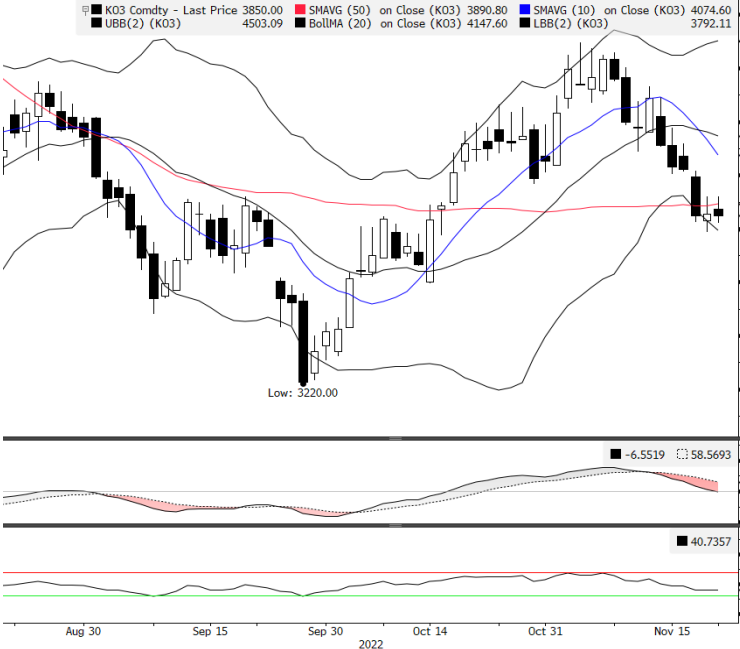


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures put its losing streak to an end and closed 0.13% higher on Monday, supported by bargain buying activities on better 1-20 days tropical oil export data reported by AmSpec offset worries over tightening Covid-related curbs in China that could dent palm demand and an extension of the Black Sea grain deal, will curb appetite for Malaysian exports. In the overnight competing oils market, crude oil prices rebounded and ended with small losses but well-off session lows after tumbling to levels last seen in January on Monday, with the U.S. benchmark West Texas Intermediate (WTI) fell \$0.35, or 0.43% to settle at \$79.73 a barrel, after The Wall Street Journal reported that Saudi Arabia and other OPEC+ members were discussing a potential output boost for their December meeting. Crude quickly trimmed declines after Saudi Arabia's energy minister denied the report. Meanwhile, the CBOT soy oil inched higher, with December soy oil gained 0.26 cents at 73.00 cents per lb, on persistent bargain buying after prices had fell to their lowest level in more than two weeks while concerns about the potential for reduced demand from China due to rising COVID-19 cases capped gains. Therefore, palm oil futures are expected to trade cautiously higher today following overnight gains in rival soy oil and anticipations of better tropical oil export demand while weaker crude oil prices might limit the upside.

Technical

Palm oil futures for the February contract opened softer but managed to erase earlier losses and trended higher in the second half of the trading session as bargain buying emerged on encouraging tropical oil export data by AmSpec despite weaker rival oils market during Asian trading hours. At the close, the February contract settled at 3,855 ringgit per tonne with gains of 5 points, forming a short white-bodied candlestick pattern with extended upper and short bottom shadows, indicating that the bulls seize control of the trading session. 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 continued bargain hunting activities taking cue from the surge in overnight soy oils market and encouraging tropical oil export demand while crude oil weakness might limit the upside. Hence, the support and resistance for February futures contract can be found at 3,780 and 3,920 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 19AUG2022-21NOV2022

