | Source: Reuters | | | | | | | |
| JAN 23 | 4,287 | 109 | 4,333 | 4,163 | 26,116 | 44,952 | -2,374 | -55.2 Mn | -2,374 | 4,458 | 4,086 | | | | | | | | |
| FEB 23 | 4,324 | 126 | 4,360 | 4,194 | 12,851 | 29,671 | 2,290 | 53.7 Mn | 2,290 | 4,500 | 4,119 | Spreads | Last | Bid | Offer | Vol | High | Low | Avg |
| MAR 23 | 4,330 | 136 | 4,360 | 4,191 | 9,891 | 28,211 | -46 | -1.08 Mn | -46 | 4,499 | 4,123 | Nov22-Dec22 | -6 | -200 | - | - | -8 | -190 | -70 |
| APR 23 | 4,310 | 143 | 4,336 | 4,167 | 5,626 | 17,360 | -251 | -5.87 Mn | -251 | 4,456 | 4,103 | Nov22-Jan23 | -94 | -96 | -88 | 2,226 | -27 | -112 | -53 |
| MAY 23 | 4,278 | 148 | 4,302 | 4,130 | 5,719 | 21,126 | 565 | 13.11 Mn | 565 | 4,424 | 4,070 | Dec22-Jan23 | -94 | -96 | -88 | 2,226 | -27 | -112 | -53 |
| JUN 23 | 4,233 | 147 | 4,250 | 4,094 | 3,155 | 14,810 | -124 | -2.85 Mn | -124 | 4,377 | 4,032 | Dec22-Feb23 | -131 | -136 | - | 264 | -45 | -141 | -86 |
| JUL 23 | 4,181 | 138 | 4,206 | 4,049 | 2,082 | 11,351 | 49 | 1.11 Mn | 49 | 4,340 | 3,990 | Jan22-Feb23 | -37 | -40 | -36 | 5,736 | -14 | -52 | -32 |
| AUG 23 | 4,151 | 138 | 4,171 | 4,047 | 1,505 | 4,524 | 278 | 6.26 Mn | 278 | 4,290 | 3,963 | Jan23-Mar23 | -43 | -45 | -38 | 1,906 | 7 | -91 | -44 |
| SEP 23 | 4,129 | 138 | 4,154 | 4,000 | 999 | 5,586 | 86 | 1.93 Mn | 86 | 4,276 | 3,938 | Source: Bloomberg | | | | | | | |
| OCT 23 | 4,109 | 138 | 4,140 | 4,031 | 290 | 817 | 44 | .98 Mn | 44 | 4,255 | 3,928 | Refiner's Margin (RBDPO - Cash CPO) | | | | | | | |
| NOV 23 | 4,097 | 138 | 4,120 | 4,015 | 300 | 5,642 | 93 | 2.07 Mn | 93 | 4,250 | 3,915 | | | | | | | | |
| JAN 24 | 4,062 | 138 | 4,034 | 4,025 | 5 | 1,018 | -2 | -.04 Mn | -2 | 4,200 | 3,911 | | | | | | | | |
| MAR 24 | 3,949 | 138 | | | 415 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| MAY 24 | 3,899 | 138 | | | 72 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| JUL 24 | 3,899 | 138 | | | 0 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| SEP 24 | 3,899 | 138 | | | 0 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| NOV 24 | 3,899 | 138 | | | 0 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| JAN 25 | 3,899 | 138 | | | 0 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| MAR 25 | 3,899 | 138 | | | 0 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| MAY 25 | 3,899 | 138 | | | 0 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| JUL 25 | 3,899 | 138 | | | 0 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| SEP 25 | 3,899 | 138 | | | 0 | 0 | 0 | . Mn | 0 | | | | | | | | | | |
| Total | | | | | 72,401 | 199,122 | -431 | | | | | | | | | | | | |

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 | - | - | - | - |
| Full month | - | - | 1,474,554 | 1,477,713 | - | - | - | - |

