

Futures Crude Palm Oil

Contract	Settlement	Change	Previous	% Change	Open	High	Low	Volume	O.Interest
Jan-14	2,532	(9)	2,541	(0.35)	2,541	2,557	2,524	1,369	7,827
Feb-14	2,561	(7)	2,568	(0.27)	2,572	2,590	2,557	8,877	34,880
Mar-14	2,576	(4)	2,580	(0.16)	2,587	2,602	2,571	17,424	35,920
Apr-14	2,581	(2)	2,583	(0.08)	2,593	2,605	2,576	3,149	9,709
May-14	2,578	(4)	2,582	(0.15)	2,592	2,603	2,575	2,123	14,790
Jun-14	2,574	(5)	2,579	(0.19)	2,575	2,597	2,574	451	367
Jul-14	2,569	(7)	2,576	(0.27)	2,573	2,575	2,564	468	8,861
Sep-14	2,555	(7)	2,562	(0.27)	2,563	2,563	2,555	60	6,289
Nov-14	2,554	(2)	2,556	(0.08)	2,546	2,555	2,546	239	21,902
Jan-15	2,560	(2)	2,562	(0.08)	2,568	2,568	2,551	50	3,767
Mar-15	2,572	(2)	2,574	(0.08)	-	-	-	0	1,065
May-15	2,574	(2)	2,576	(0.08)	-	-	-	0	7,907
Jul-15	2,569	(2)	2,571	(0.08)	-	-	-	0	1,763
Sep-15	2,572	(2)	2,574	(0.08)	-	-	-	0	213
Nov-15	2,572	(2)	2,574	(0.08)	-	-	-	0	42
Total								34,210	155,302

Commodities	Close	Change	% Change
Soybeans	1,334.75	(7.00)	(0.52)
Soybean Oil	39.63	(0.07)	(0.18)
Nymex Crude Oil	97.22	0.09	0.09
Dalian Palm Olein	6,075	39	0.70

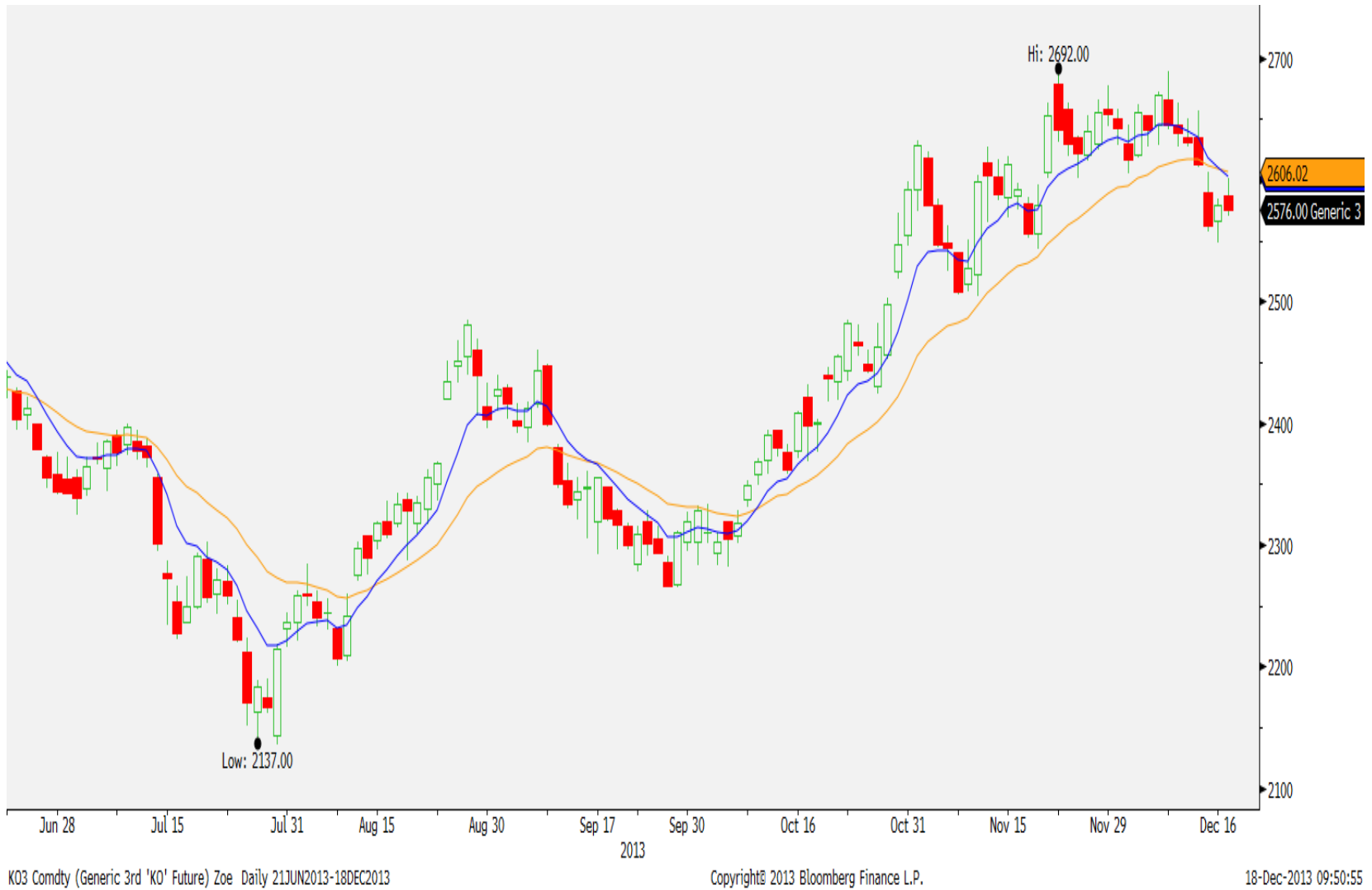
Export/Production Figures			
Source	Exports	Production	Inventories
MPOB (Nov 2013)	1.52m(-8.7%)	1.86m (-5.6%)	1.98m (+7.2%)
ITS (Nov)	640k(-14%)		
SGS (Dec 1-15)	644.5k(-12.2%)		

