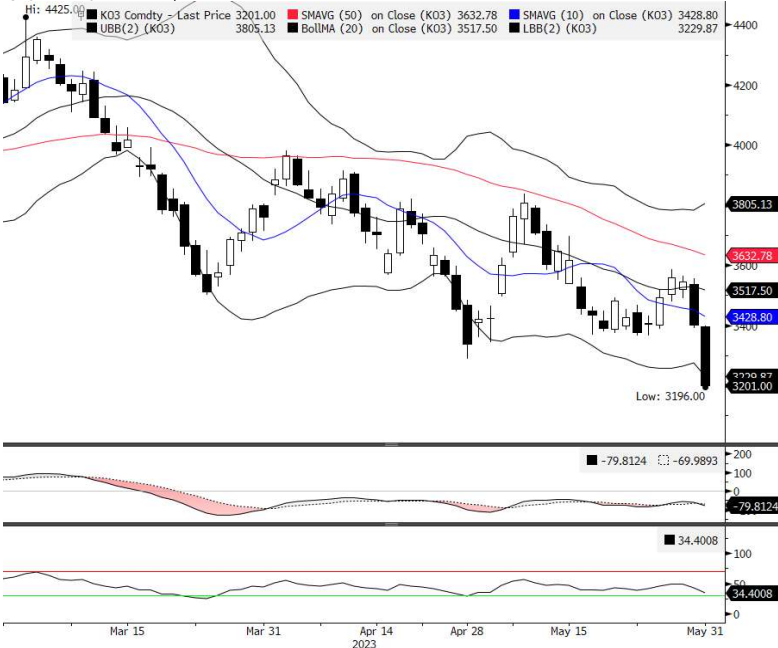


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures extended its losing streak to third consecutive session and settled stumbled nearly 6% on Wednesday, recorded its lowest level since September 2022 pressured by the slump in exports data along with sharp decline in rival soy oil and on expectations of better tropical oil's production outlook. Globally, crude oil continued its downward slide on Wednesday, with U.S. West Texas Intermediate crude (WTI) settled down \$1.37, or 2%, to \$68.09 per barrel, pressured by strengthening US Dollar and weighed down by weaker than expected manufacturing activity in world's top importer China that signals a slowdown in crude demand. Meanwhile, the CBOT soy oil pared its losses after falling into life-of-contract low 44.53 cents, with July soy oil finished unchanged at 46.20 cents per pound, supported by short-covering and technical buying activities after the nosedive. Therefore, palm oil futures are expected to experience a relief rebound from eight-month low today following the steadier overnight rival soy oil and a potential of bargain buying activities after recent slump along with weakening Malaysian Ringgit that make local palm oil attractive to importers.

Technical

Palm oil futures for the August contract opened sharply lower and trended deep in negative territory throughout the trading session, under pressured by persistent selling interest resonating sharp decline in rival soy oil and further weighed by worries over abundant of tropical oil along with sluggish exports demand. At the close, the August contract settled at 3,201 ringgit per tonne with losses of 202 points, forming a long black-bodied candlestick pattern with shorter upper and short bottom shadows, indicating that the bears took control of the trading session aggressively. Technical wise, MACD indicator issued a sell signal while RSI approaching to violate an oversold position. Meanwhile, palm oil futures are expected to trade with slight upward bias today tracking the steadier overnight rival soy oil while lingering worry on rising May production that overweighed demand could continue to be the selling pressure. Thus, the support and resistance for today can be eyed at 3,150 and 3,335 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 28FEB2023-31MAY2023 Copyright © 2023 Bloomberg Finance LP. 31-May-2023 19:33:50