Source: Reuters

Malaysian Palm Oil Board Statistic

| | 2021 | 2022 | 2022 | 2022 | Nov Chg | KF's Expected |
|------------|-----------|-----------|-----------|-----------|---------|---------------|
| | November | August | September | October | (Mean) | Nov |
| 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 | +/- | Relative to FCPO | | | | |
|----------------------|-----------------|--------|------------------|--------|---------|--------|--------|
| | | | 1d Chg (%) | 3m Chg | 6m Chg | 3m Chg | 6m Chg |
| CPO | 4287 | 109 | 2.61% | 0.54% | -33.80% | 0.01 | -0.34 |
| Dalian Olein | 8418 | 158 | 1.91% | -1.38% | -23.42% | 0.98 | 1.16 |
| Soybean Oil | 76.97 | 0.88 | 1.16% | 6.95% | -12.87% | 1.06 | 1.32 |
| WTI Crude | 88.96 | 2.49 | 2.88% | -1.33% | -9.09% | 1.04 | 1.18 |
| CRB Index (realtime) | 285.79 | 3.6707 | 1.30% | -3.14% | -6.27% | 0.98 | 1.37 |

Source: Bloomberg

| Currency | Last | 1d Chg | 3m Chg | 6m Chg |
|----------|---------|--------|--------|--------|
| | | | | |
| USDIDR | 15495.0 | -1.27% | 6.28% | 7.83% |

Source: Bloomberg

Overnight Lead

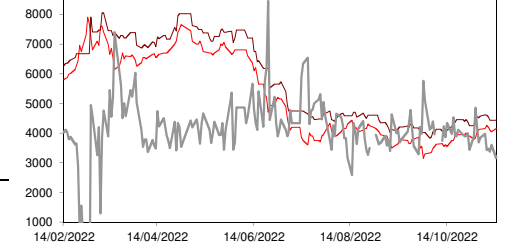
Chicago Board of Trade soybean futures rallied on Friday, on hopes that China's move to ease some COVID-19 curbs might spur economic activity and boosting demand for goods including soybeans. - Reuters

Previous Week

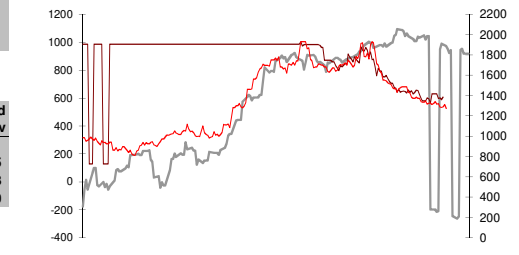
| High | Low | Cash CPO (MYR/MT) | Last Bid | Last Offer | 3m Chg | 6m Chg | | | |
|-------|-------|-------------------|-------------|------------|--------------|------------|-------------|------------|------------|
| 4,270 | 4,020 | NOV22 | 4,150 | 4,200 | -4.0% | 0.0% | | | |
| 4,360 | 4,031 | Source: Reuters | | | | | | | |
| 4,458 | 4,086 | | | | | | | | |
| 4,500 | 4,119 | Spreads | Last | Bid | Offer | Vol | High | Low | Avg |
| 4,499 | 4,123 | Nov22-Dec22 | -6 | -200 | - | - | -8 | -190 | -70 |
| 4,456 | 4,103 | Nov22-Jan23 | -94 | -96 | -88 | 2,226 | -27 | -112 | -53 |
| 4,424 | 4,070 | Dec22-Jan23 | -94 | -96 | -88 | 2,226 | -27 | -112 | -53 |
| 4,377 | 4,032 | Dec22-Feb23 | -131 | -136 | - | 264 | -45 | -141 | -86 |
| 4,340 | 3,990 | Jan22-Feb23 | -37 | -40 | -36 | 5,736 | -14 | -52 | -32 |
| 4,290 | 3,963 | Jan23-Mar23 | -43 | -45 | -38 | 1,906 | 7 | -91 | -44 |

Source: Bloomberg

Refiner's Margin (RBDPO - Cash CPO)



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



3rd mth FCPO Volatility

