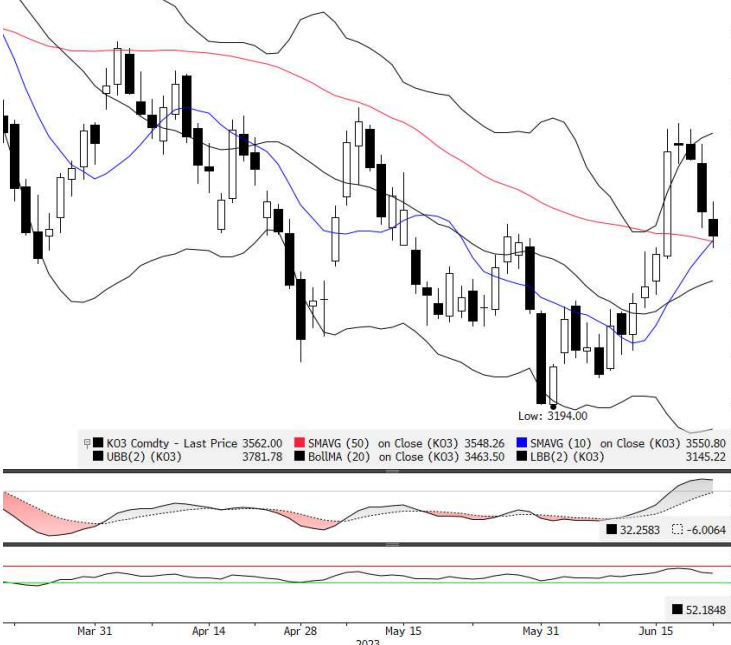


CPO Futures 3rd month daily chart



## Preview

### Fundamental

Malaysian palm oil futures continued its losing streak to third consecutive session and ended 1.44% lower on Thursday, pressured by extended selling activities tracking the fall in soy oil stemming from disappointment over lower-than-expected U.S. biofuel mandate and lackluster demand further weighed on market sentiment. Globally, crude oil prices erased previous session's gains and sank on Thursday, with the U.S. benchmark West Texas Intermediate (WTI) settled down \$3.02, or 4.2%, at \$69.51 a barrel, pressured by the larger than expected hike of interest rate from Bank of England that ignited worries about global economy and reduce crude demand and outweighed the unexpected decrease in U.S. oil supplies. Meanwhile, the CBOT soy oil pared previous session's sharp losses to close higher, with December soy oil gained 0.10 cent to 53.76 cents per lb, supported by bargain buying activities and ahead of U.S. Agriculture Department export sales of soybeans report to be released on Friday. Therefore, palm oil futures are expected to trade cautiously higher today mirroring the rebound in overnight rival soy oil and a potential of bargain hunting activities after recent slump and weakening Malaysian Ringgit while lingering concerns about dry weather that could hurt palm production could provide supportive tone to the prices.

### Technical

Palm oil futures for the September contract trended gradually higher during morning session but ended in negative territory thereafter dampened by the continuous selloff activities in the competing soy oil market and prospects of rising output in the coming weeks. At the close, the September contract settled at 3,562 ringgit per tonne with losses of 52 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 although bulls tried to take over. Technical wise, MACD indicator issued a buy signal while RSI lingered at neutral position. Therefore, palm oil futures are expected to trade with upward bias today on a potential of bargain buying activities mirroring the bounced in overnight competing soy oil market and weaker Ringgit while gains could be capped by the lackluster tropical oil exports demand. Therefore, the support and resistance for September futures contract can be eyed at 3,520 and 3,680 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 21JUN2023-22JUN2023

