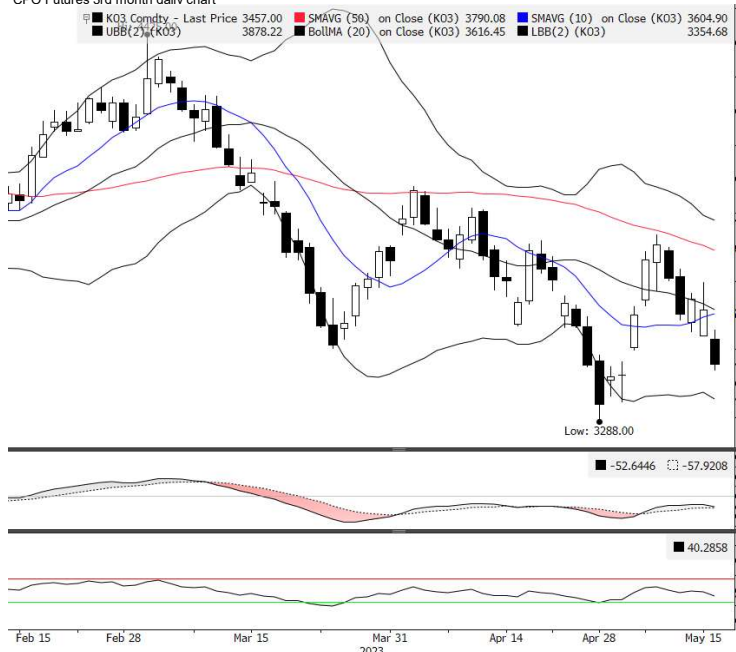


CPO Futures 3rd month daily chart



### Preview

#### Fundamental

Malaysian palm oil futures extended its losing streak to second consecutive session to close 1.57% lower on Tuesday, ended at its near two-week low pressured by concerns about higher tropical oil supply outlook in the upcoming months despite nearby tightness amid intensifying competition against Indonesian palm product. Globally, crude oil prices slipped on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) down 25 cents to \$70.86 a barrel, as the price slid after a weaker than expected Chinese economic data stirred demand worries that offset anticipation of higher demand forecasted by the International Energy Agency. In addition, the CBOT soy oil nosedived to two-year low on Tuesday, with July soy oil finished down 2.24 cents at 47.45 cents per pound, pressured by strong U.S. crop prospects amid intensifying export competition against South America. Therefore, palm oil futures are expected to trade lower today tracking overnight losses in rival oils and concerns about slower tropical oil export demand after Indonesian government reduced its export tax and levy which cause a switch of demand from local palm oil to Indonesian's palm oil.

#### Technical

Palm oil futures for the August contract opened gap down and trended gradually lower in negative territory as selling activities extended following the fall in the rival soy oil market during Asian trading hour along with import policies from India that show reducing demand as they are favoring other edible oils. At the close, the August contract settled at 3,457 ringgit per tonne with losses of 55 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bears took control of the trading session aggressively. Technical wise, MACD indicator is approaching to issue a selling signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade with downward bias today on continued selling pressure took cue from stumbled in overnight competing oils market and anticipations of discouraging tropical oil export demand from major buyer. Hence, the support and resistance for August futures contract can be found at 3,300 and 3,500 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 14FEB2023-16MAY2023

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD
JUN 23	3,748	-42	3,825	3,716	1,451	10,855	-1,053	-21.83 Mn
JUL 23	3,564	-52	3,658	3,536	11,351	45,826	-2,556	-50.39 Mn
AUG 23	3,457	-55	3,558	3,436	27,628	47,746	2,967	56.74 Mn
SEP 23	3,420	-40	3,501	3,400	7,755	20,765	874	16.53 Mn
OCT 23	3,415	-33	3,484	3,396	7,214	11,823	1,031	19.48 Mn
NOV 23	3,418	-24	3,473	3,396	6,793	16,539	413	7.81 Mn
DEC 23	3,420	-22	3,472	3,400	3,949	12,809	-2	-0.04 Mn
JAN 24	3,427	-22	3,473	3,401	2,427	8,138	-228	-4.32 Mn
FEB 24	3,422	-33	3,454	3,401	1,420	2,553	192	3.63 Mn
MAR 24	3,413	-33	3,453	3,406	1,539	8,980	315	5.95 Mn
APR 24	3,424	-26	3,454	3,412	327	469	85	1.61 Mn
MAY 24	3,423	-26	3,456	3,408	385	3,663	-16	-0.3 Mn
JUL 24	3,424	-26	3,445	3,416	137	1,476	50	0.95 Mn
SEP 24	3,424	-26	-	-	-	-	0	0 Mn
NOV 24	3,424	-26	-	-	-	-	0	0 Mn
JAN 25	3,424	-26	-	-	-	-	0	0 Mn
MAR 25	3,424	-26	-	-	-	-	0	0 Mn
MAY 25	3,424	-26	-	-	-	-	0	0 Mn
JUL 25	3,424	-26	-	-	-	-	0	0 Mn
SEP 25	3,424	-26	-	-	-	-	0	0 Mn
NOV 25	3,424	-26	-	-	-	-	0	0 Mn
JAN 26	3,424	-26	-	-	-	-	0	0 Mn
MAR 26	3,424	-26	-	-	-	-	0	0 Mn
MAY 26	3,424	-26	-	-	-	-	0	0 Mn
<b>Total</b>					<b>72,376</b>	<b>191,642</b>	<b>2,072</b>	

