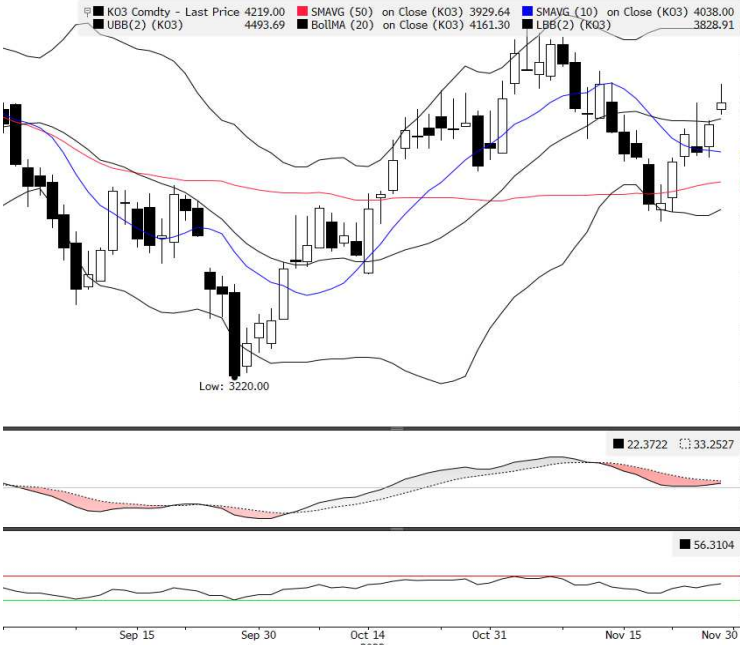


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures extended its winning streak and rose 1.91% higher on Tuesday, closed at its highest level in more than two weeks borrowing strength from competing soy oil prices as well as crude oil and with the anticipation of increase of exports sales data in the month of November. Globally, crude oil prices edged higher on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) settled at \$78.20 a barrel, up 96 cents, or 1.2% higher on expectation of Chinese government to loosen its Covid-19 control after protests were seen in cities across China while gains were limited by OPEC+'s upcoming meeting that would keep its production level unchanged. Meanwhile, the CBOT soy oil pedaled off previous session gains to end slightly lower, with January soy oil slipped 0.14 cent to settle at 72.98 cents per pound on profit taking activities and ahead of a monthly U.S. Department of Agriculture estimate on Thursday despite stronger soy bean prices on hopes that China could ease its strict Covid-19 control. Thus, palm oil futures are expected to trade cautiously higher today tracking the gains in overnight crude oil prices along with optimism that China will ease its COVID-19 restrictions and anticipation of stronger than expected November exports data. However, upside could be limited by lower overnight rival soy oils market and a potential of profit taking activities after recent rally.

Technical

Palm oil futures for the February contract opened higher and spent its whole trading session above positive territory as buying interest persist following the rise in the rival soy oil market during Asian trading hour along with expectations of strong shipment for the month of November. At the close, the February contract settled at 4,219 ringgit per tonne with gains of 79 points. Trading activities for the day can be depicted through the formation of a short white-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bulls took control of the trading session. Technical wise, MACD indicator issued a sell signal while RSI lingered at a neutral region. However, palm oil futures are expected to trade range bound with upward bias today on continued buying support taking cue from the strong performance in overnight competing crude oils market and encouraging tropical oil export demand while upside could be limited by the potential of profit taking activities. Hence, the support and resistance for February futures contract can be found at 4,150 and 4,350 respectively.

Strategy

Traders may long with a stop on or below 4,150.

K03 Comdty (Generic 3rd 'K03' Future) DAILY REPORT CHART Daily 30AUG2022-29NOV2022

