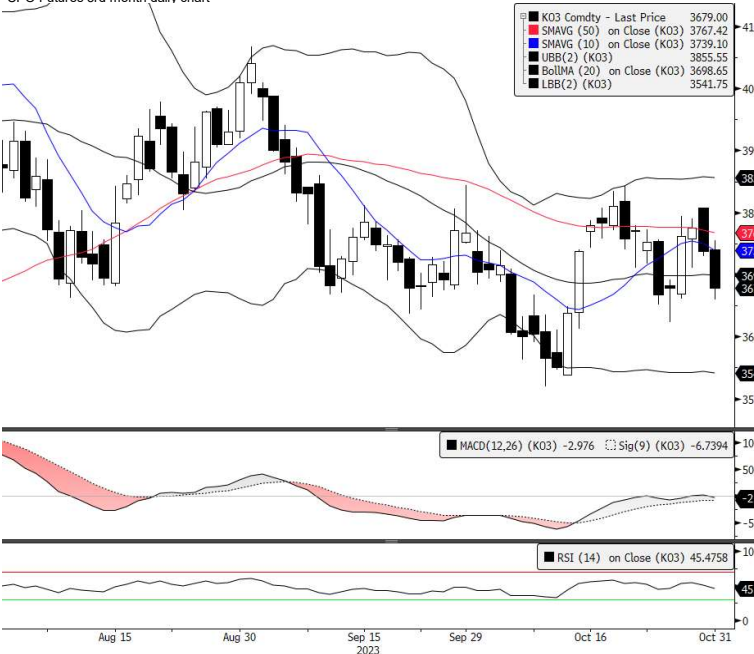


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures extended their decline for a second consecutive session, closing 1.55% lower on Tuesday following a significant sell-off in Dalian vegetable oil prices and concerns surrounding easing demand along with increasing supply as the decline in Chinese factory activity in October underscores the fragility of the Chinese economy has raised apprehensions about China's demand for cooking oil. Globally, crude oil prices fell on Tuesday, with the U.S. benchmark West Texas Intermediate (WTI) for December delivery fell \$1.29, or 1.6%, to \$81.02, while those for January delivery fell \$1.18 to \$80.50, as concerns over potential supply disruptions stemming from the Middle East conflict waned along with data reflecting increased output from both OPEC and the United States. In addition, the CBOT soy oil fell on Tuesday, with December soy oil fell 0.97 cent to close at 51.42 cents per pound, as profit taking activities emerged following its spillover weakness over rival crude oil and recent favorable rainfall in South American crop region have eased anxieties over dryness. Therefore, palm oil futures are expected to continue its downward trajectory mirroring the losses in overnight rival oil markets amid mounting apprehensions surrounding a deceleration in tropical oil export demand outlook along with Malaysian ringgit hovering near two-week high has diminished palm oil's attractiveness to price-sensitive importers.

Technical

Palm oil futures for the January contract opened lower and trended gradually lower in negative territory as selling activities extended following the fall in the rival edible oil market during Asian trading hour along with the recovery in Malaysian Ringgit that reduced importers' buying interest. At the close, the January contract settled at 3,679 ringgit per tonne with losses of 58 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with extended upper and bottom shadows, indicating that the bears took control of the trading session aggressively. Technical wise, MACD indicator is approaching to a sell signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade with downward bias today on continued selling pressure taking cue from the stumble in overnight competing oils market and discouraging tropical oil export demand. Hence, the support and resistance for January futures contract can be found at 3,600 and 3,720 respectively.

