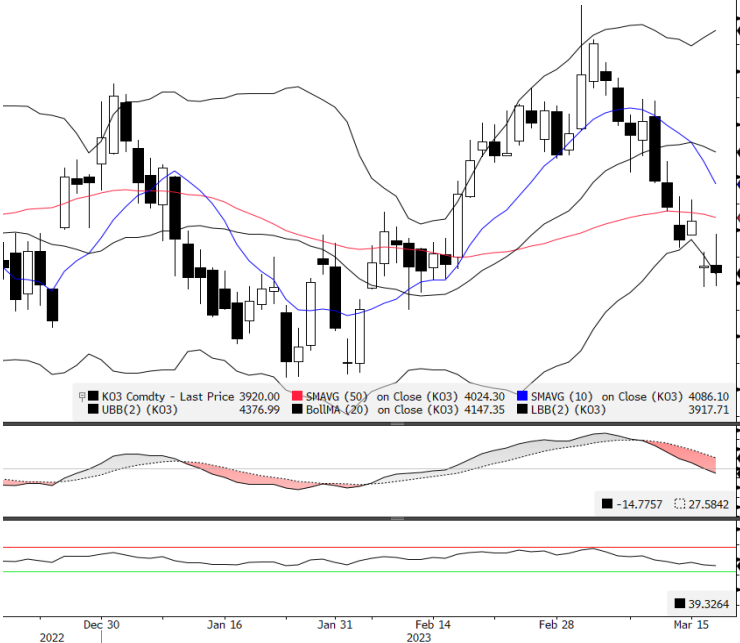


CPO Futures 3rd month daily chart



KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 190EC2022-17HAR2023 Copyright© 2023 Bloomberg Finance L.P. 20-Mar-2023 07:11:32

### Preview Fundamental

Malaysian palm oil futures erased early gains and ended 0.33% lower on Friday, the lowest level in six weeks and recorded two-straight week of losses following the weakness in rival oils and concerns about the fall of several U.S. banks and Credit Suisse crisis that could lead to a fresh global banking crisis while downside was limited by strong March exports data published by cargo surveyors. Globally, crude oil prices reversed early gains and fell on Friday, recording the biggest weekly declines in a month with the U.S. benchmark West Texas Intermediate (WTI) fell \$1.61, or 2.4%, at \$66.74 per barrel, tracking the lower equities market that fell on worries over banking sector crisis that could trigger recession. In addition, the CBOT soy oil back pedaled off previous session gains to end lower, with May soy oil fell 0.27 cents to finish at 57.46 cents per pound, tracking the bearish tone in its competing crude oil and the fall in soybean that fall on liquidation activities ahead of weekend and weaker Brazilian basis level. Thus, palm oil futures are expected to remain cautious today tracking overnight losses in rival oils and an unfolding crisis in the banking sector as well as the gathering storm clouds of possible recession while downside could be cushioned by a potential of bargain hunting activities and anticipations of encouraging March tropical oil exports outlook.

### Technical

Palm oil futures for the June contract opened slightly higher but upside momentum fizzled on lack of follow through buying and trapped in negative territory for most part of the trading session as profit booking activities ahead of weekend emerged following the fall in the rival soy oil market during Asian trading along with cautious sentiment on the lingering concerns over possible recession. At the close, the June contract settled at 3,920 ringgit per tonne with losses of 13 points, forming a long black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bears managed to take control of the trading session from the bulls. Technical wise, MACD indicator issued a sell signal while RSI is approaching to an oversold region. Therefore, palm oil futures are expected to trade range bound with downward bias today on continued selling pressure took cue from stumbled in overnight competing oils market while downside could be limited by strong exports data and anticipation of reducing stockpiles. Hence, the support and resistance for June futures contract can be found at 3,750 and 4,000 respectively.

