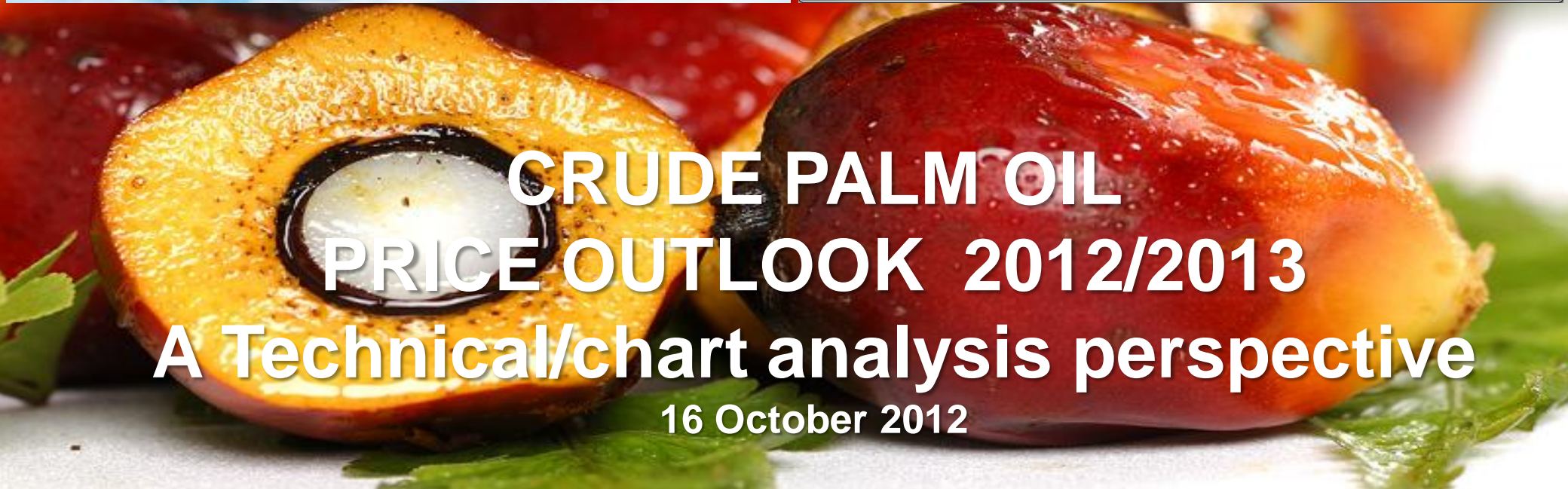


MALAYSIAN PALM OIL TRADE FAIR & SEMINAR 2012

15-16 October 2012, Shangri-La Hotel, Kuala Lumpur

POTS™



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CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

