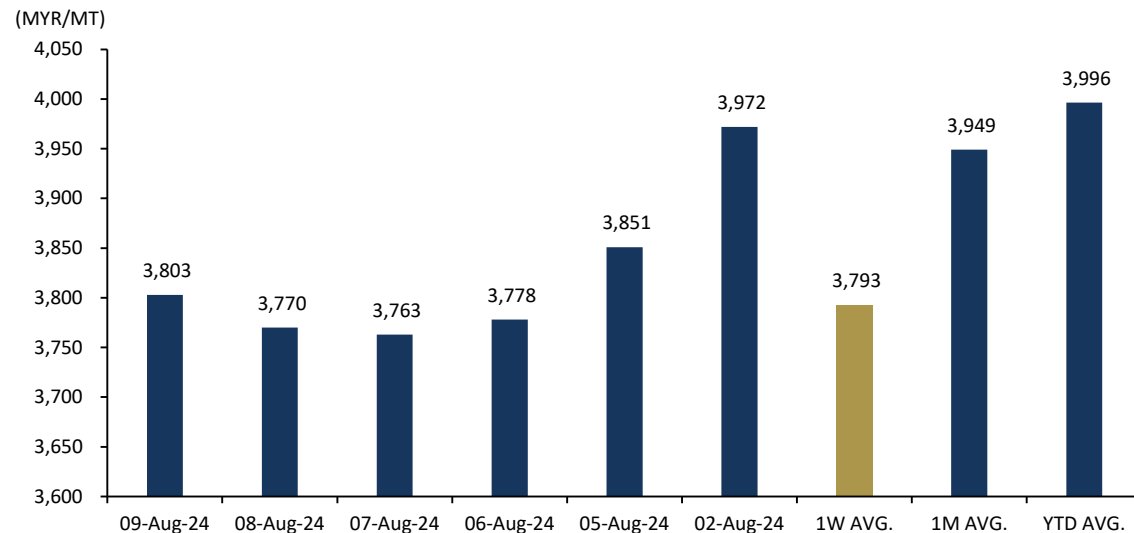


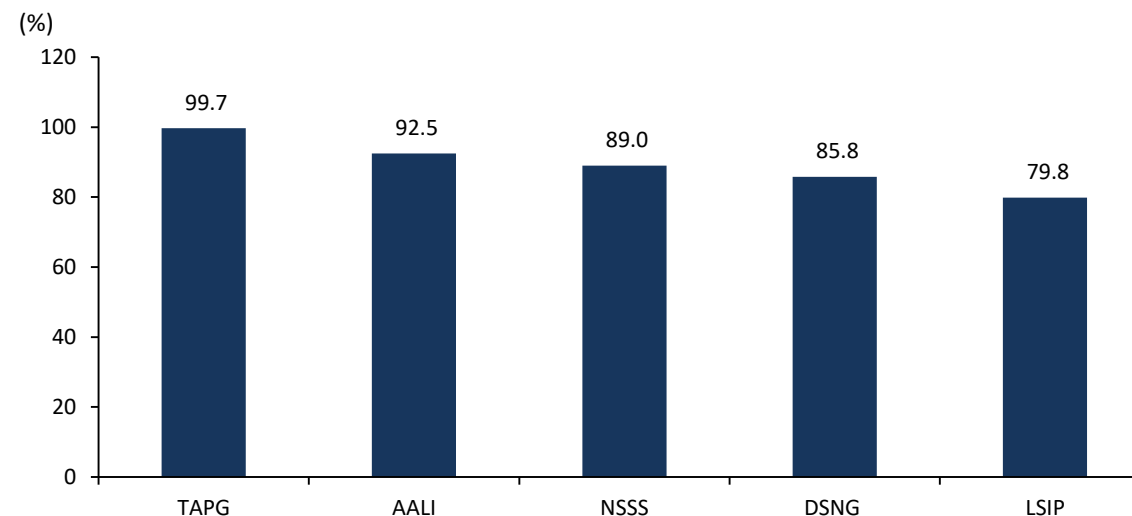
CPO Price Performance



Recent Catalysts Driving the Price

- Between 2-9 August 2024, CPO prices declined -4.25% WoW, averaging MYR 3,793/MT, mainly due to stronger MYR and the decline in prices of other edible oils.
- MYR has been on an uptrend since Apr-24, appreciating 5.7% WoW against USD as the Malaysian central bank boosted foreign investment and rolled back subsidies to reduce budget deficit.
- Since July 2024, soybean and sunflower oil prices have been under pressure due to lower demand from China on cooking oil hygiene scandal. For week ended 9 August, sunflower oil fell to USD 894/MT (-1.3% WoW, -4.9% MoM) but soybean oil saw a slight uptick on the week to USD 937/MT (+0.8% WoW, -11.2% MoM).
- We retain our FY24 average CPO price forecast at MYR 4,100/MT (YTD: MYR 3,996/MT) with NSSS (TP IDR 265/sh) and TAPG (TP IDR 800/sh) as our top sector's picks, supported by relatively young plantation profile (<10 years old), which should translate to higher crop and extraction yields.

CPO Contribution to 2Q24 Revenue, by Company



Peer Comparables

Company Ticker	Market		Last Price (IDR)	2024F			
	Cap (IDR Tn)	Rating		EPS Growth (%)	P/E (x)	EV/Ha (USD)	ROE (%)
TAPG IJ	13.5	BUY	680	75.6	4.5	4,641	17.4
AALI IJ	11.6	HOLD	6,050	1.5	10.7	2,798	4.8
SSMS IJ	10.2	BUY	1,070	110.9	5.6	12,483	5.0
DSNG IJ	7.5	BUY	710	14.3	5.9	11,517	9.4
LSIP IJ	6.0	HOLD	885	30.9	5.1	2,912	9.5
NSSS IJ*	4.5	BUY	187	344.2	99.7	14,580	4.1
Sector	53.4			74.9	14.3	7,046	9.1

*: FY24 figures are annualized