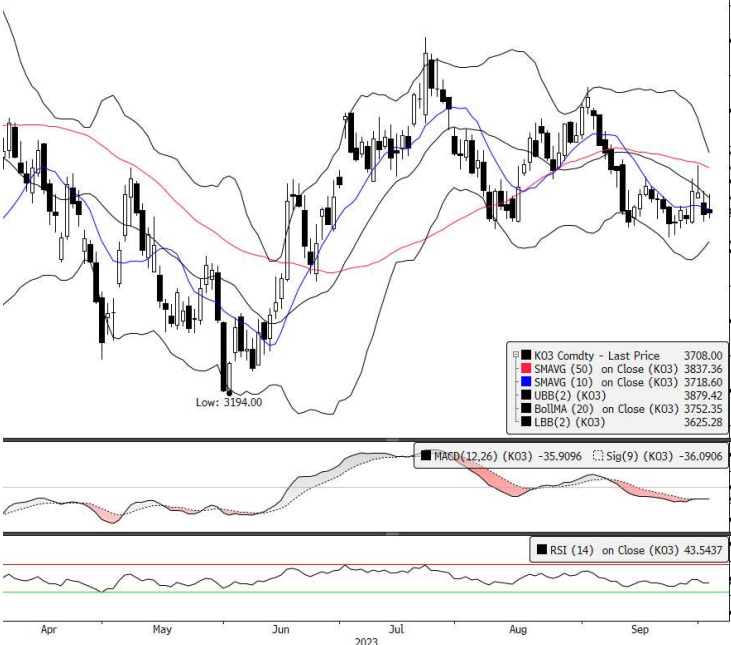


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures reversed their recent losses, ending Tuesday's trading session 0.11% higher attributed to the overnight rally in soy oil prices and the concurrent weakening of the Malaysian Ringgit, enhancing the appeal of domestic palm oil to international buyers while weakening crude oil prices capped gains. Globally, crude oil prices rebounded from its recent slump on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) reached a session low at \$87.76, the lowest point since September 12 pressured by the strengthening U.S. dollar and growing concerns about the global economic outlook while the market saw support from reduced crude supply and ultimately settling up by 41 cents at \$89.23 per barrel. Meanwhile, the CBOT soy oil fell on Tuesday, with December soy oil sank 0.5% to settle at 57.13 cents per lb, pressured by robust U.S. dollar which adversely impacted American export competitiveness compared to the depreciating Brazilian Real and data from USDA indicated that the current harvest had largely escaped damage from the hot and dry summer weather. Therefore, palm oil futures are expected to trade lower today tracking overnight decline in rival soy oil and concerns about rising production while downside could be limited by depreciating Malaysian Ringgit that headed for its lowest level in more than 10 months and rebounded rival crude oil prices.

Technical

Palm oil futures for the December contract opened on a strong footing resonating overnight competing soy oil sharp gains but upward momentum fizzled on lack of follow through buying succumbed to profit booking activities as cautious sentiment prevailed on fears over rising tropical oil productions and uncertainties about exports demand. At the close, the December contract settled at 3,708 ringgit per tonne, up 4 points, forming a short black-bodied candlestick pattern with long upper and short bottom shadows, indicating that the bears managed to take control of the trading session from the bulls. Technical wise, MACD indicator issued a buy signal while RSI is at neutral range. Thus, palm oil futures are expected to trade range bound with downward bias today following the decline in overnight soy oil while downside could be limited by weakening Malaysian Ringgit and worries over El Nino that could harm palm yield. Therefore, the support and resistance for December futures contract are envisaged at 3,630 and 3,750 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 03APR2023-03OCT2023 Copyright© 2023 Bloomberg Finance L.P. 03-Oct-2023 19:02:59

