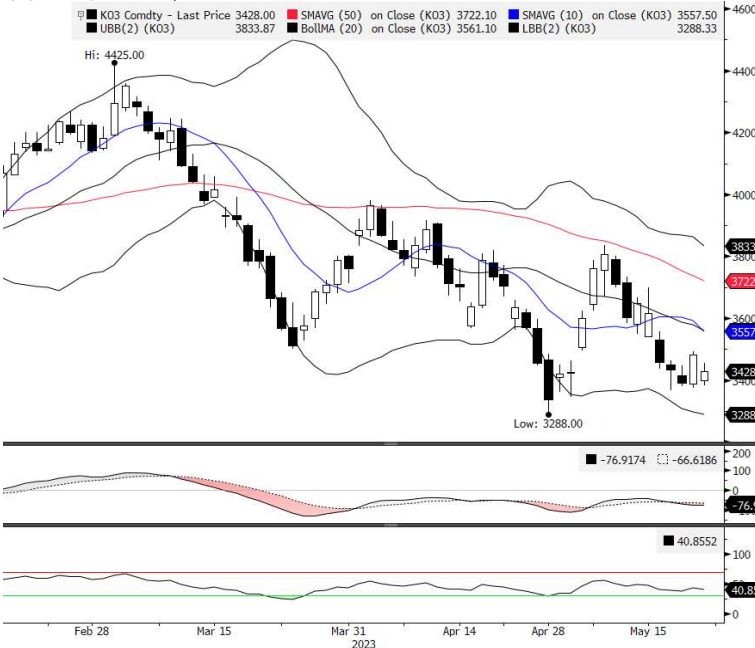


CPO Futures 3rd month daily chart



K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 16FEB2023-22HAY2023 Copyright© 2023 Bloomberg Finance LP. 22-May-2023 19:09:31

Preview

Fundamental

Malaysian palm oil futures unable to sustain previous session gains and closed 1.52% lower on Monday, weighed by weaker competing oils, better production prospects and sluggish demand from major buyer China and India further pressured participants sentiment. Globally, crude oil prices edged higher on Monday, with the U.S. benchmark West Texas Intermediate (WTI) rose 0.5% to settle at \$72.05 a barrel, as U.S. gasoline futures rise to one-month high and forecasts of higher demand and shrinking supply in the second half of the year while gains were limited by stronger US Dollar and cautious sentiment ahead of meeting on debt ceiling agreement. In addition, the CBOT soy oil rebounded to end higher, with July soy oil gained 1.5 cents to 48.77 cents per lb, buoyed by short covering activities after recent decline and following its spill over strength in rival crude oil. Therefore, palm oil futures are expected to trade cautiously higher today tracking overnight strong performance in rival oils and a potential of bargain buying activities after recent decline while gains could be capped by sluggish demand outlook and forecasts of improving production in both top growers Indonesia and Malaysia.

Technical

Palm oil futures for the August contract opened lower and recorded an intraday low of 3384 on the back of weaker overnight rival oils prices. However, the August futures contract rebounded towards the closing bell as bargain buying emerged due to weaker Ringgit and recovery in crude oil prices. At the close, the August contract settled at 3,428 ringgit per tonne with losses of 53 points, forming a short white-bodied candlestick pattern with extended upper and short bottom shadows, indicating that the bears took control of the trading session but bulls managed to tame the bears. Technical wise, MACD indicator issued a sell signal while RSI oscillated in the neutral region. Nevertheless, palm oil futures are expected to trade higher today following the surge in rival soy oil that buoyed by bargain buying activities that could also be seen in local market while thin discounts to compete against soy oil and sluggish demand outlook from key importers China and India could limit the upside. Hence, the support and resistance for August futures contract can be found at 3,390 and 3,600 respectively.