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Disclaimer

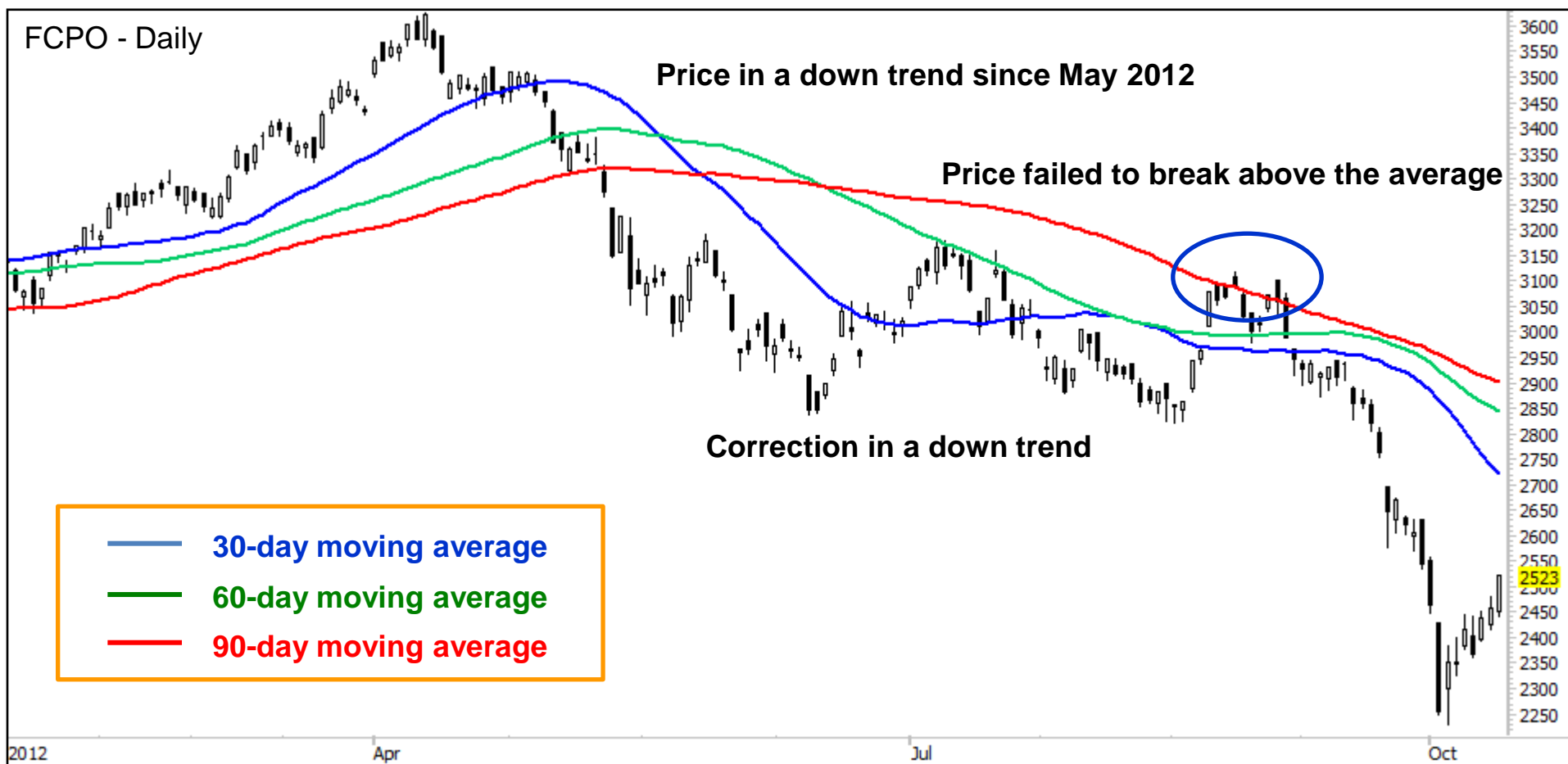
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CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

