

## Preview **Fundamental**

Malaysian palm oil futures bounced back from previous session sell down and closed 3.16% higher on Friday, as participants covered some short position ahead of slew key industry data and anticipations of slower tropical output due to El Nino weather catastrophe that might impact on palm oil yields. Globally, crude oil prices edged lower on Friday, extending its downward slide for second consecutive session, with the U.S. benchmark West Texas Intermediate (WTI) dropped \$1.12, or 1.6%, at \$70.17 a barrel, pressured by the lingering concerns over demand growth after disappointing Chinese data at twingthed South Apphilo backload decision to a untratted. Morphylilo the CROT data outweighed Saudi Arabia's weekend decision to cut output. Meanwhile, the CBOT soy oil extending its upward trajectory and settled stronger, with July soy oil contract finished 2.09 cent higher at 54.59 cents per pound, as participants rushed to liquidate positions and renewed buying interest on demand from end users helped push soybean oil above a one-month peak, shrugging off USDA monthly report raised the domestic supply outlook for corn and soybeans due to waning export sales. However, palm oil futures are expected to continue its upward swing today tracking overnight rival soy oils

Technical
Palm oil futures for the August contract opened higher and trended gradually higher in positive territory as bargain buying activities intensified after recent rout and supported by anticipations of lower tropical oil output. At the close, the August contract settled at 3,367 ringit per tonne with gains of 103 points. Trading activities for the day can be depicted through the formation of a long white-bodied candlestick pattern with long upper and short bottom shadows, indicating that the bulls took control of the trading session aggressively. Technical wise, MACD indicator issued a sell signal while RSI lingered at neutral position. Nevertheless, palm oil futures are expected to trade range bound with upward bias today following the advance in competing overnight soy oils and slower tropical oil production while upside could be capped by a potential of profit taking activities ahead of the MPOB supply and demand data and tropical oil demand outlook. Therefore, the support and resistance for August futures contract can be eyed at 3,300 and 3,450 respectively.

Mar 15	Mar 31	Apr 14	Apr 2023	28	May 15	8	May 31											
K03 Comdty (Ger	eric 3rd 'KO' Future) DAIL	Y REPORT CHART Daily 1	1MAR2023-09JU	N2023	Copyright® 2023	Bloomberg Finance	L.P. 09-J	un-2023 18:58:20										
Source: Bloc	mberg							O/I chg	Previ	ious Week								
Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	High	Low	Cash CPO (MYI	R/MT)	L	ast Bid	La	st Offer	3m Chg	6m Chg
JUN 23	3,478	103	3,492	3,465	530	1,599	16	.3 Mn	3,492	3,375	Jun23			3,400		3,450	-19.2%	0.0%
JUL 23	3,408	104	3,441	3,313	4,190	19,166	-2,242	-41.38 Mn	3,452	3,297	Source: Reuters							
AUG 23	3,367	103	3,404	3,271	28,154	61,240	-1,797	-32.77 Mn	3,421	3,255							30 Day	
SEP 23	3,366	104	3,398	3,270	15,819	31,351	698	12.72 Mn	3,427	3,253	Spreads	Last	Bid	Offer	Vol	High	Low	Avg
OCT 23	3,379	108	3,409	3,282	3,556	18,303	278	5.09 Mn	3,415	3,264	Jun23-Jul23	70	-200	200	161	220	-28	114
NOV 23	3,393	106	3,425	3,302	3,443	17,957	332	6.1 Mn	3,425	3,280	Jun23-Aug23	111	-	-	88	337	9	180
DEC 23	3,411	103	3,442	3,325	2,796	14,554	-73	-1.35 Mn	3,442	3,299	Jul23-Aug23	41	38	42	2,474	129	15	66
JAN 24	3,432	100	3,465	3,350	4,114	10,753	-358	-6.65 Mn	3,468	3,327	Jul23-Sep23	42	37	47	752	191	-6	83
FEB 24	3,452	100	3,487	3,384	932	3,730	57	1.07 Mn	3,487	3,345	Aug23-Sep23	1	2	4	6,752	63	-24	17
MAR 24	3,459	99	3,496	3,409	647	12,559	142	2.66 Mn	3,496	3,355	Aug23-Oct23	-12	-9	-4	832	94	-49	18
APR 24	3,464	99	3,470	3,389	275	1,204	157	2.95 Mn	3,470	3,360	0 Source: Bloomberg							
MAY 24	3,462	96	3,494	3,437	562	6,209	153	2.87 Mn	3,494	3,358	Refiner's Margin (RBDPO - Cash CPO)						MYR 227	
JUL 24	3,465	96	3,463	3,460	46	2,988	-138	-2.59 Mn	3,463	3,361	5000							1
SEP 24	3,472	96				516	0	. Mn	3,380	3,370		_					_	
NOV 24	3,472	96				69	0	. Mn	-	-	4500	71	M ~1	<u> </u>	_	/·~~ //	$\sim$	
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MAR 25	3,472	96				-	0	. Mn	-	-	4000	$\mathcal{M}$	N. W	m ~	$\overline{v}$	ν		\ <u>\</u> \
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SEP 25	3,472	96				-	0	. Mn	-	-	3000	· VI	Mr. a	1. /	M	_/  _/	NII V	/ II-II .

0

0

0

-2.775

Mn Mn Mn

2500

2000

1500

12/11/2022

Crude Degummed Sovbean Oil (CDSBO)/

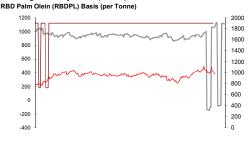
3rd mth FCPO Volatility

Export Est Jun-23 Change (y-o-y) AMSPEC May-23 Change AMSPEC 333,779 Period AMSPEC SGS 1 - 10th days 275,211 -17.559 -26.929 523.042 1 - 15th days 716,760 1 - 20th days 1 - 25th days 933 615

65.064

202.198

Full month Source: Reuters



12/1/2023

12/3/2023

12/5/2023

USD 1111.17

30 Days 60 Days 90 Days

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 ii	ionin)					Relative to 1 CF O		
Overnight clos	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg		
CPO	3367	103	3.16%	-19.93%	-15.72%	-0.20	-0.16	
Dalian Olein	6560	102	1.58%	-16.13%	-15.77%	1.05	1.00	
Soybean Oil	54.59	2.09	3.98%	-2.69%	-15.22%	1.22	1.01	
WTI Crude	70.17	-1.12	-1.57%	-8.45%	-4.91%	1.07	0.93	
CRB Index (realtime)	260.53	-1.7840	-0.68%	-1.68%	-3.28%	1.14	1.13	
Source : Bloombei								
Currency			Last	1d Chg		3m Chg	6r	n Chg
USDMYR			4.6165	0.06%		2.65%	4.44%	
HEDIDD			14840 0	0.37%		2 400/		



## Overnight Lead

Source : Bloomberg

NOV 25

JAN 26

MAR 26

MAY 26

Source: Bloomberg

Total

3,472

3.472

3,472

96

96 96

Chicago Board of Trade soybean futures exceeded a three-week high on Friday as demand from end users helped push soybean oil above a one-month peak. - Reuters

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