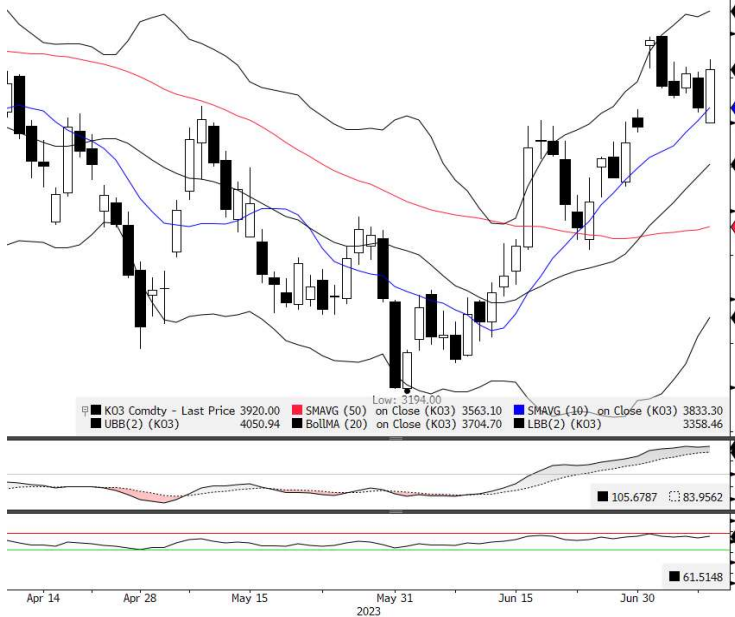


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures erased previous session's loss to close 2.24% higher on Monday, following the gains in rival soy oils along with MPOB data showing a surge in July exports and further lifted by a smaller than expected build in June inventories amid production shrank more than anticipated. Globally, crude oil prices retreat from previous session's sharp gains on Monday, with the U.S. benchmark West Texas Intermediate (WTI) fell 87 cents, or 1.2%, at \$72.99 a barrel, weighed down by profit taking activities and worries over continuous rate hike by Fed while losses were limited by supply cuts from top oil exporters Saudi Arabia and Russia. Meanwhile, the CBOT soy oil closed higher on Monday, with August soy oil surged 2.76 cents, or 4.4%, to finish at 65.33 cents per lb, as participants were positioning ahead of USDA report with expectation of production to shrink with fewer-than-expected planted acres. Therefore, palm oil futures are expected to extend its buying momentum today tracking overnight gains in rival soy oils along with demand recovery amid slower than expected production and smaller than expected build in stockpiles in the world's second largest producer, Malaysia.

Technical

Palm oil futures for the September contract opened higher and trended gradually higher in positive territory as buying activities emerged following the rally in the competing soy oil market during Asian trading hour and slightly bullish MPOB data lifted the sentiment. At the close, the September contract settled at 3,920 ringgit per tonne with gains of 86 points. Trading activities for the day can be depicted through the formation of a long white-bodied candlestick pattern with longer upper and shaven bottom shadows, indicating that the bulls took control of the trading session aggressively. Technical wise, MACD indicator issued a buy signal while RSI lingered at neutral position. Therefore, palm oil futures are expected to trade with an optimistic tone today on a potential of extended buying activities tracking strong performance in overnight competing soy oils market and signs of improving tropical oil export demand. Therefore, the support and resistance for September futures contract can be eyed at 3,830 and 4,100 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 11APR2023-10JUL2023 Copyright© 2023 Bloomberg Finance L.P. 10-Jul-2023 19:14:52

