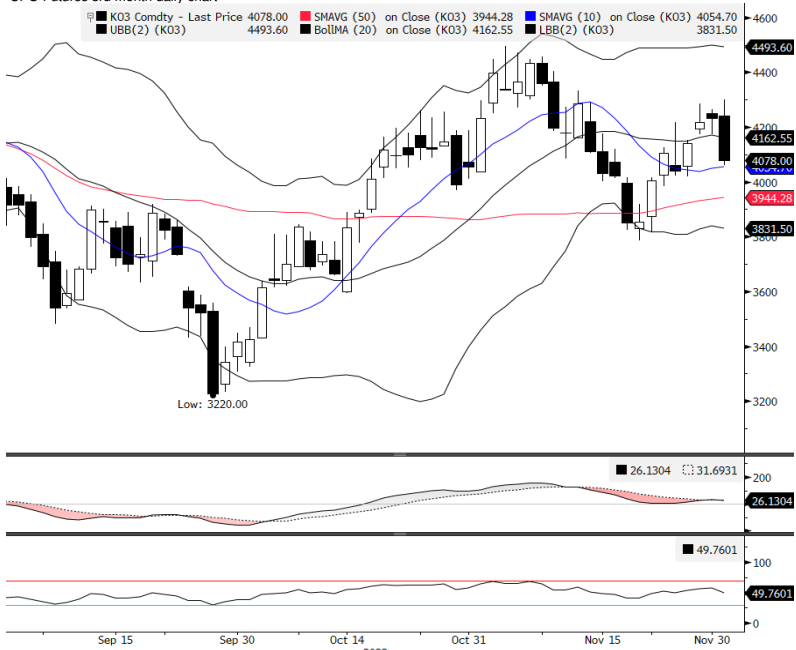


CPO Futures 3rd month daily chart



## Preview

### Fundamental

Malaysian palm oil futures ended its three days winning streak to an end on Thursday and plunged 3.68% pressured by the rally in Malaysian Ringgit along with the fall in rival soy oil due to USDA is expected to propose to increase the amount of ethanol and other biofuels in fuel while a lesser than expected percentage caused a selloff activity. Globally, crude oil prices ended little changed on Thursday, with the U.S. benchmark West Texas Intermediate (WTI) settled at \$81.22 a barrel, up 67 cents or 0.8% higher, after China eases its Covid-19 restrictions which raised optimism about a recovery in oil demand. Meanwhile, the CBOT soy oil extended its bearish run and slumped on Thursday, with January soy oil plunged the daily limit of 4-1/2 cents to settle at 67.38 cents per pound, as Biden administration proposal failed to match participants expectation after USDA is calling for only a modest increase in the amount of biofuel that must be mixed into the nation's fuel. Therefore, palm oil futures are expected to trade lower today tracking overnight nosedive in rival soy oils on biofuel level which is lower than expected and a potential of profit taking activities ahead of weekend amid a stronger Malaysian Ringgit will cause local palm oil to be less attractive to importers.

### Technical

Palm oil futures for the February contract opened lower and trended gradually lower in negative territory as profit booking activities emerged following the fall in the rival soy oil market during Asian trading hours and lingering concerns about weaker demand from major importer China. At the close, the February contract settled at 4,078 ringgit per tonne with losses of 156 points. Trading activities for the day can be depicted through the formation of a long black-bodied candlestick pattern with longer upper and shorter bottom shadows, indicating that the bears took control of the trading session aggressively. Technical wise, MACD indicator issued a sell signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to downward today on continued selling pressure took cue from stumbled in overnight competing soy oil market as blending volumes in biofuel are lower than the general market consensus and stronger Malaysian Ringgit. Hence, the support and resistance for February futures contract can be found at 3,800 and 4,120 respectively.

K03 Comdty (Generic 3rd 'K0' Future) DAILY REPORT CHART Daily 02SEP2022-01DEC2022

Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD
DEC 22	3,996	-103	4,080	3,980	449	2,099	-165	-3.76 Mn
JAN 23	4,041	-148	4,249	4,025	7,394	23,815	-1,232	-28.36 Mn
FEB 23	4,078	-156	4,300	4,060	36,073	42,004	-825	-19.17 Mn
MAR 23	4,096	-155	4,315	4,076	18,784	38,212	1,108	25.85 Mn
APR 23	4,077	-155	4,296	4,061	10,508	24,136	2,134	49.57 Mn
MAY 23	4,043	-147	4,251	4,027	8,426	24,578	269	6.2 Mn
JUN 23	3,982	-147	4,181	3,972	5,664	15,350	-61	-1.38 Mn
JUL 23	3,933	-142	4,135	3,914	5,038	15,143	1,095	24.53 Mn
AUG 23	3,898	-142	4,027	3,870	2,306	5,864	669	14.86 Mn
SEP 23	3,876	-142	4,070	3,848	1,959	7,887	456	10.07 Mn
OCT 23	3,858	-142	3,951	3,840	255	1,305	75	1.65 Mn
NOV 23	3,858	-142	3,945	3,830	230	6,956	117	2.57 Mn
JAN 24	3,833	-142	3,855	3,816	14	1,064	3	.07 Mn
MAR 24	3,788	-142	-	-	-	443	0	. Mn
MAY 24	3,738	-142	-	-	-	73	0	. Mn
JUL 24	3,738	-142	-	-	-	-	0	. Mn
SEP 24	3,738	-142	-	-	-	-	0	. Mn
NOV 24	3,738	-142	-	-	-	-	0	. Mn
JAN 25	3,738	-142	-	-	-	-	0	. Mn
MAR 25	3,738	-142	-	-	-	-	0	. Mn
MAY 25	3,738	-142	-	-	-	-	0	. Mn
JUL 25	3,738	-142	-	-	-	-	0	. Mn
SEP 25	3,738	-142	-	-	-	-	0	. Mn
NOV 25	3,738	-142	-	-	-	-	-	. Mn
<b>Total</b>					<b>97,100</b>	<b>208,929</b>	<b>3,643</b>	

