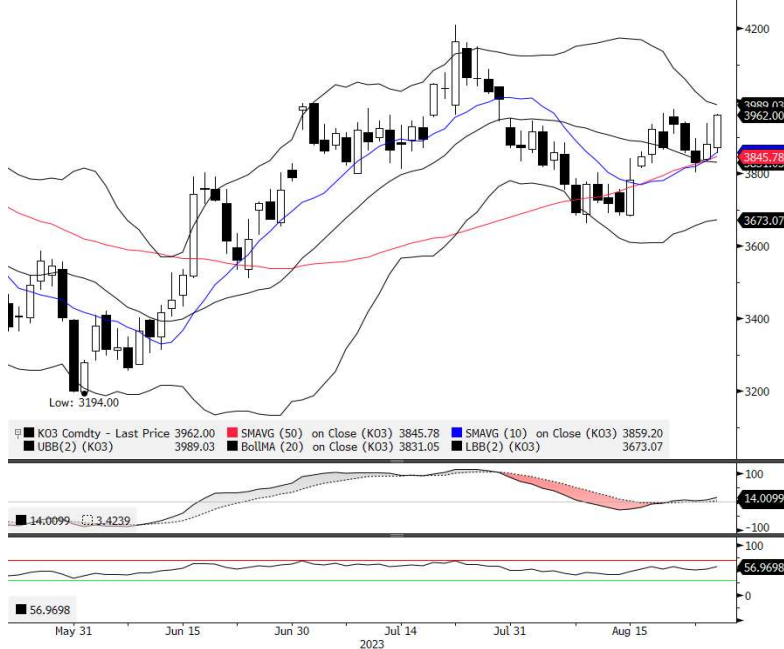


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures surged 2.09% higher on Friday, capped a second week of advances driven by anticipation of slower than expected production pace in the world's second largest producer, Malaysia and mirroring stronger rival edible soy oil on weather concern despite weaker exports data published by cargo surveyors. Globally, crude oil prices rose to one week high on Friday, with the U.S. benchmark West Texas Intermediate (WTI) rose 78 cents, or 1.0%, to settle at \$79.83 a barrel, lifted by U.S. diesel prices soared that boosted diesel crack spread along with the fall in number of oil rigs and a fire broke out at a refinery in Louisiana further lifted the prices. In addition, the CBOT soy oil surged on Friday, with December soy oil ended 1.18 cents higher at 63.36 cents per lb, following a week of intense heat which likely diminished agricultural yields across a significant portion of the U.S. Midwest and the boost in export sales provided additional support. Therefore, palm oil futures are expected to trade higher today tracking the surge in overnight rival oils and optimism over export demand from China along with palm oil's widening discount to soy oil has made palm oil the cheapest rival oilseed since the end of 2022 could further attract demand from importers.

Technical

Palm oil futures for the November contract opened higher and trended gradually higher in positive territory as buying activities continued following the rally in the competing soy oil market and supported by production pace in Malaysia that grew slower than expected. At the close, the November contract settled at 3,962 ringgit per tonne with gains of 81 points. Trading activities for the day can be depicted through the formation of a long white-bodied candlestick pattern with extended upper and 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 higher today on a potential of extended buying activities tracking the surge in overnight competing oils anticipations of slower than expected production pace in Malaysia as well as robust demand from top importers India and China. Therefore, the support and resistance for November futures contract can be eyed at 3,900 and 4,180 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 23HAY2023-25AUG2023 Copyright© 2023 Bloomberg Finance L.P. 25-Aug-2023 18:53:28

