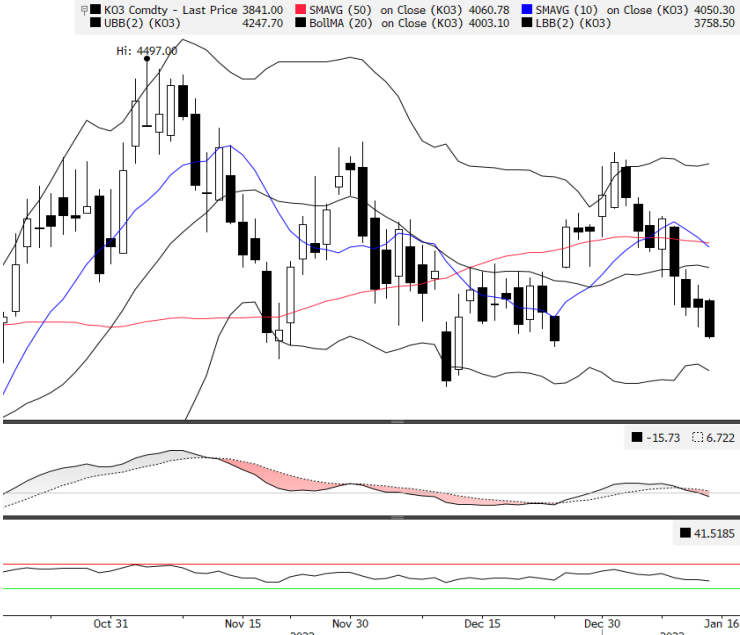


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures continued its downfall to fourth consecutive session and ended 1.79% lower on Friday, posted another weekly fall after new year and fell to their lowest levels in three weeks pressured by the weakening demand from major importers as India and China have stocked up last year along with strengthening Malaysian Ringgit. In the overnight competing oils market, crude oil prices extended its bullish run on Friday, with the U.S. benchmark West Texas Intermediate (WTI) rose for the seventh-straight session to settle at \$79.86 a barrel, up by \$1.47, or 1.9%, notching their biggest weekly gains since October lifted by the weakening U.S. Dollar which fell to the lowest level in seven weeks and analysts pointed bullish on Chinese demand. Meanwhile, the CBOT soy oil edged lower on Friday, with March soy oil settled down 0.19 cents at 63.06 cents per pound, tracking the fall in global edible oil despite following its stronger soy bean which is supported by the cut in harvest outlook in year 2022 by USDA along with the drought in South American crop region. Therefore, palm oil futures are expected to trade on a cautious note today following mixed overnight rival oils market and worries over waning demand by major importers and strengthening Malaysian Ringgit which makes local palm oil more expensive to importers while downside could be limited by a potential of bargain hunting activities after recent sharp fall.

Technical

Palm oil futures for the March contract opened lower and trended gradually lower in negative territory pressured by continuous selling pressure following the fall in the rival soy oil market during Asian trading hour along with strengthening Malaysian Ringgit which makes local palm oil more expensive to foreign buyers. At the close, the March contract settled at 3,841 ringgit per tonne with losses of 70 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with short upper and 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 downward bias today on continued selling pressure taking cue from weaker performance in overnight competing soy oil market and discouraging tropical oil export demand along with strengthening Malaysian Ringgit. Hence, the support and resistance for April futures contract can be found at 3,700 and 3,900 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 15OCT2022-16JAN2023 Copyright© 2023 Bloomberg Finance LP. 16-Jan-2023 08:59:47