Source: Bloomberg										O/I chg		Previous Week		Last Bid		Last Offer		3m Chg		6m Chg	
Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	High	Low	Cash CPO (MYR/MT)	High	Low	Vol	High	Low	Vol	High	Low	Avg	
OCT 23	3,644	-1	3,686	3,640	298	5,370	-90	-1.74 Mn	3,742	3,598	Oct23	3,640	3,680	3,680	-3.9%	0.0%					
NOV 23	3,672	-1	3,729	3,665	3,907	22,348	-1,502	-29.18 Mn	3,970	3,798											
DEC 23	3,708	4	3,762	3,693	23,578	49,462	-1,371	-26.9 Mn	3,978	3,804											
JAN 24	3,746	4	3,797	3,729	6,199	35,514	4	.08 Mn	3,986	3,815											
FEB 24	3,784	7	3,830	3,764	3,671	18,476	359	7.19 Mn	3,929	3,702											
MAR 24	3,806	8	3,852	3,786	3,553	23,489	-97	-1.95 Mn	3,922	3,743											
APR 24	3,812	8	3,852	3,792	1,624	16,869	48	.97 Mn	3,922	3,746											
MAY 24	3,797	8	3,838	3,783	1,608	22,798	193	3.88 Mn	4,010	3,860											
JUN 24	3,773	8	3,807	3,758	758	9,041	316	6.31 Mn	3,993	3,846											
JUL 24	3,737	3	3,775	3,731	204	8,872	13	.26 Mn	3,947	3,817											
AUG 24	3,718	3	3,735	3,710	46	2,394	-33	-.65 Mn	3,931	3,782											
SEP 24	3,704	3	3,736	3,695	108	4,135	-6	-.12 Mn	3,907	3,770											
NOV 24	3,700	3	3,732	3,691	87	3,244	13	.25 Mn	3,795	3,659											
JAN 25	3,712	3	3,746	3,746	12	23	5	.1 Mn	3,867	3,759											
MAR 25	3,712	3	-	-	-	3	0	. Mn	3,877	3,810											
MAY 25	3,712	3	-	-	-	-	0	. Mn	-	-											
JUL 25	3,712	3	-	-	-	-	0	. Mn	-	-											
SEP 25	3,712	3	-	-	-	-	0	. Mn	-	-											
NOV 25	3,712	3	-	-	-	-	0	. Mn	-	-											
JAN 26	3,712	3	-	-	-	-	0	. Mn	-	-											
MAR 26	3,712	3	-	-	-	-	0	. Mn	-	-											
MAY 26	3,712	3	-	-	-	-	0	. Mn	-	-											
JUL 26	3,712	3	-	-	-	-	0	. Mn	-	-											
SEP 26	3,712	3	-	-	-	-	0	. Mn	-	-											
Total						45,653	222,038	-2,148													

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 (Mean)	KF's Expected
	August	June	July	August	July	August	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)	Relative to FCPO						
	Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3708	0	0.00%	-4.51%	-6.51%	-0.05	-0.07
Dalian Olein	7402	160	2.21%	2.95%	3.79%	1.08	1.11
Soybean Oil	59.45	-0.40	-0.67%	-11.30%	6.66%	0.93	1.14
WTI Crude	89.23	0.41	0.46%	28.17%	14.78%	1.01	0.99
CRB Index (realtime)	281.49	-0.9963	-0.35%	7.89%	3.81%	1.34	1.23

Source: Bloomberg

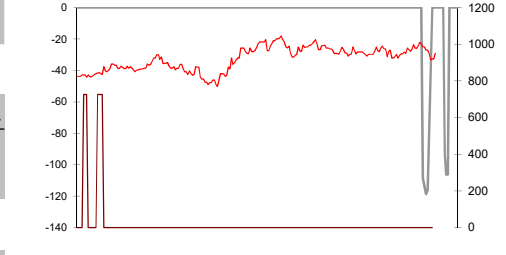
Currency	Last		1d Chg		3m Chg		6m Chg	
	USD/Myr	15580.0	0.03%	0.32%	1.58%	3.33%	7.25%	3.73%

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures slid on Tuesday, dropping at one point to near two-year lows before recovering some losses as a strong U.S. dollar hurt American export competitiveness against a falling Brazilian real and data showed a current harvest largely undamaged by hot, dry summer weather. - Reuters

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



3rd mth FCPO Volatility

