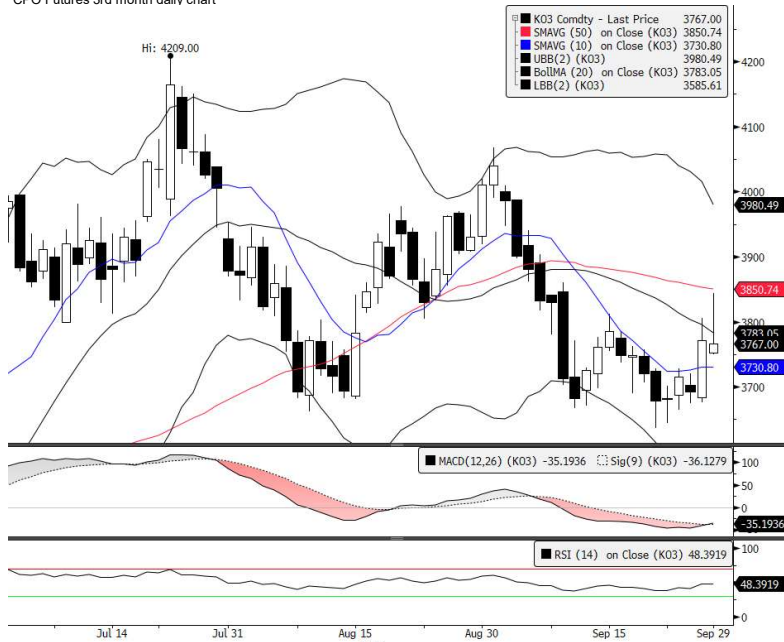


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures reversed early session's gains and closed 0.11% lower on Friday as mild profit taking activities emerged ahead of the weekend but recorded a 2.31% weekly surge lifted by bargain buying activities after recent market downturn amid concerns surrounding the potential impact of El Niño on palm oil output coupled with expectations of increased purchases by India, a leading buyer of palm oil ahead of festive season. Globally, crude oil prices fell on Friday, with the U.S. benchmark West Texas Intermediate (WTI) settled down 92 cents to \$90.97 per barrel, despite the prices rose 1% in the week and 29% in the quarter due to production cut by major exporter. It was pressured by profit booking activities amid prolonged interest rate hike worries. In addition, the CBOT soy oil nosedived on Friday, with December soy oil fell almost 1.9% to settle at 55.83 cents per lb, ended at its lowest settlement price since June 29 after USDA indicated larger domestic soybean inventories compared to what industry analysts had predicted. Therefore, palm oil futures are expected to remain cautious today tracking overnight losses in rival oils and a potential of extended profit booking activities while losses could be limited by a recovery in export demand and worries over the potential impact of El Niño that could hurt palm production in both top growers Indonesia and Malaysia.

Technical

Palm oil futures for the December contract trended gradually higher during early morning trading session but ended marginally lower in negative territory as profit booking activities emerged ahead of weekend while lingering worries over the potential impact of El Niño supported the prices. At the close, the December contract settled at 3,767 ringgit per tonne with losses of 4 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 intended to take control of the trading session but bears managed to take over. Technical wise, MACD indicator started to issue a buy signal while RSI lingered at a neutral region. Nevertheless, palm oil futures are expected to trade range bound with slight downward bias today on a potential of profit taking activities following the stumble in overnight competing oils market but encouraging tropical oil export demand might limit the downside. Hence, the support and resistance for December futures contract can be found at 3,650 and 3,800 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 01JUL2023-29SEP2023 Copyright © 2023 Bloomberg Finance L.P. 29-Sep-2023 19:13:58

