kenanga

KENANGA FUTURES SDN BHD Company No. 353603-X



CPO FUTURES

DAILY PREVIEW May 19, 2023

Malaysian palm oil futures posted longest losing run since April and extended to fourth consecutive losses to fall 1.22% on Thursday, pressured by fears about stronger than expected recovery of production in both top growers Indonesia and Malaysia along with extension of Black Sea grain deal has stirred worries over prospects of improved global edible oil supply. Globally, crude oil prices slid on Thursday, with the U.S. benchmark West Texas Intermediate (WTI) fell 97 cents, or 1.3%, to settle at \$71.86 a barrel, pressured by strengthening US Dollar which spurred by stronger U.S. economic data along with Fed policymakers commented that inflation didn't cool down in expected pace that signals Fed could raise rate for another round. Meanwhile, the CBOT soy oil put its slide to an end and ended higher on Thursday, with July soy oil finishing up 0.88 cent at 47.29 cents per pound, lifted by bargain buying activities after recent losing run. Therefore, palm oil futures are expected to trade on a cautious note today tracking mixed overnight rival oils market and concerns about better than expected production recovery as top growers Indonesia and Malaysia are entering into a seasonal high production cycle while a potential of short covering activities ahead of weekend could limit the downside.

37 8644

100 37.8644 Preview Fundamental

Technical Palm oil futures for the August contract opened lower and trended gradually lower in negative territory as selling activities continued following the fall in the rival soy oil market along with worries over production recovery in the upcoming months. At the close, the August contract settled at 3,392 ringgit per tonne with losses of 42 points. Trading activities for the day can be depicted through the formation of a short black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bears took 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 downward bias today on continued selling pressure took cue from mixed performance in overnight competing oils market and discouraging tropical oil export demand as well as production recovery worries while weakening Malaysian Ringgit could limit the downside. Hence, the support and resistance for August futures contract can be found at 3,250 and 3,475 respectively. -73.0764