Source: Bloomberg

| Contract | Sett | Chg | High | Low | Vol | Open Int | O/I chg | Value USD | High | Low | Cash CPO (MYR/MT) | Last Bid | Last Offer | 3m Chg | 6m Chg |
|--------------|-------|-----|-------|-------|--------|---------------|----------------|------------|-------|-------|-------------------|----------|------------|--------|--------|
| JUL 23 | 3,843 | 86 | 3,830 | 3,747 | 85 | 1,547 | 9 | .19 Mn | 3,950 | 3,755 | Jul23 | 3,830 | 3,850 | -8.8% | 0.0% |
| AUG 23 | 3,900 | 86 | 3,916 | 3,780 | 2,250 | 12,663 | -1,425 | -29.79 Mn | 4,000 | 3,793 | Source: Reuters | | | | |
| SEP 23 | 3,920 | 86 | 3,942 | 3,799 | 20,224 | 46,553 | 1,563 | 32.84 Mn | 3,995 | 3,822 | | | | | |
| OCT 23 | 3,932 | 83 | 3,950 | 3,814 | 6,260 | 29,164 | 418 | 8.81 Mn | 3,983 | 3,838 | | | | | |
| NOV 23 | 3,938 | 78 | 3,956 | 3,827 | 3,466 | 18,849 | 68 | 1.44 Mn | 3,980 | 3,846 | | | | | |
| DEC 23 | 3,955 | 81 | 3,963 | 3,843 | 2,458 | 16,299 | 106 | 2.25 Mn | 3,988 | 3,847 | | | | | |
| JAN 24 | 3,962 | 72 | 3,976 | 3,866 | 2,067 | 18,854 | 209 | 4.44 Mn | 4,014 | 3,861 | | | | | |
| FEB 24 | 3,977 | 73 | 3,989 | 3,886 | 851 | 6,345 | -3 | -.06 Mn | 4,003 | 3,882 | | | | | |
| MAR 24 | 3,989 | 71 | 4,000 | 3,895 | 1,331 | 13,707 | -185 | -3.96 Mn | 4,011 | 3,890 | | | | | |
| APR 24 | 3,995 | 75 | 4,000 | 3,896 | 579 | 2,291 | 131 | 2.81 Mn | 4,003 | 3,886 | | | | | |
| MAY 24 | 3,989 | 75 | 3,987 | 3,890 | 328 | 8,147 | -12 | -.26 Mn | 3,994 | 3,880 | | | | | |
| JUN 24 | 3,981 | 75 | 3,955 | 3,955 | 86 | 1,679 | 1 | .02 Mn | 3,963 | 3,867 | | | | | |
| JUL 24 | 3,952 | 75 | 3,927 | 3,867 | 151 | 4,961 | 9 | .19 Mn | 3,932 | 3,843 | | | | | |
| SEP 24 | 3,926 | 75 | 3,848 | 3,845 | 26 | 1,071 | 7 | .15 Mn | 3,888 | 3,797 | | | | | |
| NOV 24 | 3,900 | 75 | 3,833 | 3,824 | 48 | 704 | 26 | .54 Mn | 3,869 | 3,760 | | | | | |
| JAN 25 | 3,900 | 75 | - | - | - | - | 0 | . Mn | - | - | | | | | |
| MAR 25 | 3,900 | 75 | - | - | - | - | 0 | . Mn | - | - | | | | | |
| MAY 25 | 3,900 | 75 | - | - | - | - | 0 | . Mn | - | - | | | | | |
| JUL 25 | 3,900 | 75 | - | - | - | - | 0 | . Mn | - | - | | | | | |
| SEP 25 | 3,900 | 75 | - | - | - | - | 0 | . Mn | - | - | | | | | |
| NOV 25 | 3,900 | 75 | - | - | - | - | 0 | . Mn | - | - | | | | | |
| JAN 26 | 3,900 | 75 | - | - | - | - | 0 | . Mn | - | - | | | | | |
| MAR 26 | 3,900 | 75 | - | - | - | - | 0 | . Mn | - | - | | | | | |
| MAY 26 | 3,900 | 75 | - | - | - | - | - | - | - | - | | | | | |
| Total | | | | | | 40,210 | 182,834 | 922 | | | | | | | |

Source: Bloomberg

| Export Est Period | Jul-23 | | Jun-23 | | Change (m-o-m) | | Change (y-o-y) | |
|-------------------|---------|-----|------------------|-----|----------------|-----|----------------|-----|
| | AMSPEC | SGS | AMSPEC | SGS | AMSPEC | SGS | AMSPEC | SGS |
| 1 - 10th days | 326,569 | - | 275,211 | - | 18.66% | - | 5.93% | - |
| 1 - 15th days | - | - | 437,101 | - | - | - | - | - |
| 1 - 20th days | - | - | 624,306 | - | - | - | - | - |
| 1 - 25th days | - | - | 891,361 | - | - | - | - | - |
| Full month | - | - | 1,091,891 | - | - | - | - | - |

