



Preview Fundamental

Malaysian palm oil futures extended their upward trajectory for the second consecutive session and closed 2.26% higher on Thursday, posted the most substantial advancement in a two-week period tracking gains in Chicago soy and Dalian vegetable oils, after China's notable policy initiatives aimed at stimulating its economy will drive an increase in cooking oil demand and further bolstered by a softer ringgit. Globally, crude oil prices fell on Thursday, with the U.S. benchmark West Texas Intermediate (WTI) finished at \$83.21 a barrel, down \$2.18, or 2.55%, with diminishing concerns surrounding the potential escalation of a broader Middle East conflict and an upswing in U.S. crude inventories signified a weakening of demand. In addition, the CBOT soy oil fell in a volatile session on Thursday, with December soy oil closed 0.86 cent lower at 12.74 and 12.75 cents of the conflict and an upswing in U.S. crude inventories signified a weakening of demand. In addition, the CBOT soy oil fell in a volatile session on Thursday, with December soy oil closed 0.86 cent lower at 12.74 cents of the conflict and an upswing in the conflict and an upswing in U.S. crude inventories signified a weakening of demand. In addition, the CBOT soy oil fell in a volatile session on Thursday, with December soy oil closed 0.86 cent lower at 12.74 cents of the conflict and an upswing in U.S. crude inventories signified a weakening of demand. In addition, the CBOT soy oil fell in a volatile session on Thursday, with December soy oil closed 0.86 cent lower at 12.74 cents of the conflict and an upswing in U.S. crude inventories signified a weakening of demand. In addition, the CBOT soy oil fell in a volatile session on Thursday, with December soy oil closed 0.86 cent lower at 12.74 cents of the conflict and an upswing in U.S. crude inventories and the conflict and the con 51.74 cents per pound, as the early gains driven by Ukraine's suspension of the use of its new Black Sea grain corridor were offset by improved rainfall in the typically dry crop-growing regions of South America. Therefore, palm oil futures are expected to trade lower today on a potential of profit taking activities ahead of weekend and a dip in rival oil markets amid improved October production in Indonesia contributes to the bearish outlook while losses may be limited by the anticipation of a forthcoming stimulus package in China is set to boost tropical oil demand.

Technical
Palm oil futures for the January contract opened higher and trended gradually higher in positive territory as buying activities continued following the rally in the competing soy oil market during Asian trading hour along with China's stimulus package that boost ropical oil demand outlook. At the close, the January contract settled at 3,762 ringgit per tonne with gains of 83 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 buy signal while RSI lingered at neutral position. Nevertheless, palm oil futures are expected to trade with downward bias today on a potential of mild profit taking activities ahead of weekend and weaker overnight competing oils performance while downward pressure could be limited on anticipations of improving tropical oil export demand amid weaker Malaysian Ringgit. Therefore, the support and resistance for January futures contract can be eyed at 3,600 and 3,800 respectively.