K03 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 01AUG2023-31OCT2023 Copyright© 2023 Bloomberg Finance L.P. 31-Oct-2023 20:30:57

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	Previous Week						
									High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
NOV 23	3,564	-61	3,637	3,559	598	3,563	-66	-1.23 Mn	3,708	3,569	Nov23	3,560	3,620	-6.5%	0.0%
DEC 23	3,643	-61	3,712	3,626	4,748	23,185	-1,374	-26.23 Mn	3,970	3,798	Source: Reuters				
JAN 24	3,679	-58	3,755	3,660	26,519	43,433	1,535	29.59 Mn	3,978	3,804	Source: Reuters				
FEB 24	3,702	-56	3,774	3,686	7,841	26,748	208	4.03 Mn	3,986	3,815	Source: Reuters				
MAR 24	3,715	-53	3,787	3,702	8,456	31,813	-42	-82 Mn	3,929	3,702	Source: Reuters				
APR 24	3,714	-49	3,778	3,700	4,375	19,945	336	6.54 Mn	3,820	3,649	Source: Reuters				
MAY 24	3,696	-51	3,764	3,686	4,613	22,911	129	2.5 Mn	3,803	3,634	Source: Reuters				
JUN 24	3,673	-51	3,743	3,665	1,552	11,578	175	3.37 Mn	4,010	3,860	Source: Reuters				
JUL 24	3,651	-51	3,721	3,643	2,459	12,150	252	4.82 Mn	3,993	3,846	Source: Reuters				
AUG 24	3,639	-48	3,665	3,633	681	4,467	118	2.25 Mn	3,947	3,817	Source: Reuters				
SEP 24	3,632	46	3,653	3,625	951	8,196	109	2.07 Mn	3,931	3,782	Source: Bloomberg				
OCT 24	3,626	-48	3,642	3,625	51	147	25	.47 Mn	3,907	3,770	Source: Bloomberg				
NOV 24	3,626	-46	3,643	3,624	295	5,156	146	2.77 Mn	3,711	3,554	Source: Bloomberg				
JAN 25	3,653	-48	3,713	3,659	14	184	0	. Mn	3,867	3,759	Source: Bloomberg				
MAR 25	3,653	-48	-	-	3	-	0	. Mn	3,877	3,810	Source: Bloomberg				
MAY 25	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
JUL 25	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
SEP 25	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
NOV 25	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
JAN 26	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
MAR 26	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
MAY 26	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
JUL 26	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
SEP 26	3,653	-48	-	-	-	-	0	. Mn	-	-	Source: Bloomberg				
Total						63,153	213,479	1,551							

Source: Bloomberg

Export Est Period	Oct-23		Sep-23		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS	AMSPEC	ITS
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	1,345,051	1,384,725	1,235,560	1,299,187	8.86%	6.58%	-8.78%	-

Source: Reuters

Malaysian Palm Oil Board Statistic

	2021	2022	2023	2023	Oct Chg (Mean)	KF's Expected
	September	July	August	September		
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

Source: Reuters

Commodity Futures (3rd month)

Commodity	Overnight close	+/-	Relative to FCPO			
			1d Chg (%)	3m Chg	6m Chg	3m Chg
CPO	3679	0	0.00%	-4.98%	10.22%	-0.05
Dalian Olein	7138	-138	-1.90%	-4.98%	4.54%	1.00
Soybean Oil	51.42	-0.97	-1.85%	-23.36%	-0.25%	0.81
WTI Crude	81.02	-1.29	-1.57%	1.30%	10.88%	0.88
CRB Index (realtime)	281.15	0.3910	0.14%	0.11%	5.57%	1.07

Source: Bloomberg

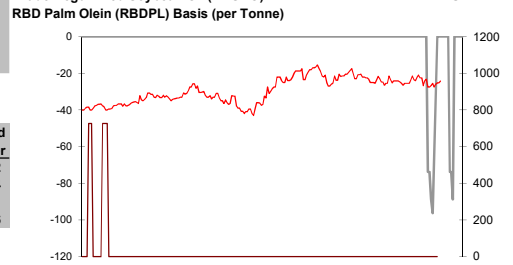
Currency	Last	1d Chg	3m Chg	6m Chg
USDIDR	15884.5	-0.03%	5.37%	8.29%

Source: Bloomberg

Overnight Lead

Chicago Board of Trade soybean futures ended higher on Tuesday as traders monitored South American crop weather. - Reuters

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



3rd mth FCPO Volatility

30 Days 60 Days 90 Days
21.87% 22.61% 26.44%