1. Crude Palm Oil Price Analysis

Trend Analysis: Short-term

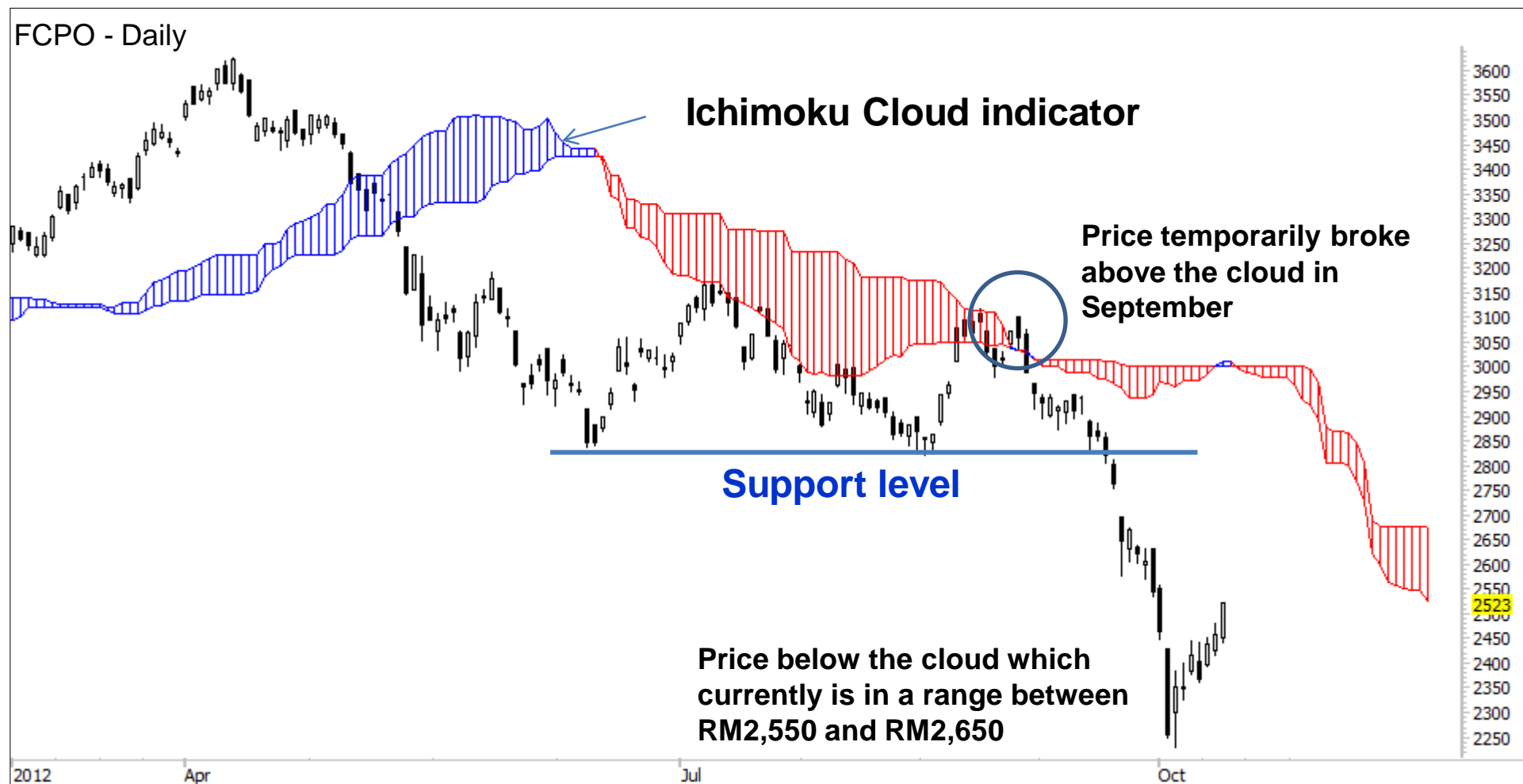


Source: NextVIEW Sdn Bhd

CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

1. Crude Palm Oil Price Analysis

Trend Analysis: Short-term



1. Crude Palm Oil Price Analysis

Trend Analysis from previous pages:

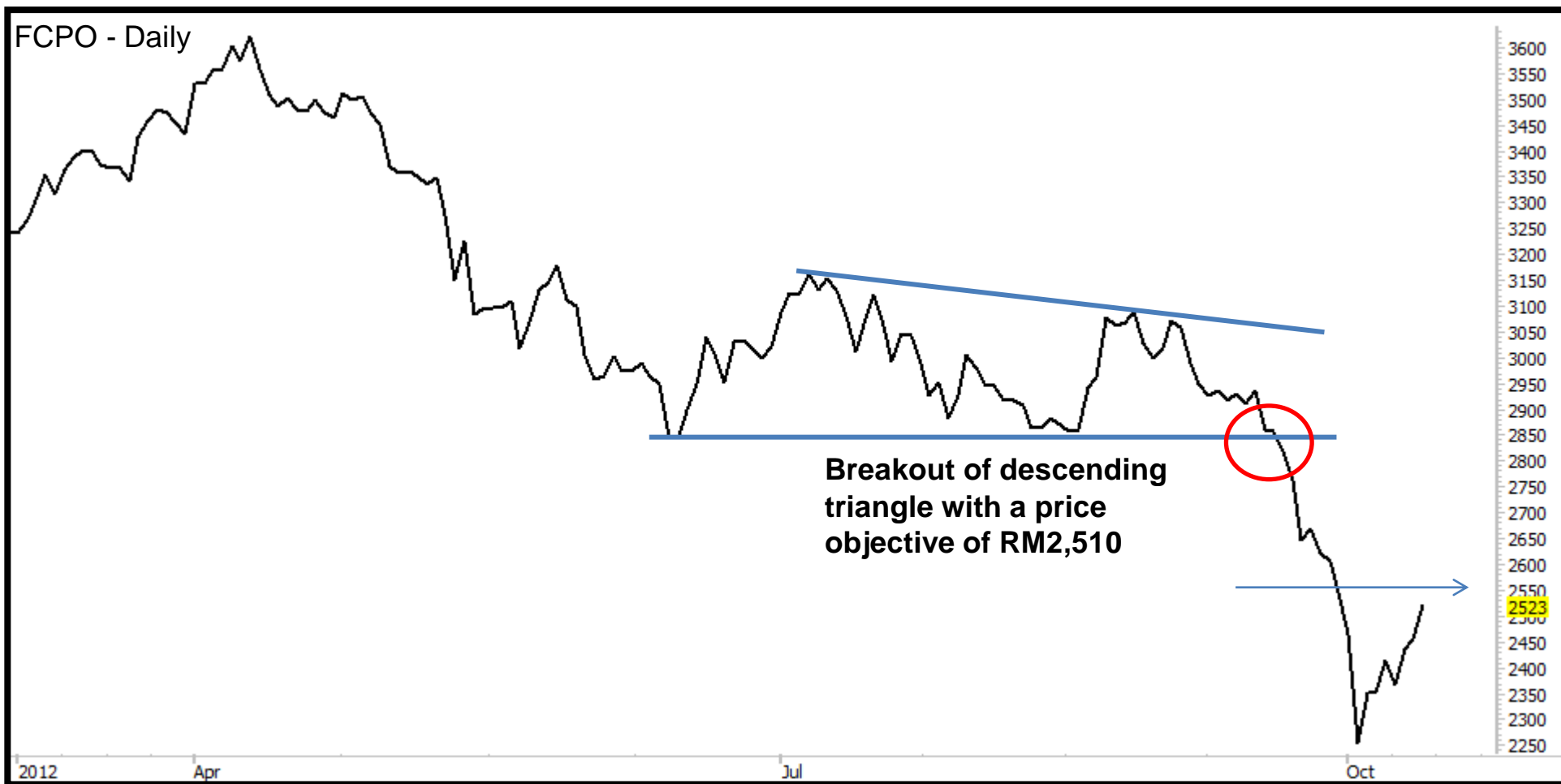
1. Since May 2012, Price went into a down trend.
2. Moved into a correction between June to August 2012
3. Found temporary support at RM2,850
4. Resumed down trend in late September when the RM2,850 support level is broken
5. Price currently below the averages and Ichimoku Cloud. Moving averages range between RM2,700 and RM2,900. Ichimoku Cloud range between 2,550 and 2,660