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	Previous Week				30 Day					
									High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg			
OCT 23	3,689	11	3,742	3,664	513	5,942	-101	-1.98 Mn	3,742	3,598	Oct23	3,690	3,730	-5.1%	0.0%			
NOV 23	3,732	1	3,800	3,714	5,039	24,845	-1,287	-25.55 Mn	3,970	3,798	Source: Reuters							
DEC 23	3,767	-4	3,844	3,750	28,412	51,118	1,628	32.62 Mn	3,978	3,804								
JAN 24	3,798	-5	3,877	3,783	10,328	35,056	928	18.75 Mn	3,986	3,815	Spreads	Last	Bid	Offer	Vol	High	Low	Avg
FEB 24	3,825	-7	3,903	3,816	5,196	17,608	124	2.52 Mn	3,929	3,702	Oct23-Nov23	-43	-60	-10	231	-4	-83	-37
MAR 24	3,842	-8	3,922	3,835	6,801	22,433	969	19.8 Mn	3,922	3,743	Oct23-Dec23	-78	-	-	175	-14	-135	-68
APR 24	3,843	-14	3,922	3,826	3,509	16,362	679	13.88 Mn	3,922	3,743	Nov23-Dec23	-35	-38	-36	3,661	-5	-59	-31
MAY 24	3,830	-17	3,910	3,816	3,228	21,952	342	6.97 Mn	4,010	3,860	Nov23-Jan24	-66	-73	-64	129	-20	-112	-62
JUN 24	3,800	-20	3,882	3,798	1,630	8,335	338	6.83 Mn	3,993	3,846	Dec23-Jan24	-31	-31	-30	4,562	-12	-55	-31
JUL 24	3,769	-20	3,850	3,766	1,723	8,858	278	5.57 Mn	3,947	3,817	Dec23-Feb24	-58	-59	-56	1,084	-26	-102	-57
AUG 24	3,745	-20	3,825	3,750	760	2,405	111	2.21 Mn	3,931	3,782	Source: Bloomberg							
SEP 24	3,731	-18	3,798	3,731	1,124	3,965	425	8.43 Mn	3,907	3,770	Refiner's Margin (RBDPO - Cash CPO)							
NOV 24	3,727	-15	3,795	3,727	378	3,084	172	3.41 Mn	3,795	3,659	MYR 186							
JAN 25	3,739	-7				18	0	. Mn	3,867	3,759								
MAR 25	3,739	-7				3	0	. Mn	3,877	3,810								
MAY 25	3,739	-7					0	. Mn										
JUL 25	3,739	-7					0	. Mn										
SEP 25	3,739	-7					0	. Mn										
NOV 25	3,739	-7					0	. Mn										
JAN 26	3,739	-7					0	. Mn										
MAR 26	3,739	-7					0	. Mn										
MAY 26	3,739	-7					0	. Mn										
JUL 26	3,739	-7					0	. Mn										
SEP 26	3,739	-7					0	. Mn										
Total					68,641	221,984	4,606											

Source: Bloomberg

Export Est Period	Sep-23		Aug-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
1 - 10th days	305,594	350,823	383,795	395,145	-20.38%	-11.22%	-17.65%	-
1 - 15th days	574,936	580,893	633,585	658,475	-9.26%	-11.78%	-1.46%	-
1 - 20th days	821,408	847,890	806,655	827,975	1.83%	2.41%	-5.26%	-
1 - 25th days	1,088,875	1,144,707	945,155	974,235	15.21%	17.50%	1.25%	-
Full month	1,235,560	1,299,187	1,171,998	1,201,488	5.42%	8.13%	-6.38%	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2021	2022	2023	2023	Sep Chg	KF's Expected
	August	June	July	August	(Mean)	September
Production	1,725,781	1,447,795	1,610,052	1,753,472	7.61%	1,886,903
Stocks	2,094,667	1,720,567	1,731,512	2,124,963	12.18%	2,383,832
Export	1,299,654	1,171,741	1,353,925	1,221,814	-4.75%	1,163,744
Import	145,452	135,271	103,837	110,621	14.94%	127,152

Source: Reuters

Commodity Futures (3rd month)

Commodity	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	Relative to FCPO	
						3m Chg	6m Chg
CPO	3767	-4	-0.11%	0.32%	1.62%	0.00	0.02
Dalian Olein	7402	160	2.21%	2.95%	3.79%	1.03	1.02
Soybean Oil	57.44	-1.09	-1.86%	-11.64%	3.51%	0.88	1.02
WTI Crude	90.79	-0.92	-1.00%	28.63%	22.66%	0.97	0.90
CRB Index (realtime)	284.53	-2.5245	-0.88%	8.60%	6.28%	1.28	1.21

Source: Bloomberg

Currency

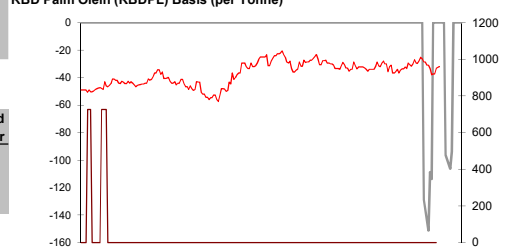
	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.7002	0.11%	0.61%	6.26%
USIDR	15460.0	-0.39%	3.51%	3.08%

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures dropped on Friday after U.S. government data showed greater domestic soybean stockpiles than analysts expected. - Reuters

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



3rd mth FCPO Volatility

30 Days 60 Days 90 Days
21.67% 25.54% 32.22%