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	O/I chg Value USD	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg			
JUL 23	3,582	-49	3,650	3,564	867	5,017	-1,112	-21.32 Mn	3,825	3,345	Jul23	3,580	3,600	-5.7%	0.0%			
AUG 23	3,568	-52	3,637	3,543	5,315	34,852	-6,574	-125.57 Mn	3,810	3,304	Source: Reuters							
SEP 23	3,562	-52	3,635	3,534	27,499	43,211	-1,018	-19.41 Mn	3,791	3,302								
OCT 23	3,566	-49	3,636	3,537	4,204	19,913	1,133	21.63 Mn	3,784	3,322								
NOV 23	3,578	-47	3,647	3,547	3,074	18,018	179	3.43 Mn	3,788	3,345	Jul23-Aug23	14	14	18	2	117	1	50
DEC 23	3,601	-44	3,660	3,579	2,038	14,164	-26	-5 Mn	3,800	3,368	Jul23-Sep23	20	17	22	15	168	-6	62
JAN 24	3,621	-48	3,685	3,600	2,881	14,183	756	14.65 Mn	3,820	3,394	Aug23-Sep23	6	3	5	504	58	-24	12
FEB 24	3,643	-49	3,710	3,626	1,083	4,906	122	2.38 Mn	3,831	3,421	Aug23-Oct23	2	0	3	28	83	-49	9
MAR 24	3,660	-49	3,732	3,644	843	13,355	47	.92 Mn	3,846	3,430	Sep23-Oct23	-4	-2	-1	490	26	-26	-2
APR 24	3,665	-49	3,708	3,651	167	1,760	1	.02 Mn	3,826	3,435	Sep23-Nov23	-16	-14	-11	69	31	-48	-11
MAY 24	3,665	-49	3,732	3,658	241	6,566	-10	-.2 Mn	3,841	3,432	Source: Bloomberg							
JUN 24	3,666	-49	3,714	3,700	20	52	-3	-.06 Mn	3,754	3,754								
JUL 24	3,663	-49	3,723	3,660	57	3,489	-30	-.59 Mn	3,828	3,438								
SEP 24	3,669	-50	3,711	3,676	28	579	3	.06 Mn	3,799	3,441								
NOV 24	3,664	-53			1	88	1	.02 Mn	-	-								
JAN 25	3,664	-53					0	. Mn	-	-								
MAR 25	3,664	-53					0	. Mn	-	-								
MAY 25	3,664	-53					0	. Mn	-	-								
JUL 25	3,664	-53					0	. Mn	-	-								
SEP 25	3,664	-53					0	. Mn	-	-								
NOV 25	3,664	-53					0	. Mn	-	-								
JAN 26	3,664	-53					0	. Mn	-	-								
MAR 26	3,664	-53					0	. Mn	-	-								
MAY 26	3,664	-53					0	. Mn	-	-								
<b>Total</b>					<b>48,318</b>	<b>180,153</b>	<b>-6,531</b>											

Source: Bloomberg

Export Est Period	Jun-23		May-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	275,211	-	333,779	-	-17.55%	-	-26.92%	-
1 - 15th days	437,101	-	523,042	-	-16.43%	-	-22.45%	-
1 - 20th days	624,306	-	716,760	-	-12.90%	-	-21.42%	-
1 - 25th days	-	-	933,615	-	-	-	-	-
<b>Full month</b>	-	-	<b>1,085,070</b>	-	-	-	-	-

Source: Reuters

### Malaysian Palm Oil Board Statistic

	2021	2022	2023	2023	May Chg (Mean)	KF's Expected
	June	March	April	May		
Production	1,545,129	1,288,354	1,196,450	1,517,546	6.24%	1,612,292
Stocks	1,655,073	1,673,044	1,497,535	1,686,782	-0.82%	1,672,922
Export	1,193,861	1,486,233	1,074,447	1,079,020	7.20%	1,156,677
Import	59,195	39,772	33,678	80,926	10.82%	89,685

Source: Reuters

### Commodity Futures (3rd month)

Commodity	Overnight close	+/-	Relative to FCPO			
			1d Chg (%)	3m Chg	6m Chg	3m Chg
CPO	3562	0	0.00%	-0.20%	-7.00%	0.00
Dalian Olein	7068	-132	-1.83%	-4.95%	-8.75%	0.95
Soybean Oil	55.77	0.14	0.25%	6.90%	-15.41%	1.07
WTI Crude	69.51	-3.02	-4.16%	-0.60%	-11.14%	1.01
CRB Index (realtime)	265.72	-4.9256	-1.82%	3.08%	-4.45%	1.00

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USIDR	14940.5	-0.08%	-2.56%	-4.05%

Source: Bloomberg

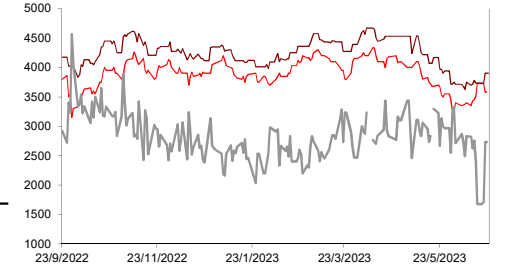
### Overnight Lead

Chicago Board of Trade soybean futures dropped 2.7% on Thursday, with investors locking in profits after posting gains in the previous nine sessions. - Reuters

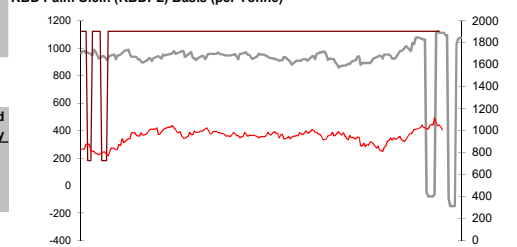
Previous Week	High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
Jul23	3,825	3,345	Jul23	3,580	3,600	-5.7%	0.0%

Spreads	Last	Bid	Offer	Vol	30 Day		
					High	Low	Avg
Jul23-Aug23	14	14	18	2	117	1	50
Jul23-Sep23	20	17	22	15	168	-6	62
Aug23-Sep23	6	3	5	504	58	-24	12
Aug23-Oct23	2	0	3	28	83	-49	9
Sep23-Oct23	-4	-2	-1	490	26	-26	-2
Sep23-Nov23	-16	-14	-11	69	31	-48	-11

### Refiner's Margin (RBDPO - Cash CPO)



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



### 3rd mth FCPO Volatility