Current price is as at 11 October 2012

CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

1. Crude Palm Oil Price Analysis

Chart Pattern Analysis: Short-term



CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

1. Crude Palm Oil Price Analysis

Chart Pattern Analysis: Short-term



1. Crude Palm Oil Price Analysis

Chart Pattern Analysis from previous pages:

1. An Elliott Wave correction wave (the ABC wave) points a target of RM2,450.
2. A triangle price breakout price objective was RM2,510
3. Price went below these levels and immediately rebounded to these levels today

CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

1. Crude Palm Oil Price Analysis

Trend Analysis: Long-term



1. Crude Palm Oil Price Analysis

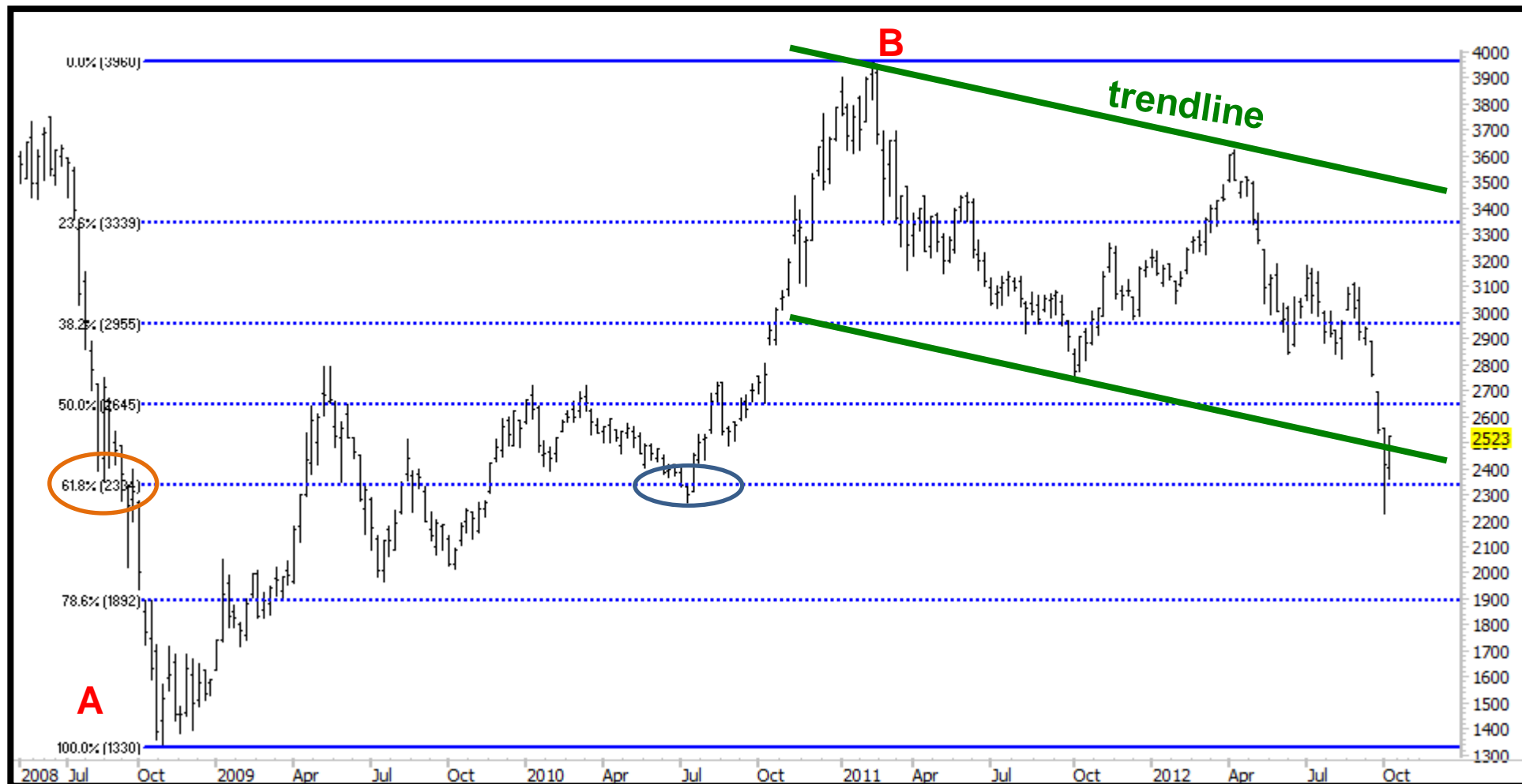
Long term Trend Analysis:

1. 15 year linear regression line (average) is currently at RM2,900
2. Linear regression channel is between RM2,200 and RM4,000
3. Price is currently near the bottom band of the linear regression channel

CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

1. Crude Palm Oil Price Analysis

Support and Resistance Analysis: SUPPORT



Source: NextVIEW Sdn Bhd

1. Crude Palm Oil Price Analysis

Support and Resistance Analysis:

SUPPORT

1. Support level based on a 61.8% Fibonacci retracement from the October 2008 to February 2011 up trend at RM2,330.
2. RM2,330 is also the support level on July 2010.
3. Down trend channel support level is at RM2,400
4. Support level is between RM2,300 and RM2,400

CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

1. Crude Palm Oil Price Analysis

Support and Resistance Analysis: Resistance



1. Crude Palm Oil Price Analysis

Support and Resistance Analysis:

RESISTANCE LEVEL

1. Fibonacci retracement level of 38.2% from the April to October down trend is at RM2,800
2. RM2,800 is also the year 2009-2010 resistance level and year 2011 support level
3. Moving averages range between RM2,700 to RM2,800

CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

1. Crude Palm Oil Price Analysis

Pattern analysis:



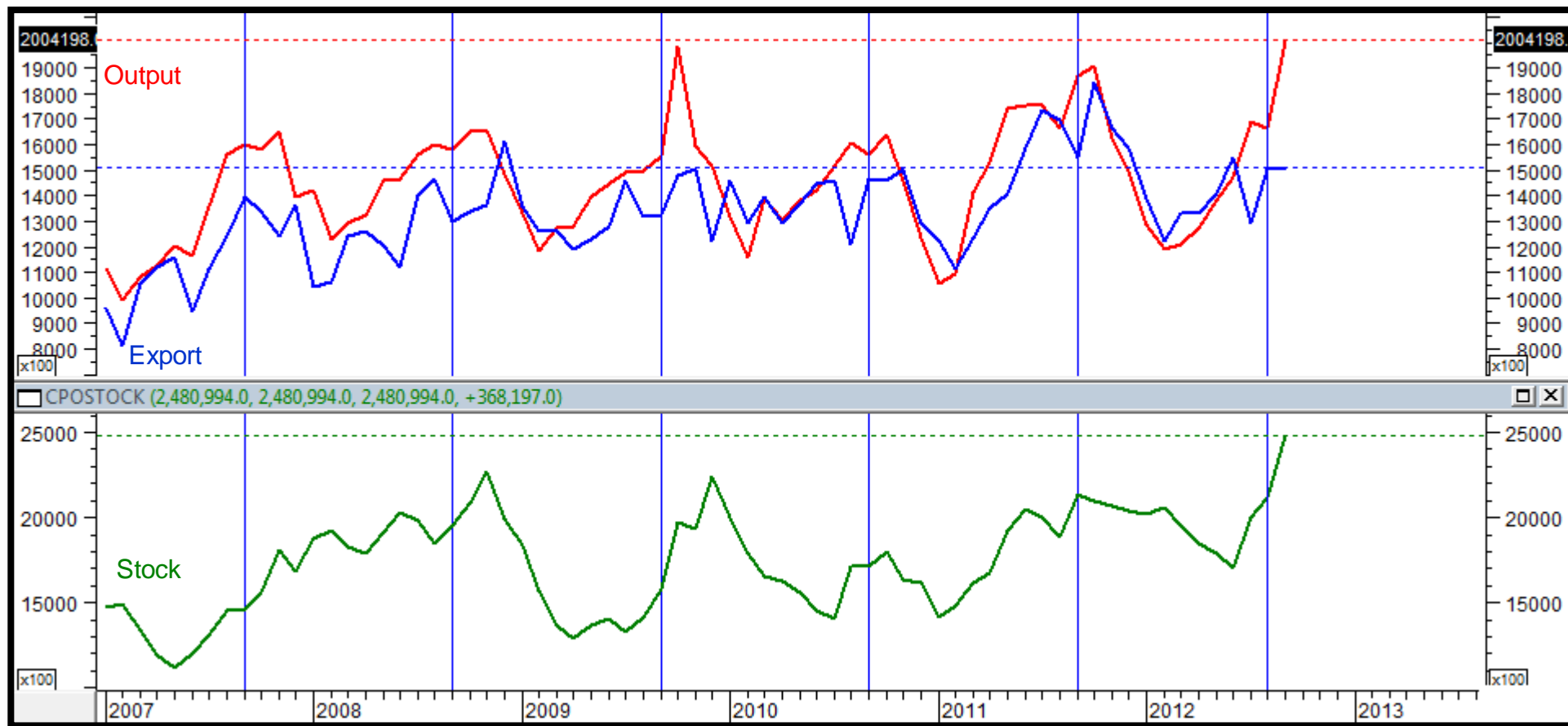
1. Crude Palm Oil Price Analysis

Pattern analysis:

1. The pattern from the end 2008 to-date is similar to the pattern between year 2001 and 2005.
2. Time period is also the same
3. If history repeats itself, we are going to see a long period of sideways correction

CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

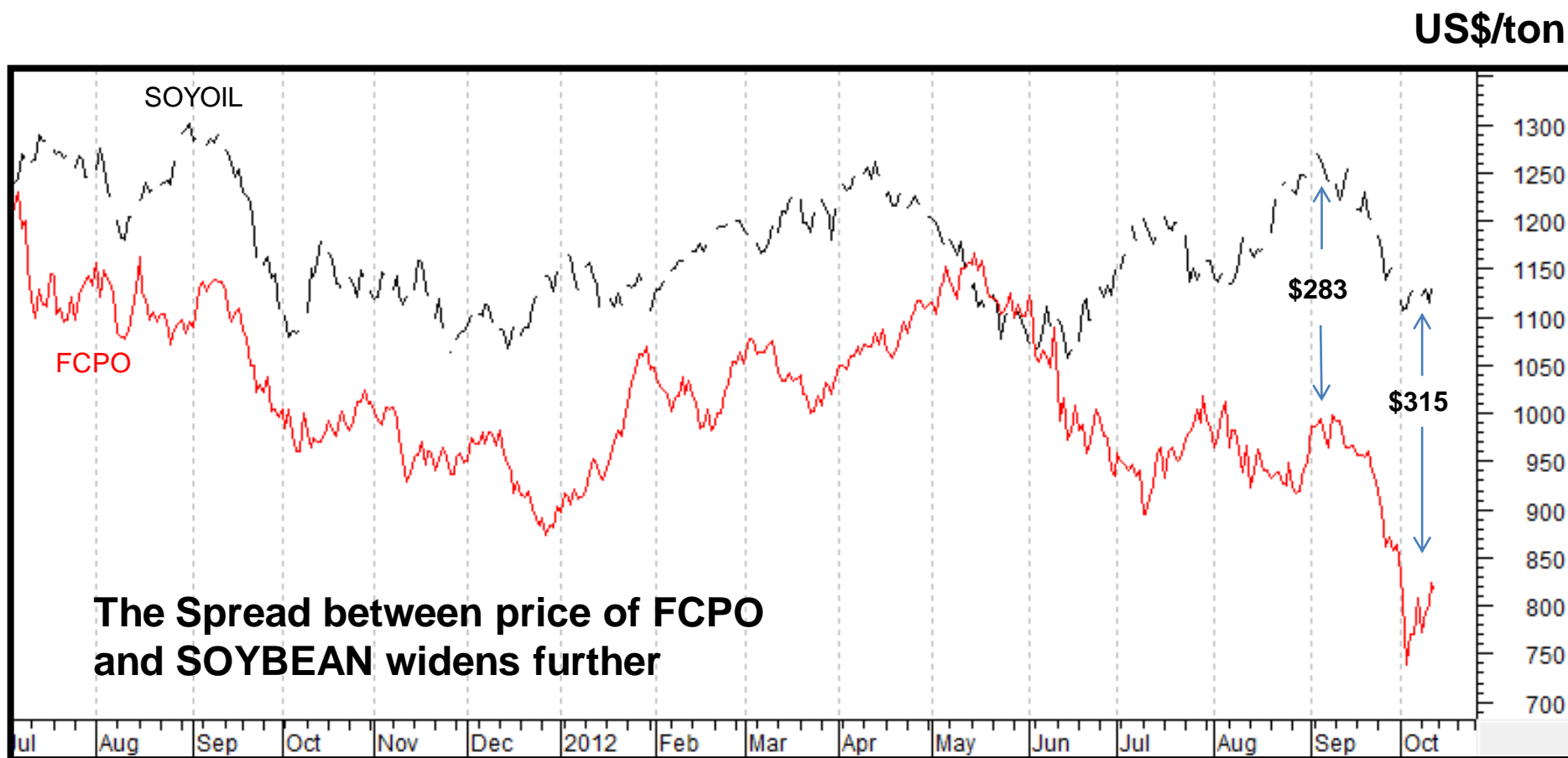
2. Factors affecting price of FCPO



CRUDE PALM OIL PRICE OUTLOOK – A TECHNICAL PERSPECTIVE

2. Other Factors affecting price of FCPO

SOYBEAN OIL and CRUDE PALM OIL



Data source: NextVIEW Sdn Bhd

2. Other Factors affecting price of FCPO

US Dollar against the Malaysian Ringgit USD/MYR:

US Dollar firm, providing support for FCPO



Data source: NextVIEW Sdn Bhd

2. Other factors affecting price of FCPO

Analysis

1. Output expect to increase in October but should seasonally decline in November onwards.
2. However, exports may be weak until December. Oct 1 to 10 export estimate by cargo surveyors - 420,758 tons (SGS) down 8.7% on-month and 448,624 tons down 1% on-month
3. Stocks can reach 3 million tons and beyond by end of 2013.
4. Price of Soybean is at a high premium (US\$315) against the price of FCPO. Price of FCPO is oversold.
5. US Dollar firm, should be some support FCPO. Further QE3 should devalue US dollar.
6. High inventory should provide resistance for FCPO price to turn into an up trend next year

3. Crude Palm Oil forecast for the year

FORECAST

Price of crude palm oil is oversold in the short term and may rebound to RM2,650 to RM2,800 by the end of this year.

RM2,230 should be the lowest this year.

From the pattern, we may see price trading between RM2,300 to RM2,800 in the next one year. Price capped by high inventory

Validity

Price may return to a bullish trend if it breaks above RM3,000.

An worsening global economy(recession) next year would push price below RM2,200 next year and find support only at RM1,800.

**THANK
YOU!**

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