Source: Bloomberg

Export Est Period	May-23		Apr-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	333,779	-	328,133	408,663	1.72%	-	-11.36%	-
1 - 15th days	523,042	-	497,353	566,995	5.17%	-	-7.20%	-
1 - 20th days	-	-	696,463	740,545	-	-	-	-
1 - 25th days	-	-	927,331	-	-	-	-	-
<b>Full month</b>	-	-	<b>1,104,726</b>	-	-	-	-	-

Source: Reuters

#### Malaysian Palm Oil Board Statistic

	2021	2022	2023	2023	Apr Chg	KF's Expected
	May	February	March	April	(Mean)	Apr
Production	1,460,972	1,251,313	1,288,354	1,196,450	4.08%	1,245,244
Stocks	1,521,766	2,119,509	1,673,044	1,497,535	3.96%	1,556,782
Export	1,359,174	1,114,343	1,486,233	1,074,447	-4.64%	1,024,576
Import	50,768	52,446	39,772	33,678	-25.37%	25,132

Source: Reuters

#### Commodity Futures (3rd month)

Overnight close	+/-	1d Chg (%)	Relative to FCPO				
			3m Chg	6m Chg	3m Chg	6m Chg	
CPO	3457	0	0.00%	-16.32%	-10.21%	-0.16	-0.10
Dalian Olein	6848	6	0.09%	-14.36%	-11.91%	1.02	0.98
Soybean Oil	47.45	-2.24	-0.51%	-22.86%	-34.22%	0.92	0.73
WTI Crude	70.86	-0.25	-0.35%	-7.63%	-10.28%	1.05	0.94
CRB Index (realtime)	259.89	-1.7567	-0.67%	-2.87%	-6.38%	1.10	1.00

Source: Bloomberg

Currency	Last	1d Chg	3m Chg		6m Chg	
			3m Chg	6m Chg	3m Chg	6m Chg
USDMYR	4.5195	0.46%	1.49%	-1.18%	-	-
USIDR	14820.0	0.10%	-2.34%	-5.10%	-	-

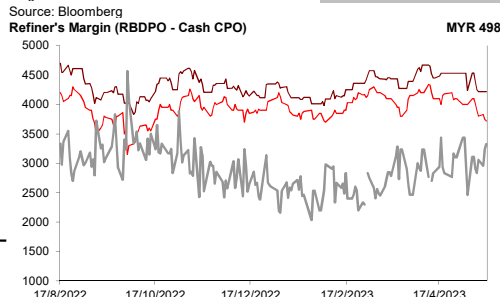
Source: Bloomberg

#### Overnight Lead

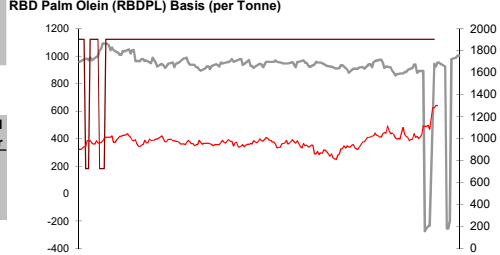
Chicago Board of Trade soybean futures fell to multi-month lows on Tuesday on generally favorable U.S. crop weather, strong export competition from Brazil and technical selling. - Reuters

Previous Week		High		Low		Cash CPO (MYR/MT)		Last Bid		Last Offer		3m Chg		6m Chg				
High	4,028	3,734	May23	3,720	3,800	-4.3%	0.0%	Low	3,683	3,414	Spreads	Last	Bid	Offer	Vol			
Low	3,683	3,402	Jun23-Jul23	184	188	194	339	220	79	153	Jun23-Aug23	291	290	300	179	337	125	225
Vol	16.53 Mn	3,645	3,402	107	104	107	777	129	30	72	Jul23-Aug23	144	133	145	292	191	34	101
O/I chg	19.48 Mn	3,647	3,410	37	28	30	830	63	1	29	Aug23-Sep23	42	26	30	358	94	-2	40
Value USD	7.81 Mn	3,648	3,418	42	26	30	358	94	-2	40	Source: Reuters							

Refiner's Margin (RBDPO - Cash CPO)		MYR 498	
High	5,000	4,500	4,000
Low	3,000	2,500	2,000
Vol	100	200	300
O/I chg	0	0	0



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



3rd mth FCPO Volatility