Source: Reuters

| Malaysian Palm Oil Board Statistic | 2021 | | 2022 | | 2023 | | Jun Chg (Mean) | KF's Expected |
|------------------------------------|-----------|-----------|-----------|-----------|--------|-----------|----------------|---------------|
| | June | April | May | June | June | June | | |
| Production | 1,545,129 | 1,196,450 | 1,517,546 | 1,447,795 | 1.68% | 1,472,112 | | |
| Stocks | 1,655,073 | 1,497,535 | 1,686,782 | 1,720,567 | 1.22% | 1,741,487 | | |
| Export | 1,193,861 | 1,074,447 | 1,079,020 | 1,171,741 | 2.85% | 1,205,134 | | |
| Import | 59,195 | 33,678 | 80,926 | 135,271 | 41.27% | 191,097 | | |

Source: Reuters

| Commodity Futures (3rd month) | Relative to FCPO | | | | | | |
|-------------------------------|------------------|---------|------------|--------|--------|--------|--------|
| | Overnight close | +/- | 1d Chg (%) | 3m Chg | 6m Chg | 3m Chg | 6m Chg |
| CPO | 3920 | 0 | 0.00% | 0.00% | 0.23% | 0.01 | 0.00 |
| Dalian Olein | 7452 | -36 | -0.48% | 2.42% | -4.34% | 1.02 | 0.95 |
| Soybean Oil | 69.22 | 3.27 | 4.96% | 27.06% | 9.65% | 1.26 | 1.09 |
| WTI Crude | 72.99 | -0.87 | -1.18% | -9.41% | -5.94% | 0.98 | 0.90 |
| CRB Index (realtime) | 264.38 | -0.0780 | -0.03% | -3.77% | -2.54% | 0.90 | 0.94 |

Source: Bloomberg

| Currency | Last | | 1d Chg | 3m Chg | 6m Chg |
|----------|---------|---------|--------|--------|--------|
| | USD/MYR | USD/IDR | | | |
| USD/MYR | 4.6643 | - | -0.13% | 5.70% | 6.84% |
| USD/IDR | 15204.5 | - | 0.41% | 1.62% | -2.78% |

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean rose about 2% on Monday, bouncing off of a one-week low set Friday as traders positioned ahead of monthly crop reports due at mid-week from the U.S. Department of Agriculture (USDA) that are expected to project tighter U.S. supplies of the oilseed, traders said. - Reuters

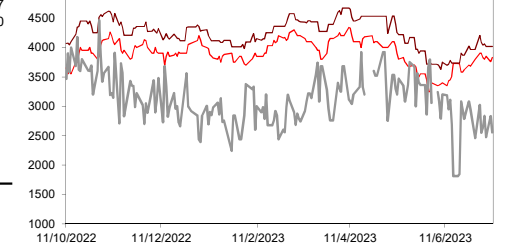
| Previous Week | | High | | Low | | Cash CPO (MYR/MT) | | Last Bid | | Last Offer | | 3m Chg | | 6m Chg | |
|---------------|-------|-------|-------|-------|-------|-------------------|------|----------|--|------------|--|--------|--|--------|--|
| High | 3,950 | 3,755 | Jul23 | 3,830 | 3,850 | -8.8% | 0.0% | | | | | | | | |

| Spreads | | Last | | Bid | | Offer | | Vol | | High | | Low | | Avg | |
|-------------|-----|------|------|-----|----|-------|-----|-----|--|------|--|-----|--|-----|--|
| Jul23-Aug23 | -57 | -75 | #N/A | N/A | 25 | 52 | -80 | 5 | | | | | | | |
| Jul23-Sep23 | -77 | - | -10 | 10 | 57 | -93 | 8 | | | | | | | | |
| Aug23-Sep23 | -20 | -26 | -24 | 255 | 24 | -33 | 1 | | | | | | | | |
| Aug23-Oct23 | -32 | -31 | -28 | 74 | 34 | -49 | -3 | | | | | | | | |
| Oct23-Nov23 | -12 | -5 | -4 | 686 | 17 | -26 | -4 | | | | | | | | |
| Nov23-Dec23 | -18 | -8 | -2 | 142 | 19 | -48 | -13 | | | | | | | | |

Source: Bloomberg

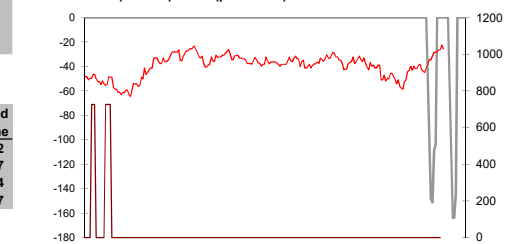
Refiner's Margin (RBDPO - Cash CPO)

MYR 189



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

#VALUE!



3rd mth FCPO Volatility

30 Days 60 Days 90 Days
43.33% 41.44% 38.13%