Other Major Markets	Last	Change	% Change
USD/MYR	3.25	0.0022	(0.07)

Spread Analysis	Last	Volume
Mar14-Apr14	(5)	1,967

<p><u>Palm Oil</u></p> <p>Global production of soybeans is exerting downward pressure on the palm oil prices. Palm oil declined on concern that the demand for palm oil which is an alternative edible oil to soybean oil will fall as prices of soybean oil continue to slide.</p> <p>Contract for March delivery lost 4 points or 0.16% to close at RM2576 with 17,424 lots traded .</p> <p>Global palm oil exports may decline this season for the first time in 16 years as makers of biofuel and cooking oil substitute sunflower and soybean oil, oil world said. The demand shift could be due to the recent price hike in palm oil which reduced its price attractiveness.</p> <p>Refined palm oil for May delivery on Dalian Commodity Exchange climbed 0.7% to close at 6075 yuan per ton.</p> <p><u>Soybean Oil</u></p> <p>Palm oil's discount to soybean oil narrowed to approximately \$92 as of yesterday from \$297.44 at the start of the year, according to data compiled by Bloomberg.</p> <p>USDA's last week soybean oil ending stocks were projected 55m lbs higher. The production topic continues to dampen prices and pushed soybean oil to trade below 39. As at 10.13am, March soybean oil on CBOT last traded at 39.51 cents per pound.</p>	<p>HEADLINES</p> <p>World palm oil exports seen falling for first time in 16 years</p> <p>Palm oil drops as record global soybean output may hurt demand</p> <p>Soybean oil futures tumble near 3-year low</p> <hr/> <p>Economic Release of the Week</p> <p>17/12 Soybeans Export Inspections</p> <p>19/12 Soy oil net export sales</p>
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Technical Section



3rd Month FCPO

Technical Outlook ██████████

CPO March futures price maintained a slightly firmer tone in early trading, but succumbed to selling pressures in the afternoon session to settle at RM 2,576 off 7 points from the previous close. Total market volume traded was 34,210 lots. The short-lived technical rally has occurred and the chart pattern shows price below the 10 and 20 days moving average cross-over, with MACD and momentum headed in a negative direction, bearish tendencies / sentiment could prevail in the absence of new bullish news.

Any rally is expected to be capped at the nearest resistance seen at RM 2,600. Nearest support is pegged at RM 2,550. A breakout at this level on high volume may trigger another bear raid which could see values erode to the next support level seen at RM 2,530.

Market view: Sideways to potentially lower focusing mainly on day trading activities.

Indicators	
SMA 5 Days	2,592
SMA 10 Days	2,621
SMA 20 Days	2,628
RSI	46.33
Upper Bollinger	2,687
Lower Bollinger	2,568
Pivot Values	
3rd Resistance	2,645
2nd Resistance	2,614
1st Resistance	2,595
Last Price	2,576
1st Support	2,564
2nd Support	2,552
3rd Support	2,521

WARNING: TRADING IN FUTURES IS HIGHLY LEVERAGED AND CARRIES A HIGH DEGREE OF RISK WHICH MIGHT NOT BE SUITABLE FOR THE GENERAL PUBLIC. INVESTORS SHOULD CONSIDER WHETHER SUCH TRADING IS APPROPRIATE IN LIGHT OF THEIR EXPERIENCE, OBJECTIVES, FINANCIAL RESOURCES AND OTHER RELEVANT FACTORS BEFORE COMMENCEMENT

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