

Preview **Fundamental**

Malaysian palm oil futures fell 1.36% on Thursday, closed at their lowest closing price in nearly a week as early session's gains on sliding Malaysian Ringgit that fell to 25 years low were erased by profit taking activities on a correction in rival soy oil prices Globally, crude oil prices erased early losses and surged on Thursday, with the U.S. benchmark West Texas Intermediate (WTI) for November, which expire on Friday, settled \$1.05 higher, or 1.2%, at \$89.37 a barrel, as sentiment maintained a sense of unease about the potential for Israel's military operations in Gaza to escalate into a broader regional conflict. Meanwhile, the CBOT soy oil fell on Thursday, with December soy oil slipped 1.75 cents to close at 53.11 cents per pound, weighed down by extended profit taking activities despite its stronger soybean that rose to four-week high on stronger U.S. demand and production worries in South America. Therefore, palm oil futures are expected to remain cautious today tracking overnight losses in rival soy oil while losses might be limited by a potential of bargain buying activities amid softening Malaysian Ringgit and a drop in production could be the supportive tone to palm

TechnicalPalm oil futures for the January contract trended higher during morning session but trended gradually lower in negative territory thereafter as profit booking activities emerged following the fall in the rival soy oil market during Asian trading hours. At the close, the January contract settled at 3,758 ringgit per tonne with losses of 52 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 issued a buy signal while RSI lingered at a neutral region. Nevertheless, palm oil futures are expected to trade range bound with downward bias today on continued selling pressure taking cue from the stumble in overnight competing soy oils market while encouraging tropical oil export demand and weakening Malaysian Ringgit could limit the downside. Hence, the support and resistance for January futures contract can be found at 3,670 and 3,780 respectively.

			2023															
KO3 Comdty (Gen	eric 3rd 'KO' Future	e) DAILY REPORT CHART	Daily 19JUL2023	-190CT2023	Copyright® 202	3 Bloomberg Fin	ance L.P. 19-0c	t-2023 18:56:36										
Source: Bloomberg						O/I chg	Pre	vious Week	i .									
Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	High	Low	Cash CPO (M)	(R/MT)	L	ast Bid	L	ast Offer	3m Chg	6m Chg
NOV 23	3,726	-43	3,796	3,706	2,340	10,164	-1,112	-21.67 Mn	3,716	3,490	Nov23			3,700		3,750	-9.0%	0.0%
DEC 23	3,745	-48	3,823	3,726	6,563	35,911	-1,222	-23.94 Mn	3,970	3,798	Source: Reuter	rs						
JAN 24	3,758	-52	3,842	3,740	30,060	43,391	129	2.54 Mn	3,978	3,804							30 Day	
FEB 24	3,776	-51	3,858	3,756	5,772	24,060	867	17.13 Mn	3,986	3,815	Spreads	Last	Bid	Offer	Vol	High	Low	Avg
MAR 24	3,787	-49	3,866	3,766	5,942	26,719	660	13.08 Mn	3,929	3,702	Nov23-Dec23	-19	-19	-18	8	-15	-59	-33
APR 24	3,783	-49	3,861	3,762	3,024	20,795	621	12.29 Mn	3,788	3,602	Nov23-Jan24	-32	-45	-30	5	-31	-112	-66
MAY 24	3,769	-48	3,845	3,750	2,506	25,631	545	10.75 Mn	3,775	3,590	Dec23-Jan24	-13	-16	-14	691	-13	-55	-34
JUN 24	3,745	-47	3,817	3,723	1,104	10,833	161	3.15 Mn	4,010	3,860	Dec23-Feb24	-31	-40	-32	60	-27	-102	-64
JUL 24	3,714	-48	3,780	3,705	844	10,912	161	3.13 Mn	3,993	3,846	Jan24-Feb24	-18	-19	-17	276	-12	-46	-30
AUG 24	3,693	-47	3,753	3,689	424	3,723	52	1. Mn	3,947	3,817	Jan24-Mar24	-29	-30	-27	303	-17	-74	-49
SEP 24	3,683	-47	3,750	3,657	300	6,724	105	2.02 Mn	3,931	3,782								
OCT 24	3,679	-47	3,680	3,680	1	57	1	.02 Mn	3,907	3,770	Refiner's Marg	gin (RBD	PO - Ca	sh CPO)				MYR 214
NOV 24	3,675	-47	3,710	3,679	18	4,583	5	.1 Mn	3,669	3,500	5000							
JAN 25	3,701	-47				92	0	. Mn	3,867	3,759			~					
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973

Mn Mn Mn

2500

2000

1500

20/3/2023

Crude Degummed Sovbean Oil (CDSBO)/

Source: Bloomberg Export Est Oct-23 Char

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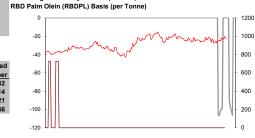
-47

-47

Change (y-o-y) AMSPEC AMSPEC AMSPEC 305,594 AMSPEC Period 350,823 394.570 12.47% 1 - 10th days 395.890 29.55% 6.13% 580,893 847,890 1 - 15th days 623,245 574.936 5.57% 606,980 7.29% 821,408 1 - 20th days 1 - 25th days 1.088.875 1.144.707 1,235,560 Full month Source: Reuters

58.898

223.598



20/5/2023

20/7/2023

20/9/2023

#VALUE!

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
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Commodity Futures (3rd month) Relative to FCPO 6m Chg Overnight close 1d Chg (%) 3m Chg 6m Chg CPO -7.12% -4.88% 0.01 1.00 0.96 3758 Dalian Oleir 1.02 -0.05% 1.80% -1.75 -21.48% Soybean Oil 53.11 -2.43% -3.19% 18.91% 4.60% 0.90 WTI Crude 89.37 1.05 1 19% 19.32% 0.88 CRB Index (realtime) Source : Bloomber Currency 1d Chg 6m Chg USDMYR

0.54%



Source : Bloomberg

USDIDR

JAN 26

MAR 26

MAY 26

JUL 26

SEP 26

Total

3,701

3,701

3.701

3.701

Chicago Board of Trade soybean futures touched a four-week high on Thursday, before easing back a bit, amid strong demand for U.S. supplies and ongoing drought concerns in Brazil. - Reuters

15815.0

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4.89%