KO3 Comdty (Ge	neric 3rd 'KO' Futu	re) DAILY REPORT CHART	Daily 26JUL2023	-260CT2023	Copyright@ 202	23 Bloomberg Fina	ance L.P. 26-0ct	1-2023 19:06:40									
Source: Bloomberg						O/I chg	Prev	ious Week									
Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	High	Low	Cash CPO (MYR/MT)	Last Bid	L	ast Offer	3m Chg	6m Chg
NOV 23	3,671	65	3,695	3,589	1,269	4,749	-130	-2.5 Mn	3,796	3,681	Nov23		3,660		3,670	-4.7%	0.0%
DEC 23	3,731	76	3,757	3,637	5,175	26,317	-1,017	-19.86 Mn	3,970	3,798	Source: Reuters						
JAN 24	3,762	83	3,794	3,661	34,585	44,344	1,741	34.28 Mn	3,978	3,804						30 Day	
FEB 24	3,784	82	3,815	3,684	6,375	26,251	1,246	24.67 Mn	3,986	3,815	Spreads Las	t Bid	Offer	Vol	High	Low	Avg
MAR 24	3,794	77	3,825	3,699	7,100	31,614	1,664	33.04 Mn	3,929	3,702	Nov23-Dec23 -6	0 -75	5 -65	46	-15	-70	-33
APR 24	3,788	73	3,820	3,700	3,978	18,870	521	10.33 Mn	3,861	3,730	Nov23-Jan24 -9	1 -110	-80	8	-30	-105	-63
MAY 24	3,771	73	3,797	3,686	3,224	23,404	-207	-4.09 Mn	3,845	3,717	Dec23-Jan24 -3	1 -35	-33	178	-13	-51	-30
JUN 24	3,744	70	3,766	3,662	1,118	11,160	45	.88 Mn	4,010	3,860	Dec23-Feb24 -5	3 -60	58 -	3	-27	-92	-58
JUL 24	3,716	68	3,730	3,633	1,883	11,565	57	1.11 Mn	3,993	3,846	Jan24-Feb24 -2	2 -26	-25	201	-12	-44	-28
AUG 24	3,691	61	3,701	3,643	601	4,309	-68	-1.31 Mn	3,947	3,817	Jan24-Mar24 -3	2 -38	3 -35	122	-17	-72	-46
SEP 24	3,684	65	3,693	3,632	757	7,708	42	.81 Mn	3,931	3,782	Source: Bloomberg						
OCT 24	3,680	65	3,686	3,640	85	120	7	.13 Mn	3,907	3,770	Refiner's Margin (RI	BDPO - 0	Cash CPO)			-	
NOV 24	3,676	65	3,682	3,627	293	4,869	77	1.48 Mn	3,740	3,631	5000						
JAN 25	3,702	65	3,682	3,678	98	164	65	1.26 Mn	3,867	3,759		~					
MAR 25	3,702	65				3	0	. Mn	3,877	3,810	4500	٧.٧	17M N I				
MAY 25	3,702	65				-	0	. Mn	-	-	4000	√//~//\	1HK [4]5H4	Α.	11 ×	<u>ل</u> م	

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SEP 26 Total 66.541 215.447 4.043 Source: Bloomberg

Export Est	Oct-23		Sep-	23	Change (m-o-m)	Change (y-o-y)		
Period	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	IT	
1 - 10th days	395,890	394,570	305,594	350,823	29.55%	12.47%	6.13%	-	
1 - 15th days	606,980	623,245	574,936	580,893	5.57%	7.29%	2.14%	-	
1 - 20th days	885,888	931,435	821,408	847,890	7.85%	9.85%	-1.08%	-	
1 - 25th days	1,077,101	1,109,725	1,088,875	1,144,707	-1.08%	-3.06%	-6.02%	-	
Full month		-	1,235,560	1,299,187	-	-	-	-	
Source: Reuters									



4000

3500

2500

2000

1500

27/1/2023

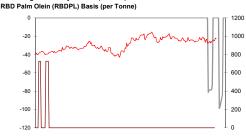
3rd mth FCPO Volatility

20

21/10/2022

27/3/2023

Crude Degummed Sovbean Oil (CDSBO)/



27/5/2023

27/7/2023

27/9/2023

#VALUE!

30 Days 60 Days 90 Days

23.29%

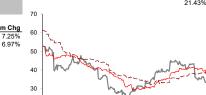
21/7/2023

27.03%

21/10/2023

Malaysian Palm Oil Board Statistic	2021	2022	2023	2023	Oct Chg	KF's Expected
	September	July	August	September	(Mean)	October
Production	1,770,441	1,610,052	1,753,472	1,829,434	1.70%	1,860,482
Stocks	2,315,464	1,731,512	2,124,963	2,313,569	4.57%	2,419,214
Export	1,420,235	1,353,925	1,221,814	1,196,113	5.57%	1,262,721
Import	132,303	103,837	110,621	49,054	1.21%	49,646
Course: Bouters						





21/1/2023

21/4/2023

Overnight Lead

Source : Bloomberg

JUL 25

SEP 25

NOV 25

JAN 26

MAR 26

MAY 26

JUL 26

3,702 3,702

3.702

3,702

3,702

3.702

3.702

65 65

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65

65 65

Chicago Board of Trade soybean futures closed lower on Thursday on improving rains in dry crop-growing areas of South America, analysts said. - Reuters

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