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	Previous Week				Last Bid	Last Offer	3m Chg	6m Chg
									High	Low	Cash CPO (MYR/MT)	Source: Reuters				
SEP 23	3,860	45	3,848	3,789	1,170	3,802	-505	-10.5 Mn	3,958	3,789	Aug23	3,820	3,860	7.4%	0.0%	
OCT 23	3,937	71	3,940	3,840	11,121	27,449	-2,042	-43.28 Mn	3,970	3,798						
NOV 23	3,962	81	3,964	3,855	26,875	41,409	3,179	67.81 Mn	3,978	3,804						
DEC 23	3,982	85	3,984	3,869	7,444	30,916	927	19.87 Mn	3,986	3,815						
JAN 24	4,001	90	4,003	3,891	5,586	23,976	-5	-11 Mn	3,929	3,702						
FEB 24	4,014	92	4,015	3,907	3,057	13,907	162	3.5 Mn	4,015	3,856						
MAR 24	4,016	90	4,017	3,908	2,831	16,465	121	2.62 Mn	4,017	3,864						
APR 24	4,009	93	4,009	3,901	1,100	9,042	-64	-1.38 Mn	4,010	3,860						
MAY 24	3,992	95	3,993	3,883	1,505	16,632	202	4.34 Mn	3,993	3,846						
JUN 24	3,968	95	3,929	3,863	371	5,611	178	3.8 Mn	3,947	3,817						
JUL 24	3,936	95	3,931	3,832	626	6,898	277	5.87 Mn	3,931	3,782						
AUG 24	3,915	95	3,907	3,886	70	244	5	.11 Mn	3,907	3,770						
SEP 24	3,899	95	3,890	3,800	262	2,639	86	1.81 Mn	3,890	3,757						
NOV 24	3,880	95	3,867	3,827	113	2,002	47	.98 Mn	3,867	3,759						
JAN 25	3,880	95	-	-	-	-	0	. Mn	3,877	3,810						
MAR 25	3,880	95	-	-	-	-	0	. Mn	-	-						
MAY 25	3,880	95	-	-	-	-	0	. Mn	-	-						
JUL 25	3,880	95	-	-	-	-	0	. Mn	-	-						
SEP 25	3,880	95	-	-	-	-	0	. Mn	-	-						
NOV 25	3,880	95	-	-	-	-	0	. Mn	-	-						
JAN 26	3,880	95	-	-	-	-	0	. Mn	-	-						
MAR 26	3,880	95	-	-	-	-	0	. Mn	-	-						
MAY 26	3,880	95	-	-	-	-	0	. Mn	-	-						
JUL 26	3,880	95	-	-	-	-	0	. Mn	-	-						
Total					62,131	200,992	2,568									

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	633,585	658,475	510,249	554,054	24.17%	18.85%	29.20%	-
1 - 20th days	806,655	827,975	687,098	754,214	17.40%	9.78%	29.65%	-
1 - 25th days	945,155	974,235	987,414	1,056,830	-4.28%	-7.82%	4.27%	-
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)

Commodity	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3962	81	2.09%	13.43%	-5.71%	0.13	-0.06
Dalian Olein	7694	34	0.44%	15.01%	-2.78%	1.01	1.03
Soybean Oil	66.73	1.19	1.82%	36.69%	11.68%	1.21	1.18
WTI Crude	79.83	0.78	0.99%	10.51%	5.65%	1.04	1.02
CRB Index (realtime)	278.20	2.3683	0.86%	6.71%	3.10%	0.97	1.12

Source: Bloomberg

Currency

	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.6433	0.06%	0.79%	3.42%
USDIDR	15295.0	0.32%	1.96%	-0.16%

Source: Bloomberg

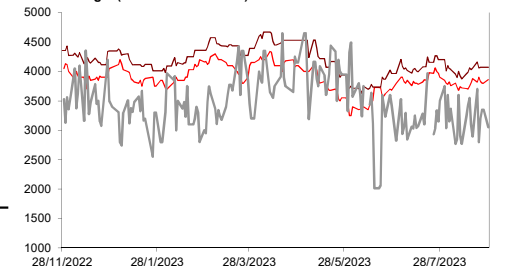
Overnight Lead

Chicago Board of Trade soybean futures climbed on Friday after a week of extreme heat likely eroded U.S. crops across much of the U.S. Midwest, while export sales added support, analysts said. - Reuters

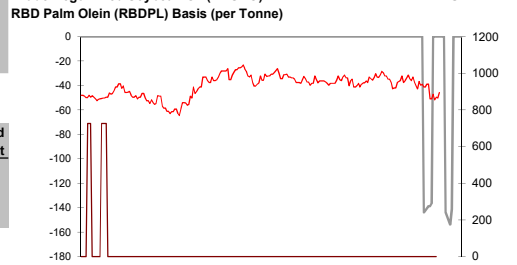
Spreads	Last	Bid	Offer	Vol	30 Day		
					High	Low	Avg
Sep23-Oct23	-77	-107	-50	822	5	-110	-23
Sep23-Nov23	-102	-	0	153	-2	-120	-36
Oct23-Nov23	-25	-26	-25	7,060	3	-32	-13
Oct23-Dec23	-45	-50	-44	677	5	-65	-27
Nov23-Dec23	-20	-19	-18	3,313	1	-32	-14
Nov23-Jan24	-39	-39	-36	1,163	-3	-62	-33

Source: Bloomberg

Refiner's Margin (RBDPO - Cash CPO)



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



3rd mth FCPO Volatility

30 Days 60 Days 90 Days
29.60% 32.88% 37.18%