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD
JUN 23	3,255	-175	3,400	3,232	486	2,144	111	1.96 Mn
JUL 23	3,230	-207	3,421	3,225	4,705	28,176	-1,205	-21.09 Mn
AUG 23	3,201	-202	3,399	3,196	37,728	64,554	1,160	20.12 Mn
SEP 23	3,212	-190	3,393	3,208	15,701	27,387	490	8.53 Mn
OCT 23	3,231	-179	3,400	3,229	10,748	17,566	1,254	21.95 Mn
NOV 23	3,250	-168	3,409	3,250	8,687	16,668	-119	-2.1 Mn
DEC 23	3,271	-157	3,419	3,270	5,694	12,870	-520	-9.22 Mn
JAN 24	3,299	-142	3,435	3,297	5,438	9,870	1,038	18.55 Mn
FEB 24	3,305	-142	3,444	3,318	1,945	3,130	149	2.67 Mn
MAR 24	3,323	-127	3,448	3,321	1,741	11,793	533	9.6 Mn
APR 24	3,328	-125	3,413	3,338	297	673	33	.6 Mn
MAY 24	3,325	-125	3,450	3,337	1,006	5,313	428	7.71 Mn
JUL 24	3,328	-123	3,450	3,361	565	2,747	389	7.01 Mn
SEP 24	3,335	-123	3,368	3,353	8	406	6	.11 Mn
NOV 24	3,335	-123	-	-	-	64	0	. Mn
JAN 25	3,335	-123	-	-	-	-	0	. Mn
MAR 25	3,335	-123	-	-	-	-	0	. Mn
MAY 25	3,335	-123	-	-	-	-	0	. Mn
JUL 25	3,335	-123	-	-	-	-	0	. Mn
SEP 25	3,335	-123	-	-	-	-	0	. Mn
NOV 25	3,335	-123	-	-	-	-	0	. Mn
JAN 26	3,335	-123	-	-	-	-	0	. Mn
MAR 26	3,335	-123	-	-	-	-	0	. Mn
MAY 26	3,335	-123	-	-	-	-	-	-
Total					94,749	203,361	3,747	

Source: Bloomberg

Export Est Period	May-23 AMSPEC	SGS	Apr-23 AMSPEC	SGS	Change (m-o-m) AMSPEC	SGS	Change (y-o-y) 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	933,615	-	927,331	-	0.68%	-	-15.53%	-
Full month	1,085,070	-	1,104,726	-	-1.78%	-	-20.31%	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2021 May	2022 February	2023 March	2023 April	Apr Chg (Mean)	KF's Expected 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	3201	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3201	0	0.00%	-23.46%	-21.51%	-0.23	-0.22
Dalian Olein	6418	-236	-3.55%	-20.07%	-22.93%	1.04	0.98
Soybean Oil	46.20	0.00	0.00%	-23.69%	-32.46%	1.00	0.86
WTI Crude	68.09	-1.37	-1.97%	-12.22%	-14.91%	1.00	1.02
CRB Index (realtime)	253.85	-1.6475	-0.64%	-6.95%	-9.17%	1.15	1.08

Source: Bloomberg

Currency

	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.6143	0.03%	3.14%	4.69%
USDIDR	14994.0	0.06%	-1.81%	-4.75%

Source: Bloomberg

Overnight Lead

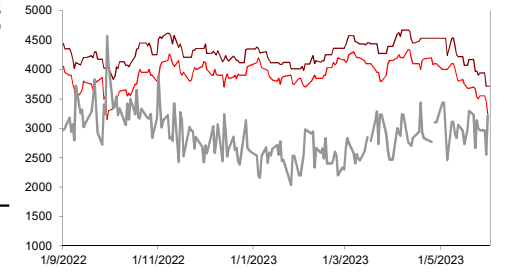
Chicago Board of Trade soybean futures closed mixed on Wednesday, with the benchmark July contract ending higher on a short-covering bounce after falling to a nearly 18-month low, while back months finished lower. - Reuters

Previous Week	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
Jun23	3,701	3,470	3,250	3,250	3,350	-24.8%	0.0%

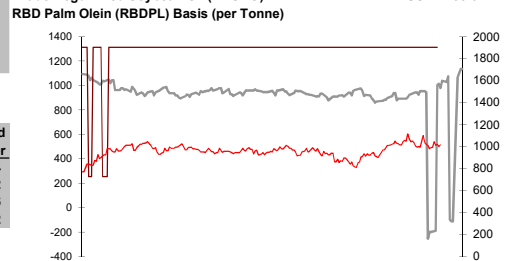
Source: Reuters	Spreads	Last	Bid	Offer	Vol	High	Low	Avg
Jun23-Jul23	25	5	29	17	220	-28	133	
Jun23-Aug23	54	-	-	6	337	9	204	
Jul23-Aug23	29	34	36	526	129	17	71	
Jul23-Sep23	18	24	36	10	191	-6	92	
Aug23-Sep23	-11	-9	-8	931	63	-24	21	
Aug23-Oct23	-30	-29	-18	127	94	-49	24	

Source: Bloomberg

Refiner's Margin (RBDPO - Cash CPO)



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



3rd mth FCPO Volatility