Source: Bloomberg							O/I chg	Previous Week						
Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
APR 23	4,071	-12	4,154	4,044	872	7,809	-1,336	4,301	4,098	Apr23	4,100	4,200	5.1%	0.0%
MAY 23	3,987	-20	4,072	3,966	7,420	36,410	-2,604	4,317	4,088	Source: Reuters				
JUN 23	3,920	-13	3,993	3,895	26,302	41,295	4,012	4,295	4,056					
JUL 23	3,871	-11	3,938	3,849	7,268	29,988	670	4,249	4,017	Spreads				
AUG 23	3,833	-6	3,900	3,809	4,402	16,660	145	4,202	3,975	Apr23-May23	84	72	83	519
SEP 23	3,804	-6	3,870	3,778	4,981	14,172	141	4,163	3,945	Apr23-Jun23	151	9	170	195
OCT 23	3,785	-6	3,852	3,759	4,228	9,776	1,394	4,130	3,925	May23-Jun23	67	66	69	4,479
NOV 23	3,776	-5	3,845	3,750	3,080	13,151	1,035	4,118	3,918	May23-Jul23	116	111	123	359
DEC 23	3,778	-5	3,845	3,755	1,044	3,369	86	4,116	3,914	Jun23-Jul23	49	47	49	2,761
JAN 24	3,776	-5	3,850	3,756	819	3,977	92	4,102	3,913	Jun23-Aug23	87	84	95	769
FEB 24	3,778	-5	3,849	3,761	186	735	31	4,105	3,909	Source: Bloomberg				
MAR 24	3,769	-5	3,842	3,758	277	2,358	-34	4,102	3,918	Refiner's Margin (RBDPO - Cash CPO)				
MAY 24	3,758	-5	3,820	3,747	161	317	31	4,102	3,928					
JUL 24	3,758	-5	-	-	-	6	0	3,993	3,993					
SEP 24	3,758	-5	-	-	-	-	0	-	-					
NOV 24	3,758	-5	-	-	-	-	0	-	-					
JAN 25	3,758	-5	-	-	-	-	0	-	-					
MAR 25	3,758	-5	-	-	-	-	0	-	-					
MAY 25	3,758	-5	-	-	-	-	0	-	-					
JUL 25	3,758	-5	-	-	-	-	0	-	-					
SEP 25	3,758	-5	-	-	-	-	0	-	-					
NOV 25	3,758	-5	-	-	-	-	0	-	-					
JAN 26	3,758	-5	-	-	-	-	0	-	-					
MAR 26	3,758	-5	-	-	-	-	0	-	-					
<b>Total</b>							<b>61,040</b>	<b>180,023</b>	<b>3,663</b>					

Export Est Period	Mar-23		Feb-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	474,830	-	312,092	323,280	52.14%	-	28.16%	-
1 - 15th days	750,530	715,230	437,327	449,703	71.62%	-	32.22%	24.41%
1 - 20th days	-	-	723,482	712,740	-	-	-	-
1 - 25th days	-	-	949,082	985,780	-	-	-	-
Full month	-	-	1,062,057	1,131,939	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2021		2022		2023		2023		Feb Chg (Mean)	KF's Expected Feb
	February	December	January	February	January	February				
Production	1,137,448	1,618,853	1,380,410	1,251,313	-	-	-4.21%	1,198,608		
Stocks	1,518,293	2,194,809	2,268,198	2,119,509	-	-	-2.66%	2,063,096		
Export	1,097,857	1,468,448	1,135,498	1,114,343	-	-	-8.90%	1,015,120		
Import	149,833	47,114	144,937	52,446	-	-	-7.70%	48,406		

Source: Reuters

Commodity Futures (3rd month)	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3920	-13	-0.33%	0.05%	5.26%	0.00	0.05
Dalian Olein	7784	34	0.44%	-0.18%	1.01%	1.00	0.96
Soybean Oil	57.46	-0.27	-0.47%	-13.01%	-16.23%	0.87	0.80
WTI Crude	66.74	-1.61	-2.36%	-12.37%	-16.03%	0.87	0.91
CRB Index (realtime)	254.66	-1.9893	-0.78%	-6.47%	-8.90%	0.88	0.80

Source: Bloomberg

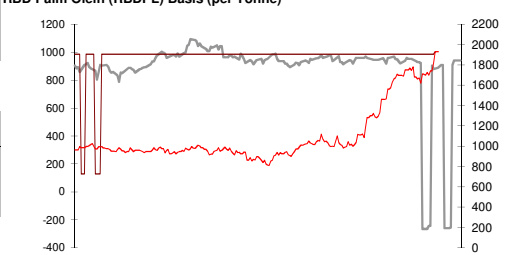
Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15345.0	-0.29%	-1.33%	2.74%

Source: Bloomberg

### Overnight Lead

Chicago Board of Trade soybean futures fell on Friday to record a fifth straight weekly decline, and the benchmark May contract hit a 12-week low during the session on liquidation of bull-spreads and continued weakness in the Brazilian basis levels. Reuters

Crude Degummed Soybean Oil (CDSBO)/RBD Palm Olein (RBDPO) Basis (per Tonne) USD 941.17



3rd mth FCPO Volatility