Source: Bloomberg

Export Est Period	Nov-22 AMSPEC	Nov-22 SGS	Oct-22 AMSPEC	Oct-22 SGS	Change (m-o-m) AMSPEC	Change (m-o-m) SGS	Change (y-o-y) AMSPEC	Change (y-o-y) SGS
1 - 10th days	420,477	408,867	373,030	361,602	12.72%	13.07%	-22.70%	-27.39%
1 - 15th days	657,896	662,816	594,282	640,119	10.70%	3.55%	-17.60%	-27.31%
1 - 20th days	921,808	943,030	895,522	872,508	2.94%	8.08%	-13.60%	-17.96%
1 - 25th days	1,199,383	1,192,881	1,146,132	1,146,113	4.65%	4.08%	-4.43%	-10.72%
<b>Full month</b>	<b>1,498,862</b>	<b>1,519,560</b>	<b>1,474,554</b>	<b>1,477,713</b>	<b>1.65%</b>	<b>2.83%</b>	<b>-4.67%</b>	<b>-9.61%</b>

Source: Reuters

### Malaysian Palm Oil Board Statistic

	2021 November	2022 August	2022 September	2022 October	Nov Chg (Mean)	KF's Expected Nov
Production	1,634,932	1,725,781	1,770,441	1,813,591	-0.11%	1,811,641
Stocks	1,816,879	2,094,667	2,315,464	2,403,719	0.61%	2,418,495
Export	1,467,518	1,299,654	1,420,235	1,503,779	2.40%	1,539,818
Import	97,092	145,452	132,303	66,349	4.51%	69,340

Source: Reuters

### Commodity Futures (3rd month)

Overnight close	+/-	1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	4078	0	0.00%	4.16%	-36.95%	0.04
Dalian Olein	8544	10	0.12%	6.56%	-22.64%	1.02
Soybean Oil	68.40	-8.14	-10.63%	-0.18%	-12.43%	0.96
WTI Crude	81.22	0.67	0.83%	-4.66%	-20.53%	0.96
CRB Index (realtime)	279.46	-0.2921	-0.10%	-1.76%	-13.50%	0.92

Source: Bloomberg

### Currency

	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.3883	-0.41%	-1.78%	0.39%
USDIDR	15562.5	-1.08%	5.70%	8.24%

Source: Bloomberg

### Overnight Lead

Chicago Board of Trade soybean futures fell on Thursday, halting a five-day winning streak on pressure from a soy oil selloff related to U.S. biofuels levels. - Reuters

### Previous Week

High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
4,105	3,750	DEC22	4,000	4,100	-0.8%	0.0%

Source: Reuters

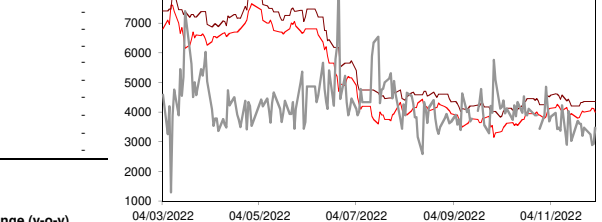
Spreads	Last	Bid	Offer	Vol	High	Low	Avg
Dec22-Jan23	-45	-100	-30	1	-9	-127	-63
Dec22-Feb23	-82	-	-	1	-29	-180	-94
Jan23-Feb23	-34	-40	-37	667	-14	-58	-31
Jan23-Mar23	-38	-58	-52	134	7	-75	-34
Feb23-Mar23	-12	-18	-16	1,366	24	-23	-3
Feb23-Apr23	6	-5	-2	199	74	-13	21

Source: Bloomberg

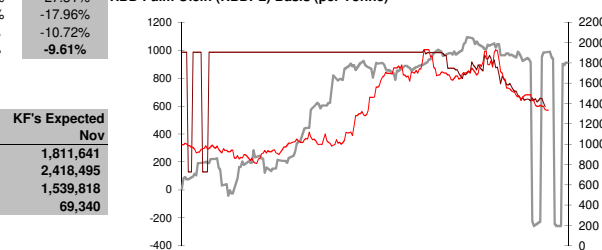
### Refiner's Margin (RBDPO - Cash CPO)

High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
3,780	3,750	DEC22	3,750	3,750	-	-

Source: Bloomberg



Crude Degummed Soybean Oil (CDSBO)/ RBD Palm Olein (RBDPO) Basis (per Tonne) USD 911.17



3rd mth FCPO Volatility 30 Days 60 Days 90 Days 39.51% 47.76% 48.89%

