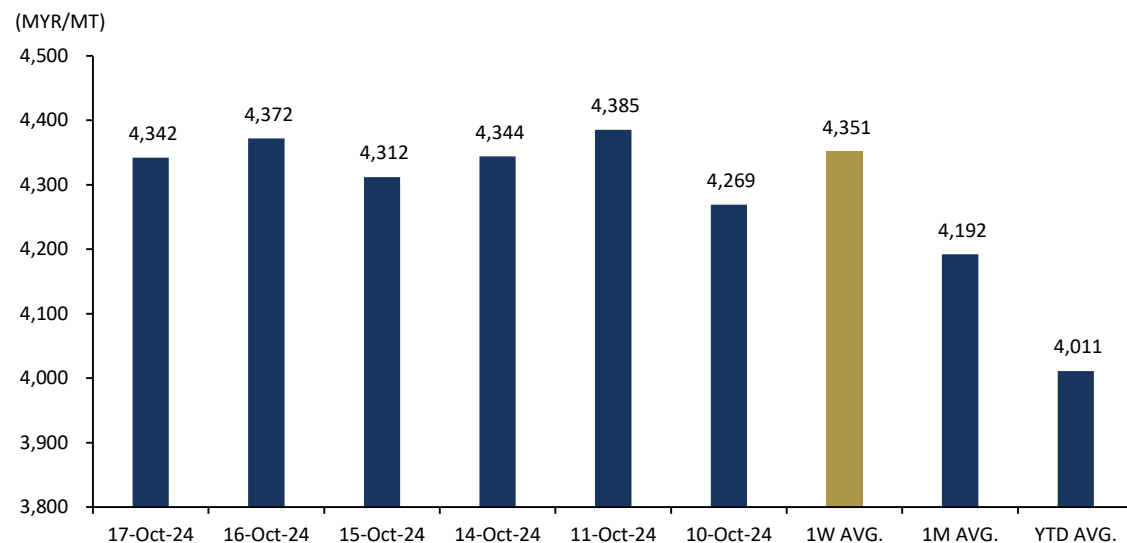


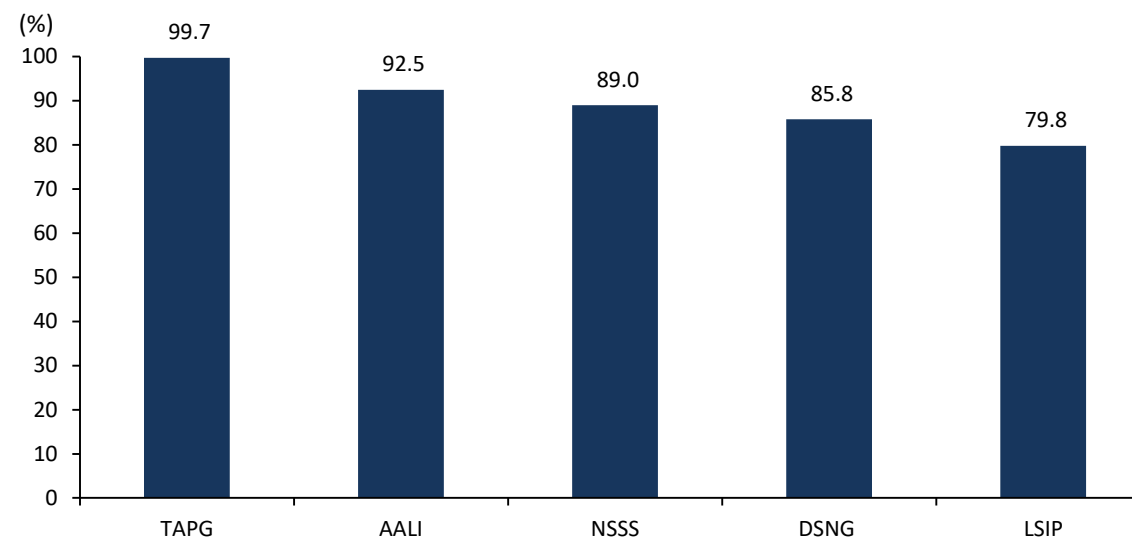
CPO Price Performance



Recent Catalysts Driving the Price

- In 10-17 October 2024, CPO prices rose +1.7% WoW, averaging MYR 4,351/MT, mainly driven by stronger demand from India, the world's largest CPO importer.
- During the first half of October, India's CPO imports from Malaysia surged nearly 63% from a month before (MoM). Historically, India's cooking oil usage tends to rise between September - November due to several religious festivals, including Diwali. The trend appears to be repeating itself this year, as India's CPO inventory has been on downward trajectory since July.
- Malaysia decided to maintain its palm oil export tax at 8%. The rate has been unchanged since January 2021, following government exemption in Jul-Dec 2020.
- At this stage, we retain our FY24 average forecast at MYR 4,100/MT (YTD: MYR 4,011/MT), with NSSS (TP IDR 265/sh) and TAPG (TP IDR 800/sh) as our top sector's picks, supported by their relatively young plantation profiles (<10 years old), reflecting higher crop and extraction yields.

CPO Contribution to 2Q24 Revenue, by Company



Peer Comparables

Ticker	Mkt Cap (IDR Tn)	Rating	Target Price (IDR)	Last Price (IDR)	Rel. to JCI 5D (%)	2024F			
						EPS Growth (%)	P/E (x)	EV/Ha (USD)	ROE (%)
TAPG IJ	17.4	BUY	800	930	2.9	75.6	10.6	4,755	14.2
AALI IJ	12.6	HOLD	6,400	6,725	-0.3	1.5	11.3	5,798	4.8
SSMS IJ	10.7	BUY	1,200	1,120	-3.4	110.9	5.6	13,720	5.0
DSNG IJ	10.0	BUY	950	1060	9.4	14.3	9.0	10,307	9.9
LSIP IJ	7.2	HOLD	900	1145	5.6	30.9	8.4	2,178	7.4
NSSS IJ*	4.9	BUY	265	226	6.3	344.2	99.7	17,776	4.1
Sector	62.6				2.9	73.0	16.6	8,085	8.5

*: FY24 figures are annualized