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg		Previous Week					
								Value USD	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
JUN 23	3,673	-52	3,698	3,652	941	5,637	-1,948	-39.31 Mn	3,872	3,661	May23	3,670	3,700	-11.1%	0.0%
JUL 23	3,539	-50	3,563	3,481	4,469	39,756	-553	-10.75 Mn	3,698	3,480	Source: Reuters				
AUG 23	3,428	-53	3,454	3,384	20,706	57,379	1,682	31.68 Mn	3,593	3,368					
SEP 23	3,403	-52	3,425	3,360	4,782	25,098	352	6.58 Mn	3,532	3,346					
OCT 23	3,404	-52	3,424	3,361	1,407	15,081	124	2.32 Mn	3,511	3,352					
NOV 23	3,410	-48	3,425	3,363	1,467	17,412	-804	-15.06 Mn	3,502	3,357					
DEC 23	3,409	-49	3,434	3,365	1,063	11,866	-106	-1.99 Mn	3,504	3,362					
JAN 24	3,415	-46	3,433	3,369	699	8,356	-58	-1.09 Mn	3,503	3,373					
FEB 24	3,413	-46	3,436	3,376	274	2,831	21	.39 Mn	3,501	3,379					
MAR 24	3,415	-46	3,437	3,385	590	10,058	39	.73 Mn	3,496	3,384					
APR 24	3,426	-46	3,442	3,390	50	488	-39	-.73 Mn	3,485	3,390					
MAY 24	3,419	-46	3,431	3,390	179	4,027	-3	-.06 Mn	3,501	3,390					
JUL 24	3,419	-46	3,430	3,396	71	1,882	14	.26 Mn	3,465	3,400					
SEP 24	3,426	-46	3,408	3,404	22	253	16	.3 Mn	3,429	3,405					
NOV 24	3,426	-46	-	-	-	-	0	. Mn	-	-					
JAN 25	3,426	-46	-	-	-	-	0	. Mn	-	-					
MAR 25	3,426	-46	-	-	-	-	0	. Mn	-	-					
MAY 25	3,426	-46	-	-	-	-	0	. Mn	-	-					
JUL 25	3,426	-46	-	-	-	-	0	. Mn	-	-					
SEP 25	3,426	-46	-	-	-	-	0	. Mn	-	-					
NOV 25	3,426	-46	-	-	-	-	0	. Mn	-	-					
JAN 26	3,426	-46	-	-	-	-	0	. Mn	-	-					
MAR 26	3,426	-46	-	-	-	-	0	. Mn	-	-					
MAY 26	3,426	-46	-	-	-	-	0	. Mn	-	-					
Total						36,720	200,124	-1,263							

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	716,760	-	696,463	740,545	2.91%	-	-9.79%	-
1 - 25th days	-	-	927,331	-	-	-	-	-
Full month	-	-	1,104,726	-	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2021	2022		2023	2023	Apr Chg (Mean)	KF's Expected
	May	February	March	April			
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	3428	0	0.00%	-19.06%	-16.49%	-0.19	-0.16
Dalian Olein	6696	-26	-0.39%	-17.48%	-14.48%	1.02	1.02
Soybean Oil	48.77	1.50	3.17%	-21.39%	-34.90%	0.97	0.78
WTI Crude	72.05	0.36	0.50%	-4.66%	-6.78%	1.03	1.01
CRB Index (realtime)	261.58	-0.5498	-0.21%	-2.01%	-5.52%	1.18	1.12

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USIDR	14890.0	-0.27%	-1.78%	-4.89%

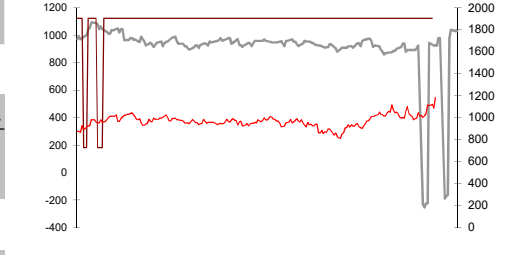
Source: Bloomberg

Overnight Lead

U.S. soybean futures rose on Monday on a short-covering bounce following four straight sessions of declines, traders said. - Reuters

Previous Week		Last Bid		Last Offer		3m Chg		6m Chg	
High	3,872	3,661	3,670	3,700	-11.1%	0.0%			
Low	3,698	3,480							
Cash CPO (MYR/MT)	3,593	3,368							
Spreads	3,532	3,346							
Jun23-Jul23	134	133	145	8	220	87	160		
Jun23-Aug23	245	240	250	2	337	141	238		
Jul23-Aug23	111	102	105	605	129	30	78		
Jul23-Sep23	136	132	144	43	191	34	106		
Aug23-Sep23	25	29	31	724	63	1	28		
Aug23-Oct23	24	28	30	67	94	-2	37		

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



3rd mth FCPO Volatility

