

Futures Crude Palm Oil

Friday, March 21, 2014

Contract	Settlement	Change	Previous	% Change	Open	High	Low	Volume	O.Interest
Apr-14	2,865	(6)	2,871	(0.21)	2,850	2,871	2,840	129	3,542
May-14	2,809	(3)	2,812	(0.11)	2,785	2,814	2,768	6,672	34,431
Jun-14	2,773	(4)	2,777	(0.14)	2,755	2,780	2,735	20,223	46,567
Jul-14	2,738	(5)	2,743	(0.18)	2,720	2,745	2,703	5,588	28,355
Aug-14	2,708	(5)	2,713	(0.18)	2,694	2,716	2,679	2,061	8,027
Sep-14	2,688	(4)	2,692	(0.15)	2,668	2,696	2,665	1,410	13,514
Nov-14	2,665	(8)	2,673	(0.30)	2,649	2,676	2,647	795	22,698
Jan-15	2,668	(8)	2,676	(0.30)	2,653	2,681	2,653	586	10,970
Mar-15	2,681	(1)	2,682	(0.04)	2,660	2,688	2,659	896	5,582
May-15	2,680	(4)	2,684	(0.15)	2,655	2,684	2,655	710	13,099
Jul-15	2,679	0	2,679	0.00	2,656	2,681	2,656	164	2,843
Sep-15	2,675	0	2,675	0.00	2,675	2,681	2,669	54	592
Nov-15	2,676	1	2,675	0.04	2,674	2,683	2,669	49	289
Jan-16	2,678	3	2,675	0.11	2,673	2,683	2,672	34	180
Mar-16	2,678	3	2,675	0.11	-	-	-	0	0
								39,371	190,689

Commodities	Close	Change	% Change
Soybeans	1,433.75	(1.00)	(0.07)
Soybean Oil	41.48	(0.02)	(0.05)
Nymex Crude Oil	98.90	(0.20)	(0.20)
Dalian Palm Olein	6,184	12	0.19

Export/Production Figures			
Source	Exports	Production	Inventories
MPOB (Mar 2014)	1.35m(-1.25%)	1.28m(-15%)	1.66m(-14%)
ITS (1st-20th Mar)	767.8k(-12%)		
SGS (1st-20th Mar)	763k(-12%)		

Other Major Markets	Last	Change	% Change
USD/MYR	3.3108	0.0123	(0.37)

Spread Analysis	Last	Volume
May14-Jun14	34	3,201

Palm Oil

Prices edged lower yesterday after recent raining days which could improve moisture for oil palms across Indonesia and Malaysia. Sentiments could weaken again over the improved weather and the weaker soybean oil performance.

Palm oil production in Indonesia will probably climb for the first time since September as yields recover from seasonal decline.

Most active June contract fell 4 points or 0.14% to RM2773 per metric ton with 20,223 lots traded.

Refined palm oil for September delivery fell 2% to 6152 yuan per metric ton on Dalian Commodity Exchange.

Soybean Oil

USDA bureau in Brazil predicted a sharp rise in soybean output in Brazil for the next season due to an increase in sowings of more than 2.3m hectares, and a boost to yields from improved seed. Infrastructure improvement in Brazil in Mato Grosso, top soybean producing state is also expected to double capacity by the end of the next year.

As at 10am, soyaoil for May delivery on CBOT last traded at 41.34.

HEADLINES

SGS: Shipments fell 12% in first 20 days of March from 867,901 tons to 763,363 tons

ITS: Shipments fell 12% in first 20 days of March from 875,091 tons to 767,785 tons

Brazil soy crop and exports to soar next season

Palm output in Indonesia rising for first time in 6 months

Weekly News Data

none

Technical Section



Technical Outlook



CPO June futures price opened lower, slid to day's low at RM 2,735 in the morning session, recovered in the afternoon session to day's high at RM 2,780 on short-covering and bargain hunting activities and finally settled at RM 2,773, 4 points off previous close. Total volume saw 39,371 lots transacted mostly on intraday trades and open interest shows 190,689 contracts outstanding.

Technical oscillator indicate oversold levels opposed by slightly lower 1-20 days export numbers reported and a sharp overnight decline in soybean oil values. As a result, sentiment could be dampened in the present time and a Yo-yo price action may be a regular feature until price reaches a solid bottom for the next up cycle.

Price is seen to take another sharp dip to test the nearest support zone between RM 2,730 down to RM 2,720 with nearest resistance pegged at RM 2,780.

Market view: Choppy trading price drift with downside possibilities.

Indicators	
SMA 50 Days	2,674.98
SMA 100 Days	2,634.74
SMA 200 Days	2,492.29
RSI	52.0887
Upper Bollinger	2,900.01
Lower Bollinger	2,703.99

Pivot Values	
3rd Resistance	2,853
2nd Resistance	2,808
1st Resistance	2,790
Last Price	2,773
1st Support	2,745
2nd Support	2,718
3rd Support	2,673

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

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