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD
FEB 23	3,833	-64	3,908	3,828	1,599	7,313	-821	-18.16 Mn
MAR 23	3,841	-70	3,930	3,835	23,502	46,382	-2,495	-55.3 Mn
APR 23	3,845	-77	3,942	3,840	17,919	44,334	3,542	78.59 Mn
MAY 23	3,850	-82	3,947	3,848	9,834	30,799	-491	-10.91 Mn
JUN 23	3,845	-84	3,944	3,845	3,506	16,238	-303	-6.72 Mn
JUL 23	3,838	-84	3,931	3,838	3,723	15,848	-314	-6.95 Mn
AUG 23	3,829	-84	3,915	3,837	2,643	6,998	-109	-2.41 Mn
SEP 23	3,821	-82	3,906	3,828	1,746	10,210	-345	-7.61 Mn
OCT 23	3,814	-82	3,895	3,821	612	2,284	80	1.76 Mn
NOV 23	3,818	-75	3,896	3,818	1,052	7,467	15	.33 Mn
DEC 23	3,825	-78	3,891	3,824	238	834	89	1.96 Mn
JAN 24	3,832	-74	3,900	3,832	137	1,918	68	1.5 Mn
MAR 24	3,850	-57	3,869	3,850	14	652	10	.22 Mn
MAY 24	3,840	-57	-	-	-	71	0	. Mn
JUL 24	3,840	-57	-	-	-	1	0	. Mn
SEP 24	3,840	-57	-	-	-	-	0	. Mn
NOV 24	3,840	-57	-	-	-	-	0	. Mn
JAN 25	3,840	-57	-	-	-	-	0	. Mn
MAR 25	3,840	-57	-	-	-	-	0	. Mn
MAY 25	3,840	-57	-	-	-	-	0	. Mn
JUL 25	3,840	-57	-	-	-	-	0	. Mn
SEP 25	3,840	-57	-	-	-	-	0	. Mn
NOV 25	3,840	-57	-	-	-	-	0	. Mn
JAN 26	3,840	-	-	-	-	-	0	. Mn
Total					66,525	191,349	-1,074	

Source: Bloomberg

Export Est Period	Jan-23		Dec-22		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	235,529	262,201	480,404	473,086	-50.97%	-44.58%	-26.15%	-19.47%
1 - 15th days	-	-	631,401	634,618	-	-	-	-
1 - 20th days	-	-	921,811	923,642	-	-	-	-
1 - 25th days	-	-	1,226,966	1,224,122	-	-	-	-
Full month	-	-	1,456,986	1,512,468	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2021	2022	2022	2022	Jan Chg (Mean)	KF's Expected Jan
	January	October	November	December		
Production	1,126,629	1,813,591	1,680,743	1,618,853	-8.16%	1,486,710
Stocks	1,324,963	2,403,719	2,288,473	2,194,809	-8.46%	2,009,038
Export	947,395	1,503,779	1,517,731	1,468,448	3.60%	1,521,349
Import	165,198	66,349	47,047	47,114	10.73%	52,172

Source: Reuters

Commodity Futures (3rd month)

Commodity	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3845	-77	-1.96%	4.91%	2.23%	0.05	0.02
Dalian Olein	7776	-14	-0.18%	2.78%	0.57%	0.98	0.98
Soybean Oil	63.06	0.67	1.07%	-9.93%	4.73%	0.86	1.02
WTI Crude	79.86	1.47	1.88%	-2.95%	-5.50%	0.92	0.93
CRB Index (realtime)	275.91	2.1439	0.78%	-0.28%	-0.62%	0.93	0.92

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15148.5	-1.24%	-0.15%	2.31%

Source: Bloomberg

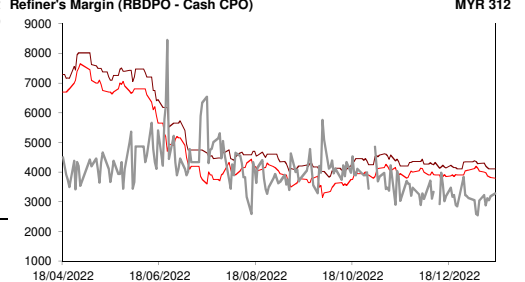
Overnight Lead

Chicago Board of Trade soybean futures climbed on Friday on follow-through buying after the U.S. Department of Agriculture (USDA) cut its 2022 U.S. crop outlook a day earlier and as Argentina's crop remains stressed by drought, traders said. - Reuters

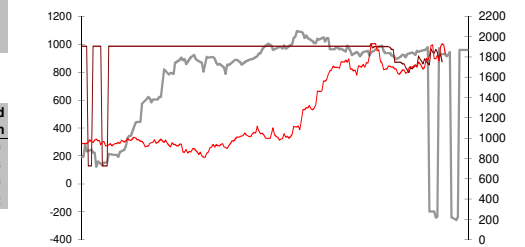
Previous Week

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
Jan23	3,828	-8	3,845	3,828	3,840	3,840	3,840	3,840	4,105	3,828	3,835	3,800	3,850	6.0%	0.0%

Refiner's Margin (RBDPO - Cash CPO)



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



3rd mth FCPO Volatility

