

CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures continued its losing streak for the third straight day to close 0.30% lower on Friday, pressured by surge in palm oil output and stockpiles in Malaysia and weakness in rival edible oil during Asian trading hours while encouraging exports demand capped losses. Globally, crude oil prices reverse course and settled higher on Friday, with the U.S. benchmark West Texas Intermediate (WTI) rose \$0.37 cent, or 0.5%, to end at \$83.19 a barrel, on fears about tightening supplies after the International Energy Agency forecast record global demand and output cuts from Saudi Arabia and Russia set the stage for a sharp decline in inventories over the rest of 2023. Meanwhile, the CBOT soy oil prices backpedaled previous session gains to finish lower, with CBOT December soy oil settled 0.26 cents lower at 60.22 cents per lb, weighed by rising supply concerns on improving growing weather had participants anticipating the U.S. Midwest bean crop conditions will be expanding. Nevertheless, palm oil futures are expected to trade cautiously higher today on the back of strong tropical oil exports demand and weaker Ringgit while mixed overnight competing oils and worries over rising stockpiles due to the higher production period currently could capped gains.

Technical

Palm oil futures for the October contract opened firmer but trended gradually lower thereafter to end in negative territory, pressured by extended selloff activities following the fall in the rival Dalian soy oil market along with better tropical exports demand from Malaysia. At the close, the October contract settled at 3,717 ringgit per tonne with losses of 11 points. Trading activities for the day can be depicted through the formation of a short black-bodied candlestick pattern with longer upper and short bottom shadows, indicating that the bears took control of the trading session persistently. Technical wise, MACD indicator issued a sell signal while RSI lingered at a neutral region. However, palm oil futures are expected to trade range bound with slight upward bias today on a potential of bargain buying activities on expectation of sturdy tropical oil export demand and weakening Ringgit while mixed overnight competing oils might capped gains. Thus, the support and resistance for October futures contract can be eyed at 3,680 and 3,800 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 13MAY2023-11AUG2023

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Source: Bloomberg

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				
AUG 23	3,727	-13	3,739	3,707	206	832	-409	-8.28 Mn	3,805	3,670	Aug23	3,710	3,750	-0.3%	0.0%				
SEP 23	3,703	-13	3,742	3,679	2,148	14,228	-805	-16.18 Mn	3,850	3,658	Source: Reuters								
OCT 23	3,717	-11	3,770	3,690	21,592	45,726	-2,113	-42.64 Mn	3,886	3,662									
NOV 23	3,739	-8	3,790	3,710	10,279	30,305	1,432	29.07 Mn	3,906	3,678	Spreads	Last	Bid	Offer	Vol	High	Low	Avg	
DEC 23	3,759	-8	3,809	3,730	3,541	22,143	-245	-5. Mn	3,929	3,702	Aug23-Sep23	24	N/A	N/A	34	112	30	-117	-29
JAN 24	3,792	0	3,832	3,755	3,567	24,660	19	.39 Mn	3,952	3,728	Aug23-Oct23	10	-	-	75	22	-140	-45	
FEB 24	3,818	1	3,855	3,776	1,672	11,944	220	4.56 Mn	3,975	3,755	Sep23-Oct23	-14	-16	-14	1,400	12	-45	-17	
MAR 24	3,829	-2	3,874	3,789	1,814	14,321	130	2.7 Mn	3,976	3,766	Sep23-Nov23	-36	-78	-32	233	19	-68	-26	
APR 24	3,823	-5	3,867	3,783	967	7,093	24	.5 Mn	3,963	3,765	Oct23-Nov23	-22	-24	-23	5,046	7	-32	-10	
MAY 24	3,810	-5	3,849	3,765	1,112	14,189	267	5.52 Mn	3,942	3,733	Oct23-Dec23	-42	-50	-46	583	5	-65	-22	
JUN 24	3,779	-5	3,775	3,775	87	3,743	-10	-.21 Mn	3,841	3,720	Source: Bloomberg								
JUL 24	3,762	-5	3,757	3,719	99	5,456	-248	-5.07 Mn	3,842	3,694	Refiner's Margin (RBDPO - Cash CPO)								
SEP 24	3,741	-5	3,727	3,692	20	1,943	-1	-.02 Mn	3,794	3,670	MYR 280								
NOV 24	3,718	-5	3,709	3,709	24	1,542	6	.12 Mn	3,767	3,660									
JAN 25	3,718	-5	-	-	-	-	0	. Mn	3,877	3,810									
MAR 25	3,718	-5	-	-	-	-	0	. Mn	-	-									
MAY 25	3,718	-5	-	-	-	-	0	. Mn	-	-									
JUL 25	3,718	-5	-	-	-	-	0	. Mn	-	-									
SEP 25	3,718	-5	-	-	-	-	0	. Mn	-	-									
NOV 25	3,718	-5	-	-	-	-	0	. Mn	-	-									
JAN 26	3,718	-5	-	-	-	-	0	. Mn	-	-									
MAR 26	3,718	-5	-	-	-	-	0	. Mn	-	-									
MAY 26	3,718	-5	-	-	-	-	0	. Mn	-	-									
JUL 26	3,718	-5	-	-	-	-	0	. Mn	-	-									
Total					47,128	198,125	-1,733												

Source: Bloomberg

Export Est Period	Aug-23		Jul-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	383,795	395,145	326,569	373,204	17.52%	5.88%	12.99%	-
1 - 15th days	-	-	510,249	554,054	-	-	-	-
1 - 20th days	-	-	687,098	754,214	-	-	-	-
1 - 25th days	-	-	987,414	1,056,830	-	-	-	-
Full month	-	-	1,176,912	1,238,438	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2021	2022	2023		Aug Chg (Mean)	KF's Expected August
	July	May	June	July		
Production	1,573,560	1,517,546	1,447,795	1,610,052	3.68%	1,669,294
Stocks	1,772,794	1,686,782	1,720,567	1,731,512	-2.41%	1,689,714
Export	1,321,870	1,079,020	1,171,741	1,353,925	7.49%	1,455,381
Import	130,615	80,926	135,271	103,837	-1.41%	102,371

Source: Reuters

Commodity Futures (3rd month)

Overnight close	+/-	1d Chg (%)	Relative to FCPO			
			3m Chg	6m Chg	3m Chg	6m Chg
CPO	3717	-11	-0.30%	3.16%	0.03	-5.44%
Dalian Olein	7422	-42	-0.56%	8.13%	1.05	-4.70%
Soybean Oil	66.34	-0.45	-0.67%	30.31%	1.26	9.58%
WTI Crude	83.19	0.37	0.45%	19.70%	0.97	0.98
CRB Index (realtime)	279.74	-0.2261	-0.08%	8.46%	1.16	1.12

Source: Bloomberg

Currency	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.6047	0.36%	2.02%	5.53%
USDIDR	15219.0	0.22%	3.14%	-0.13%

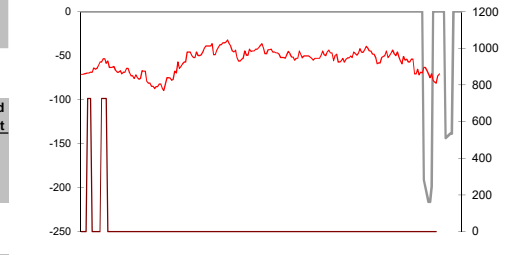
Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures ended down on Friday, as improving growing weather had investors anticipating the U.S. Midwest bean crop conditions will be improving. - Reuters

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

#VALUE!



3rd mth FCPO Volatility

30 Days 60 Days 90 Days

32.55% 36.56% 37.61%