Fe	28	Mar 15	Mar 31	A	pr 14	Apr 28	May 15								
2023 K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 16FEB2023-18HAY2023 Copyrights 2023 Bloomberg Finance L.P.						18-M	ay-2023 19:12:11								
Source: Bloomberg							O/I chg		vious Week						
Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	High		Cash CPO (MYR/MT)	Last Bid		r 3m Chg	
JUN 23 JUL 23	3,675 3,504	-49 -37	3,736 3,558	3,662 3,493	2,161 7,489	8,724 41,030	-913 -1,559	-18.43 Mn -30.01 Mn	4,028 3,837	3,734 3,550		3,680	3,750	-8.3%	0.0%
AUG 23	3,304	-37	3,338	3,493	24,509	53.073	1,828	34.06 Mn	3,037	3,550	Source. Reulers			30 Day	
SEP 23	3,367	-42	3,416	3,354	7,396	24,064	868	16.05 Mn	3,683	- /	Spreads Last	Bid Offer	Vol High		Avg
OCT 23	3,367	-40	3,415	3,352	5,179	13,700	623	11.52 Mn	3,662	3,402	Jun23-Jul23 171	158 165	93 220		158
NOV 23	3,369	-41	3,418	3,357	4,483	17,802	565	10.46 Mn	3,648	3,402	Jun23-Aug23 283	260 280	33 337	7 141	233
DEC 23	3,373	-32	3,419	3,364	3,100	12,121	-541	-10.02 Mn	3,645	3,407	Jul23-Aug23 112	103 108	360 129		75
JAN 24	3,374	-36	3,420	3,373	1,401	8,520	265	4.91 Mn	3,647	3,410	Jul23-Sep23 137	125 135	71 191		104
FEB 24 MAR 24	3,372 3,386	-33 -23	3,404 3,428	3,379 3,384	643 1,275	2,945 9,982	184 377	3.41 Mn 7.01 Mn	3,648 3,648	3,417 3,418	Aug23-Sep23 25 Aug23-Oct23 25	20 22 19 23	592 63 413 94		29 39
APR 24	3,397	-23	3,420	3,384	35	483	2	.04 Mn	3,638	3,418	Source: Bloomberg	19 23	415 94	+ -2	39
MAY 24	3,395	-24	3,424	3,390	178	3,778	-9	17 Mn	3,646	3,425	Refiner's Margin (RBDF	PO - Cash CPO)			MYR 390
JUL 24	3,400	-20	3,416	3,400	106	1,687	23	.43 Mn	3,650	3,430	5000				
SEP 24	3,407	-13	3,407	3,407	62	187	62	1.16 Mn	-	-	4500	~	-	~	
NOV 24	3,407	-13				-	0	. Mn	-	-	4500	M.M. chu, r	~	~ 0.5	
JAN 25	3,407 3,407	-13				-	0	. Mn	-		4000	m M m	$\sqrt{-}$	ᠧ᠆ᠮ	$\sqrt{1}$
MAR 25 MAY 25	3,407	-13 -13				-	0	. Mn . Mn	-			, v que	sur.	V	4
JUL 25	3,407	-13				-	0	. Mn	-		3500			1	Λ
SEP 25	3,407	-13				-	0	. Mn	-	-	3000 - MV	"VMM ALLA	bu .	1 1. 1	r Inn
NOV 25	3,407	-13				-	0	. Mn	-	-	V I V	' "WN/MAA	and Dot. L	11/1/	1 111
JAN 26	3,407	-13				-	0	. Mn	-	-	2500 -	h h.h.h.h.	7" \N 1"VI	N N	
MAR 26	3,407	-13				-	0	. Mn	-	-	2000 -		4 14 1		
MAY 26	3,407	-13				-	-		-	-	-				
Total					58,017	198,096	1,775				1500 -				
Source: Bloon	iberg										1000		1		
Export Est		May-23			Apr-23		Change (m-o-m)	Change (y	у-о-у)	19/8/2022 19/10	0/2022 19/12/20	22 19/2/2023	19/4/2	023
Period		AMSPEC	SGS	AMSPI			AMSPEC	SGS	AMSPEC	SGS					
1 - 10th days		333,779	-	328,13			1.72%	-	-11.36%	-	Crude Degummed Soyl			USD 9	78.67
1 - 15th days		523,042	-	497,35 696,46			5.17%	-	-7.20%	-	RBD Palm Olein (RBDP	L) Basis (per Tonn	ne)		
1 - 20th days 1 - 25th days			-	927,33		740,545		-		-	1200 T				2000
Full month			-	1,104,72				-		-	1000				1800
Source: Reute	rs			.,,.							,	mann		ᡝ᠕ᡗ	1600
											800 -				- 1400
											600 -			/	+ 1200
Malaysian Palm Oil Board Statistic		tistic	2021 May	2022 February			2023 April	Apr Chg (Mean)	KF's	s Expected	400		~	m	- 1000
Production			1,460,972	1,251,31			,196,450	4.08%		Apr 1,245,244	- M11 ~	- oour with	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~		800
Stocks		_	1,521,766	2,119,50			,497,535	3.96%		1,556,782	200 - U U				- 600
Export		_	1,359,174	1,114,34			,074,447	-4.64%		1,024,576	0				
Import		_	50,768	52,44	46	39,772	33,678	-25.37%		25,132	-200				- 400
Source: Reute	rs													ч	200
Commodity	utures (3rd mon	(b)						Pol	ative to FCPO		-400 1				T 0
	vernight close	ui)	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg				_	_	
CPO	vernight close	3392	0	0.00		-17.89%	-11.90%	-0.18	-0.12						
Dalian Olein		6734	-8	-0.12		-15.78%	-12.82%	1.03	0.99						
Soybean Oil		47.29	0.88	1.90		-23.12%	-34.99%	0.94	0.74		3rd mth FCPO Volatility	1	30 Day		90 Days
WTI Crude		71.86	-0.97	-1.33		-6.32%	-8.04%	1.03	0.93				38.27%	34.56%	32.95%
CRB Index (re		261.66	-0.6213	-0.24	1%	-2.21%	-5.33%	1.14	1.04		90				
Source : Bloor Currency	nbei			Last		1d Chg		3m Chg		6m Chg	80 -				
USDMYR				4.5515		0.30%		2.43%		-0.94%					
USDIDR				14868.5		0.33%		-2.56%		-5.38%		7			
Source : Bloor	nberg										60	-t-			
											50	Y JAM	<u> </u>		
Overnight Lead										how the	The				
Overnight Lead Chicago Board of Trade sovhean futures closed lower on Thursday after a chonny session, pressured by outlooks										40 - ₩	• W	~ ~	Carry -	m	
Chicago Board of Trade sovbean futures closed lower on Thursday after a choppy session, pressured by outlooks for rising U.S. soy supplies, traders said Reuters										30 -		Ξľ	had	475	
											22			- W	
											20 -				
											10	12/0/2022 42/44/2	022 12/4/2022	12/2/2022	12/5/2022
	es Sdn Bhd (35360) 2729 Email: future											12/9/2022 12/11/2		12/3/2023	12/5/2023

Diclaimer: "This document has been prepared for general circulation based on information obta msg1 investment objectives, financial background and the particular needs of any person who may read this document. This document is for the information of addressees only and is not be taken in substitution for the exercise of jud decision. Kenanga Futures Sdn Bhd accept no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitation of an offer to buy or sell any securities/underlying securities. K employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent i