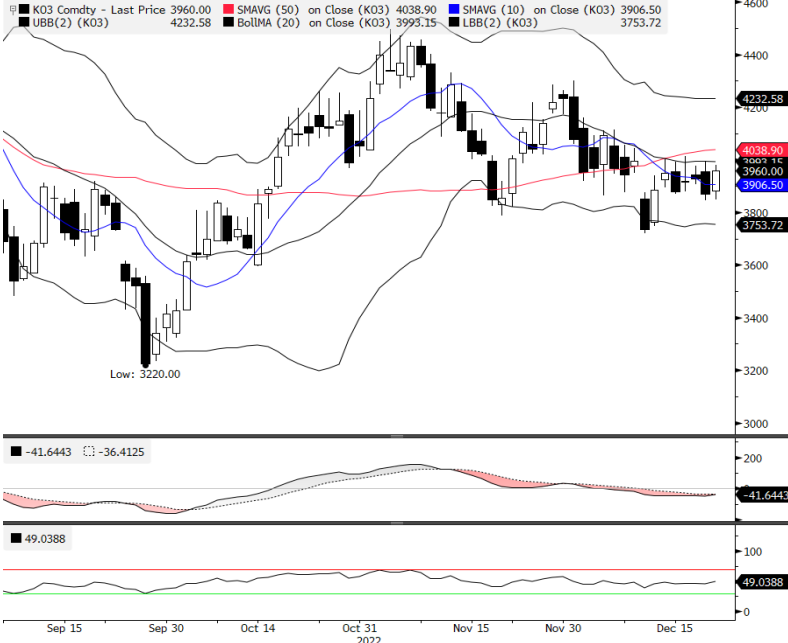


CPO Futures 3rd month daily chart



Preview

Fundamental

Malaysian palm oil futures ended its four straight losses to close 2.35% higher on Wednesday, recorded a 12-day closing high lifted by the worries over flood cause by heavy rain which is expected to persist until the year-end could disrupt harvesting and slash supplies from the second-biggest grower, Malaysia. Globally, crude oil prices rallied on Wednesday, with the U.S. benchmark West Texas Intermediate (WTI) gained \$2.06, or 2.7%, to \$78.29 a barrel, as the prices were lifted after U.S. Energy Information Administration (EIA) shows a larger-than-expected fall in U.S. crude stockpiles while upside is limited by snowstorm which could hurt crude demand. In addition, the CBOT soy oil inched higher, with January soy oil futures gained 0.26 cents to 66.31 cents per lb, supported by forecast of unfavorable weather condition in South America after recent rainfall and crude oil extended gains. Therefore, palm oil futures are expected to trade cautiously higher today tracking overnight gains in competing oils and lingering concerns over continuous heavy rain that could lead to road closures and could disrupt harvesting as well as transport of palm fruit in palm oil region.

Technical

Palm oil futures for the March contract opened lower but trended gradually higher thereafter as bargain buying activities emerged following the gains in the rival soy oil market along with worries over supply disruption due to continuous heavy rain that could cause flood in Malaysia. At the close, the March contract settled at 3,960 ringgit per tonne with gains of 91 points. Trading activities for the day can be depicted through the formation of a long white-bodied candlestick pattern with shorter upper and longer bottom shadows, indicating that the bulls took control of the trading session aggressively. Technical wise, MACD indicator remained issue a sell signal while RSI lingered at a neutral region. Therefore, palm oil futures are expected to trade range bound with upward bias today on continued buying support took cue from gains in overnight competing oils market while upside could be limited by discouraging tropical oil export demand. Hence, the support and resistance for March futures contract can be found at 3,880 and 4,100 respectively.

KO3 Comdty (Generic 3rd 'KO' Future) DAILY REPORT CHART Daily 07SEP2022-21DEC2022

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Source: Bloomberg

Contract	Sett	Chg	High	Low	Vol	Open Int	O/I chg	Value USD	O/I chg
JAN 23	3,914	75	3,935	3,819	1,286	7,834	-1,245	-27.49 Mn	3,961
FEB 23	3,944	89	3,964	3,837	5,666	31,191	-1,403	-31.21 Mn	4,005
MAR 23	3,960	91	3,979	3,850	25,490	55,020	1,209	27.01 Mn	4,021
APR 23	3,956	94	3,969	3,842	5,573	27,939	-651	-14.53 Mn	4,015
MAY 23	3,949	95	3,957	3,830	4,252	27,807	-435	-9.69 Mn	4,000
JUN 23	3,931	100	3,939	3,810	2,144	14,464	-134	-2.97 Mn	3,964
JUL 23	3,903	100	3,910	3,780	1,834	16,524	-78	-1.72 Mn	3,938
AUG 23	3,880	100	3,890	3,752	1,173	7,149	48	1.05 Mn	3,903
SEP 23	3,868	100	3,875	3,762	1,681	9,911	277	6.04 Mn	3,877
OCT 23	3,866	108	3,868	3,816	916	1,755	-7	-15 Mn	3,849
NOV 23	3,865	108	3,865	3,822	218	7,509	-54	-1.18 Mn	3,860
DEC 23	3,864	108	3,859	3,834	21	122	12	.26 Mn	3,786
JAN 24	3,862	108	3,856	3,829	196	1,257	-47	-1.02 Mn	3,825
MAR 24	3,817	108	-	-	1	443	-9	-19 Mn	3,800
MAY 24	3,767	108	-	-	-	73	0	. Mn	-
JUL 24	3,767	108	-	-	-	1	0	. Mn	-
SEP 24	3,767	108	-	-	-	-	0	. Mn	-
NOV 24	3,767	108	-	-	-	-	0	. Mn	-
JAN 25	3,767	108	-	-	-	-	0	. Mn	-
MAR 25	3,767	108	-	-	-	-	0	. Mn	-
MAY 25	3,767	108	-	-	-	-	0	. Mn	-
JUL 25	3,767	108	-	-	-	-	0	. Mn	-
SEP 25	3,767	108	-	-	-	-	0	. Mn	-
NOV 25	3,767	108	-	-	-	-	0	. Mn	-
Total					50,451	208,999		-2,517	

Source: Bloomberg

Export Est Period	Dec-22		Nov-22		Change (m-o-m)		Change (y-o-y)	
	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS	AMSPEC	SGS
1 - 10th days	480,404	473,086	420,477	408,867	14.25%	15.71%	-11.70%	-13.73%
1 - 15th days	631,401	634,618	657,896	662,816	-4.03%	-4.25%	-12.98%	-19.62%
1 - 20th days	921,811	923,642	921,808	943,030	0.00%	-2.06%	-7.48%	-16.02%
1 - 25th days	-	-	1,199,383	1,192,881	-	-	-	-
Full month	-	-	1,498,862	1,519,560	-	-	-	-

Source: Reuters

Malaysian Palm Oil Board Statistic	2021		2022		2022		2022		Dec Chg (Mean)	KF's Expected Dec
	December	September	October	November	December	November	December			
Production	1,450,905	1,770,441	1,813,591	1,680,743	-9.31%	-	1,524,277			
Stocks	1,583,040	2,315,464	2,403,719	2,288,473	0.49%	-	2,299,627			
Export	1,414,566	1,420,235	1,503,779	1,517,731	-8.96%	-	1,381,678			
Import	102,768	132,303	66,349	47,047	42.20%	-	66,901			

Source: Reuters

Commodity Futures (3rd month)	Overnight close	+/-	Relative to FCPO				
			1d Chg (%)	3m Chg	6m Chg	3m Chg	6m Chg
CPO	3960	0	0.00%	3.50%	-11.98%	0.04	-0.12
Dalian Olein	7756	-42	-0.54%	-1.90%	-19.69%	0.95	0.91
Soybean Oil	66.31	0.26	0.39%	-4.49%	-6.16%	0.92	1.07
WTI Crude	78.29	2.06	2.70%	-3.74%	-17.68%	1.01	1.02
CRB Index (realtime)	276.21	3.9431	1.45%	-0.59%	-9.34%	0.93	0.94

Source: Bloomberg

Currency	Last	Relative to FCPO		
		1d Chg	3m Chg	6m Chg
USDMYR	4.4318	-0.16%	-2.82%	0.75%
USDIDR	15587.5	-0.10%	4.04%	5.33%

Source: Bloomberg

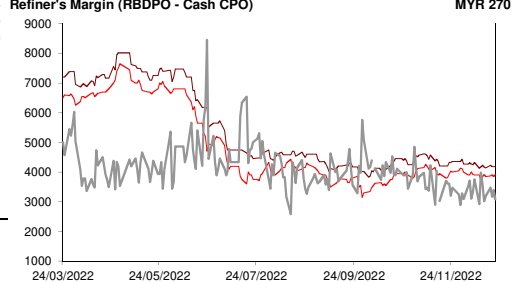
Overnight Lead

Chicago Board of Trade soybean futures inched higher on Wednesday, supported by extended forecasts returning to hot, dry conditions for Argentina after recent rainfall. - Reuters

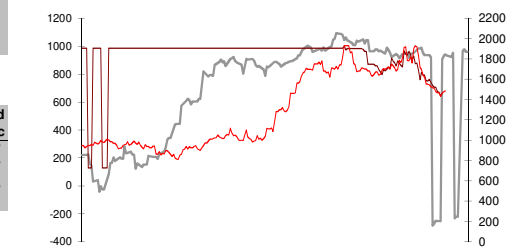
Previous Week

High	Low	Cash CPO (MYR/MT)	Last Bid	Last Offer	3m Chg	6m Chg
3,961	3,690	JAN23	3,920	3,950	2.3%	0.0%
4,005	3,721	Source: Reuters				
4,021	3,747					
4,015	3,758	Spreads	Last	Bid	Offer	Vol
4,000	3,762	Jan23-Feb23	-20	-34	-25	54
3,964	3,746	Jan23-Mar23	-55	-70	-40	148
3,938	3,719	Feb23-Mar23	-28	-18	-16	510
3,903	3,688	Feb23-Apr23	-26	-19	-14	60
3,877	3,668	Mar23-Apr23	1	0	3	325
3,849	3,702	May23-May23	18	8	12	328
3,860	3,665	Source: Bloomberg				
3,786	3,774					

Refiner's Margin (RBDPO - Cash CPO)



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



3rd mth FCPO Volatility

