kenanga

KENANGA FUTURES SDN BHD Company No. 353603-X



Jun 30

Jul 14

Jul 31

May 31

Jun 15

CPO FUTURES DAILY PREVIEW August 16, 2023

Preview Fundamental

Fundamental Malaysian palm oil futures concluded their three-day decline and exhibited a notable recovery by closing 2.41% higher on Tuesday, attributed to the depreciation of the Malaysian Ringgit which rendered local palm oil appealing to importers as well as tracking the surge in rival soy oil and rising export demand further elevating market sentiment. Globally, crude oil prices fell on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) dropped \$1.52, or 1.8% to \$80.99 a barrel, pressured by sluggish economic data in world's largest importer. China and concerns arising from Politieral unpaticipated reduction in leav policy rates in unpatie to effectively reductive Suggish economic data in world's largest importer, China and concerns ansing from Beijing's unanticipated reduction in key policy rates is unable to effectively reinvigorate the nation's faltering post-pandemic recovery efforts. Meanwhile, the CBOT soy oil surged on Tuesday, with December soy oil rose 0.73 cent to settle at 61.88 cents per lb, buoyed by extended buying activities on rising demand and worries about tight local supply. Therefore, palm oil futures are expected to trade cautiously higher today tracking overnight gains in rival soy oil and widening discount between soy oil and palm oil along with the anticipation of slowing production in world's second largest exporter, Malaysia while a potential of profit taking activities could limit the gains.

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Aug 15

Technical Palm oil futures for the October contract opened higher and trended gradually higher in positive territory as bargain buying activities emerged following the rally in the competing soy oil market and expectation of slowing production amid weakening Malaysian Ringgit. At the close, the October contract settled at 3,783 ringgit per tonne with gains of 89 points. Trading activities for the day can be depicted through the formation of a long white-bodied candlestick pattern with longer upper and shorter 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 slight upward bias today tracking stronger overnight competing soy oil performance and sturdy tropical oil export demand amid weakening Malaysian Ringgit while upside could be capped by a potential of profit taking activities and subdued crude oil prices. Thus, the support and resistance for newly listed active November futures contract can be eyed at 3,750 and 3,950 respectively.