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	O/I chg
DEC 22	3,815	24	3,854	3,750	1,319	7,217	-271	-5.65 Mn	4,191
JAN 23	3,831	3	3,890	3,769	10,217	34,493	-4,109	-86.03 Mn	4,293
FEB 23	3,855	5	3,920	3,787	25,136	39,081	113	2.38 Mn	4,332
MAR 23	3,862	4	3,930	3,794	9,849	32,279	616	13. Mn	4,337
APR 23	3,846	11	3,909	3,780	4,515	20,479	-64	-1.35 Mn	4,315
MAY 23	3,817	15	3,876	3,756	3,324	22,568	-411	-8.57 Mn	4,279
JUN 23	3,774	15	3,832	3,715	1,769	15,109	-438	-9.03 Mn	4,200
JUL 23	3,732	19	3,788	3,676	1,304	13,206	104	2.12 Mn	4,176
AUG 23	3,697	19	3,752	3,647	645	5,078	-1	-0.02 Mn	4,118
SEP 23	3,675	19	3,731	3,630	770	6,895	107	2.15 Mn	4,121
OCT 23	3,657	19	3,709	3,633	169	1,044	33	.66 Mn	4,062
NOV 23	3,659	19	3,700	3,617	418	6,107	83	1.66 Mn	4,100
JAN 24	3,635	19	3,679	3,609	74	1,020	0	. Mn	4,020
MAR 24	3,590	19	-	-	-	414	0	. Mn	3,787
MAY 24	3,540	19	-	-	-	72	0	. Mn	-
JUL 24	3,540	19	-	-	-	-	0	. Mn	-
SEP 24	3,540	19	-	-	-	-	0	. Mn	-
NOV 24	3,540	19	-	-	-	-	0	. Mn	-
JAN 25	3,540	19	-	-	-	-	0	. Mn	-
MAR 25	3,540	19	-	-	-	-	0	. Mn	-
MAY 25	3,540	19	-	-	-	-	0	. Mn	-
JUL 25	3,540	19	-	-	-	-	0	. Mn	-
SEP 25	3,540	19	-	-	-	-	0	. Mn	-
NOV 25	3,540	19	-	-	-	-	0	. Mn	-
Total					59,509	205,062	-4,238		

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	-	895,522	872,508	2.94%	-	-13.60%	-
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 (Mean)	KF's Expected Nov
	November	August	September	October	November	October	November			
Production	1,634,932	1,725,781	1,770,441	1,813,591	-0.11%	1,811,641	-	1,811,641		
Stocks	1,816,879	2,094,667	2,315,464	2,403,719	0.61%	2,418,495	-	2,418,495		
Export	1,467,518	1,299,654	1,420,235	1,503,779	2.40%	1,539,818	-	1,539,818		
Import	97,092	145,452	132,303	66,349	4.51%	69,340	-	69,340		

Source: Reuters

Commodity Futures (3rd month)	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3855	0	0.00%	-7.33%	-36.90%	-0.07	-0.37
Dalian Olein	7840	-56	-0.71%	-6.78%	-27.78%	1.01	1.14
Soybean Oil	73.00	0.26	0.36%	6.15%	-9.80%	1.15	1.43
WTI Crude	80.04	-0.07	-0.09%	-9.84%	-15.68%	1.08	1.14
CRB Index (realtime)	276.52	0.1230	0.04%	-5.31%	-11.58%	0.97	1.34

Source: Bloomberg

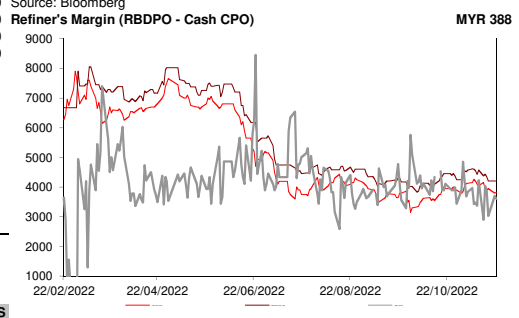
Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15712.5	0.18%	5.32%	6.90%

Source: Bloomberg

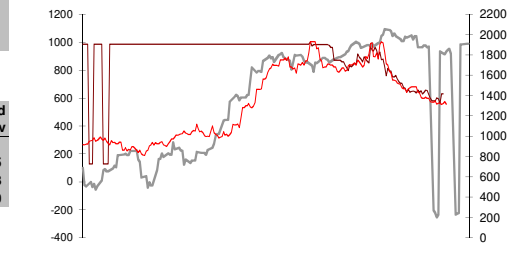
Overnight Lead

Chicago Board of Trade soybean futures rose on bargain buying on Monday, while soyoil and soymeal futures also advanced. - Reuters

Previous Week		Last Offer		3m Chg		6m Chg	
High	Low	Cash CPO (MYR/MT)	DEC22	3,820	3,900	-4.2%	0.0%
4,191	3,746	Source: Reuters					
4,293	3,800						
4,332	3,825						
4,337	3,789						
4,315	3,819						
4,279	3,785						
4,200	3,739						
4,176	3,692						
4,118	3,655						
4,121	3,642						
4,062	3,650						
4,100	3,630						
4,020	3,650						
3,787	3,600						



Crude Degummed Soybean Oil (CDSBO)/ RBD Palm Olein (RBDPO) Basis (per Tonne) USD 988.67



3rd mth FCPO Volatility 30 Days 60 Days 90 Days 40.88% 46.56% 52.55%