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	O/I chg
DEC 22	4,098	38	4,174	4,092	1,064	2,794	-2,275	-51.73 Mn	4,105
JAN 23	4,185	71	4,246	4,148	6,600	25,955	-2,398	-55.69 Mn	4,185
FEB 23	4,219	79	4,286	4,175	32,556	43,933	2,658	62.22 Mn	4,219
MAR 23	4,235	83	4,300	4,185	8,695	37,113	-235	-5.52 Mn	4,237
APR 23	4,213	84	4,274	4,156	6,132	21,942	264	6.17 Mn	4,201
MAY 23	4,166	80	4,230	4,117	4,721	23,852	156	3.61 Mn	4,185
JUN 23	4,117	80	4,168	4,065	2,835	15,295	197	4.5 Mn	4,105
JUL 23	4,060	80	4,107	4,025	1,568	13,761	31	.7 Mn	4,067
AUG 23	4,025	80	4,064	3,988	674	5,192	11	.25 Mn	3,975
SEP 23	4,003	80	4,028	3,950	454	7,343	87	1.93 Mn	4,000
OCT 23	3,985	80	4,015	3,950	113	1,201	10	.22 Mn	3,921
NOV 23	3,987	80	4,007	3,949	560	6,678	213	4.71 Mn	4,023
JAN 24	3,962	79	3,985	3,939	169	1,061	7	.15 Mn	3,875
MAR 24	3,917	79	3,955	3,920	70	452	38	.83 Mn	3,750
MAY 24	3,867	79	3,895	3,895	2	73	1	.02 Mn	-
JUL 24	3,867	79	-	-	-	-	0	. Mn	-
SEP 24	3,867	79	-	-	-	-	0	. Mn	-
NOV 24	3,867	79	-	-	-	-	0	. Mn	-
JAN 25	3,867	79	-	-	-	-	0	. Mn	-
MAR 25	3,867	79	-	-	-	-	0	. Mn	-
MAY 25	3,867	79	-	-	-	-	0	. Mn	-
JUL 25	3,867	79	-	-	-	-	0	. Mn	-
SEP 25	3,867	79	-	-	-	-	0	. Mn	-
NOV 25	3,867	79	-	-	-	-	0	. Mn	-
<b>Total</b>					<b>66,213</b>	<b>206,645</b>	<b>-1,235</b>		

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	943,030	895,522	872,508	2.94%	8.08%	-13.60%	-17.96%
1 - 25th days	1,199,383	1,192,881	1,146,132	1,146,113	4.65%	4.08%	-4.43%	-10.72%
<b>Full month</b>	-	-	<b>1,474,554</b>	<b>1,477,713</b>	-	-	-	-

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		
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	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	4219	0	0.00%	1.81%	-33.07%	0.02	-0.33
Dalian Olein	8412	222	2.71%	-0.71%	-23.75%	0.98	1.14
Soybean Oil	76.54	0.47	0.62%	5.22%	-1.77%	1.03	1.47
WTI Crude	78.20	0.96	1.24%	-10.65%	-21.38%	0.98	1.05
CRB Index (realtime)	275.52	2.5998	0.95%	-8.69%	-14.04%	0.88	1.17

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15742.5	0.13%	5.53%	8.00%

Source: Bloomberg

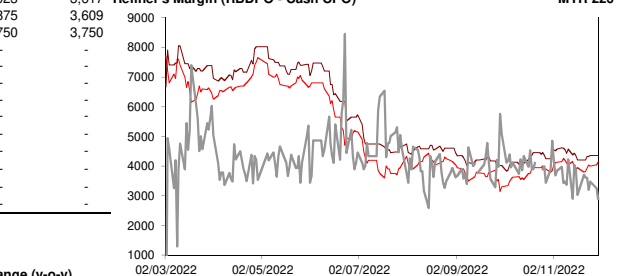
Overnight Lead

Chicago Board of Trade soybean futures rose on Tuesday, after earlier declines, on optimism that China will ease COVID-19 restrictions. - Reuters

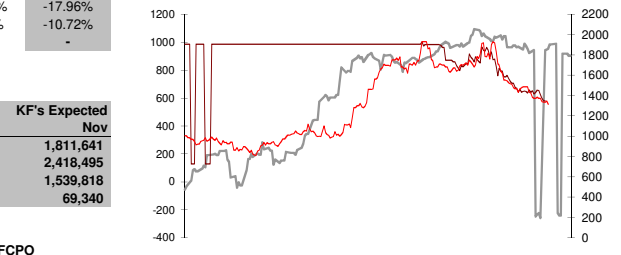
Previous Week		Last Bid		Last Offer		3m Chg		6m Chg	
High	4,105	4,130	4,150	4,150	-0.7%	0.0%			
Low	3,750	3,750	3,750	3,750					

Spreads		Last		Bid		Offer		Vol	
Dec22-Jan23	-87	-94	-68	53	-9	-127	-62		
Dec22-Feb23	-80	-130	-111	40	-29	-180	-92		
Jan23-Feb23	-26	-36	-35	440	-14	-58	-29		
Jan23-Mar23	-38	-55	-53	258	7	-75	-32		
Feb23-Mar23	-12	-19	-17	543	24	-32	-4		
Feb23-Apr23	11	2	5	101	74	-47	19		

Refiner's Margin (RBDPO - Cash CPO)



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



3rd mth FCPO Volatility