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Source: Bloor	mberg						O/I chg	Pre	evious Week					
Contract	Sett	Chg	High	Low Vo		O/I chg	Value USD	High		Cash CPO (MYR/MT)	Last Bid	Last Offer		
SEP 23	3,759	86	3,805	3,662 2,423		-758	-15.35 Mn	3,850		Aug23	3,750	3,800	1.8%	0.0%
OCT 23 NOV 23	3,783	89	3,842	3,681 25,460		-4,254 1,764	-86.68 Mn	3,886		Source: Reuters			20 Davi	
	3,805	88	3,863	3,704 20,754			36.15 Mn	3,906	3,678	Constant Last D		Val llink	30 Day	
DEC 23	3,825	85	3,881	3,727 10,365		1,813	37.35 Mn	3,929	3,702		Bid Offer	Vol High	Low	A
JAN 24	3,840	67	3,905	3,752 7,648		-390	-8.07 Mn	3,929	3,702		-29 -25	129 12	-45	
EB 24	3,868	69	3,926	3,797 3,819		402 219	8.38 Mn	3,975	3,755		-78 -40	14 19 574 7		
/AR 24 APR 24	3,879 3,875	69 71	3,937 3,921	3,791 2,684 3.805 1.444		219	4.58 Mn 3.13 Mn	3,976 3,963	3,766 3,765		-22 -20 -40 -36	574 7 240 5	-32 -65	
лек 24 ЛАҮ 24	3,875	71	3,921	3,805 1,444	14,392	-2	04 Mn	3,963	3,765		-40 -36 -18 -16	343 1	-05	
UN 24	3,835	70	3,872	3,820 2,737		498	10.29 Mn	- 7 -			-10 -10	246 -3	-52	
UN 24 UL 24	3,835	68	3,872	3,801 756		-29	6 Mn	3,841 3,842	3,720 3,694	Nov23-Jan24 -35 - Source: Bloomberg	-39 -30	240 -3	-02	
UG 24	3,811		3,040	3,601 750	5,459	-23	0 Mn	3,042	3,094	Refiner's Margin (RBDPO	Cach CBO)			MYR
EP 24	3.777	55	3,802	3,780 361	2,093	132	2.69 Mn	3.794	3,670	5000	- ousil of Oj			
IOV 24	3,748	55	3,777	3,749 93		9	.18 Mn	3,767	3,660	3000				
AN 25	3,748	55	0,111	0,740 00	1,000	0	. Mn	3,877	3,810	4500	~~ I			
IAR 25	3,748	55			-	0	. Mn	3,077	3,010	Land Con		n L/N L		~
IAY 25	3,748	55				0	. Mn			4000			J.	\sim
UL 25	3,748	55			-	0	. Mn	-	-		MIN A MIN	°V V 1/14 HA	\mathcal{A}	1 m
EP 25	3,748	55			-	0	. Mn	-	-	3500	J NL/W/W	1	MM.	111
OV 25	3,748	55			-	0	. Mn	-	-	3000	NIUN "		. I I. MYA	1/ M.
AN 26	3,748	55			-	0	. Mn	-	-		lv v.		11 1.4	۲ W
AR 26	3,748	55			-	0	. Mn	-	-	2500	1			
1AY 26	3.748	55			-	0	. Mn	-	-					
UL 26	3,748	55			-	0	. 19111	-	-	2000 -			U	
otal	3,740	55		80,109	192,304	-446		-		1500 -				
ource: Bloor	mbera			00,105	192,304	-440				1500 -				
	mberg									1000				
xport Est		Aug-23		Jul-23		Change (m-o-m)	Change	(y-o-y)	16/11/2022 16/1/20	16/3/2023	16/5/2023	16/7/2	2023
eriod		AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS					
- 10th days		383,795	395,145	326,569	373,204	17.52%	5.88%	12.99%	-	Crude Degummed Soybea	an Oil (CDSBO)/		#VA	LUE!
- 15th days		633,585	658,475	510,249	554,054	24.17%	18.85%	29.20%	-	RBD Palm Olein (RBDPL)	Basis (per Tonne	:)		
- 20th days			-	687,098	754,214	-	-	· ·	-	0				12
- 25th days			-	987,414	1,056,830	-	-	· ·	-	-			- 11	
ull month			-	1,176,912	1,238,438	-	-		-				- 11	10
Source: Reute	ers									-50	we we	www	My	
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										-100 + n m			- 11	00
Aalaysian Pa	alm Oil Board	Statistic	2021	2022	2023	2023	Aug Chg	KI	F's Expected				- 11	- 60
			July	May	June	July	(Mean)		August				- 11	
roduction			1,573,560	1,517,546	1,447,795	1,610,052	3.68%		1,669,294	-150 +				10
tocks			1,772,794	1,686,782	1,720,567	1,731,512	-2.41%		1,689,714					- 40
xport			1,321,870	1,079,020	1,171,741	1,353,925	7.49%		1,455,381	-200 +			V .	
nport _			130,615	80,926	135,271	103,837	-1.41%		102,371					- 20
ource: Reute	ers													
	F						Bal	ative to FCPC	`	-250				1 0
Commodity Futures (3rd month) Overnight close			+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg		Chg					
PO	Overnight clos	3805	0	0.00%	10.07%	-6.49%	0.10	-0.0						
alian Olein		7388	86	1.18%	10.01%	-4.89%	1.00	-0.0						
oybean Oil		65.90	-0.42	-0.63%	38.88%	6.46%	1.26	1.1		3rd mth FCPO Volatility		30 Days	60 Days	90 Da
/TI Crude		80.99	-1.52	-1.84%	15.16%	4.05%	0.97	1.0				28.76%		
RB Index (re	ealtime)	274.30	-3.7930	-1.36%	5.54%	4.05%	1.05	1.1				20.70%	30.30%	51.2
Source : Bloo		214.00	-0.7000	-1.0070	0.0470	1.0070	1.00			80				
urrency				Last	1d Chg		3m Chg		6m Chg	70 0				
ISDMYR				4.6413	0.11%		3.05%		5.27%					
SDIDR				15341.5	0.17%		3.44%		0.72%					
ource : Bloo	mberg								2	~~ r~~~				
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Overnigi Chicago E ondition r	ht Lead Board of Tra rating more	ade soybean f than expected.	utures, ended - Reuters	lower on Tuesda	ay after the C	J.S. govern	ment moreat		2	20	h	water	- /	7
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