

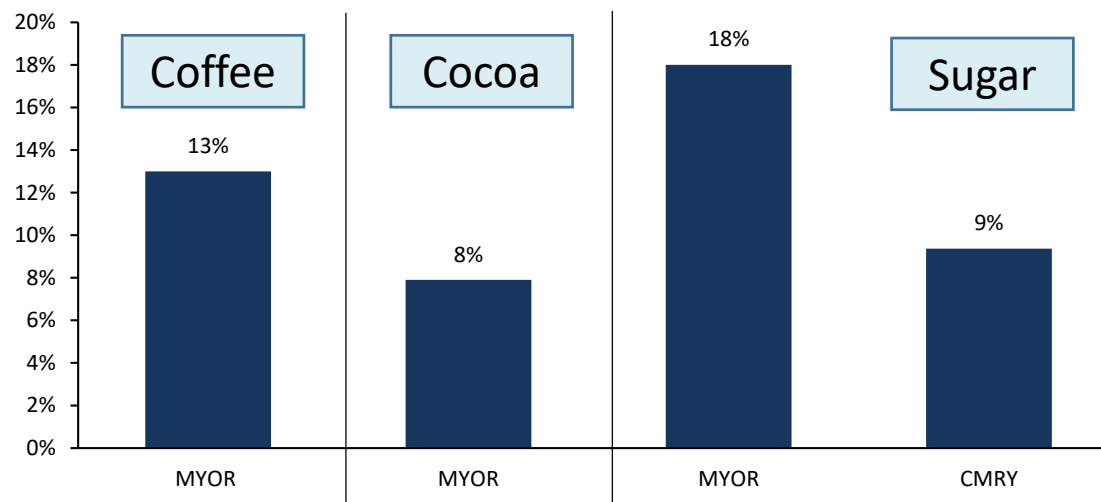
## Weekly Price Changes

Commodity	Last Price	5D chg	1M chg	3M chg	1Y chg	YTD chg
CPO Malaysia	5,076	2.4	15.8	34.3	35.8	38.6
Soybean CBT	1,014	1.0	0.7	4.2	(24.9)	(21.7)
Soybean Oil	47	0.6	7.6	12.4	(9.0)	(2.6)
Wheat	565	(1.5)	(5.7)	5.2	(1.8)	(10.1)
Cocoa	7,400	10.9	7.7	20.5	98.4	93.9
Coffee	259	4.5	3.4	10.2	47.9	36.5
Sugar	21	(3.3)	(4.2)	14.8	(11.9)	2.9
Skimmed Milk Powder	2,645	0.9	3.1	7.7	(0.7)	2.6

## Soft Commodities Notes

- ☐ Cocoa prices rose +10.9% over the past 5D, driven by potential supply constraints. Cocoa inventories at US ports have been trending down for 17 consecutive months, reaching a 19-year low of 1.7 million bags on Monday. Also, on 30 August, the International Cocoa Association (ICCO) raised its 2023/24 global cocoa deficit estimate to -462k MT (May: -439k MT), the largest shortage in over 60 years. The increase in cocoa prices is expected to negatively impact Mayora Indah (MYOR) the most among consumer companies.
- ☐ Coffee prices increased +4.5% in the past 5D due to weather forecasts predicting lower rainfall at Minas Gerais, Brazil's main Arabica coffee-producing region. This could adversely affect coffee yields and production levels, further applying pressure on MYOR.
- ☐ Sugar prices declined -3.3%, stemming from USD strengthening (3M DXY: +2.6%) and 12.1% drop in crude oil prices over the past three months. These conditions have reduced incentives for producers to shift to convert sugar into ethanol, thereby increasing market supply. Lower sugar prices will benefit MYOR > CMRY > UNVR > KLB > SIDO > ULTJ.
- ☐ Raw materials prices remained mixed, impacting consumer companies' costs in different ways. Stock-wise, we maintain ICBP as top pick with TP of IDR 14,000/share (PE 2024F: 20.6x), as the company may benefit from lower wheat prices. On the flip side, we expect MYOR's gross margin to remain under pressure due to higher coffee and cocoa prices.

## Raw Materials Contribution to Total COGS



## Peer Comparables

Company	Rating	Market Cap (IDR Tn)	Last Price (IDR)	TP (IDR)	2024F				
					EPS Gwt (%)	P/E (x)	P/B (x)	Div. Yield (%)	ROE (%)
ICBP IJ	BUY	138	11,850	14,000	31.8	15.0	3.0	2.5	19.3
UNVR IJ	SELL	89	2,320	1,800	(16.4)	17.3	23.7	6.6	128.0
KLB IJ	BUY	70	1,500	1,800	15.0	21.8	3.0	2.2	14.4
MYOR IJ*	BUY	58	2,590	-	(1.1)	18.3	3.4	2.2	19.4
INDF IJ	BUY	69	7,850	8,400	28.0	6.6	1.0	4.0	16.5
CMRY IJ*	BUY	44	5,550	-	21.2	29.3	6.4	1.5	23.1
SIDO IJ	BUY	18	600	830	19.9	15.8	5.0	5.5	32.5
<b>Sector</b>		<b>486</b>			<b>14.7</b>	<b>16.9</b>	<b>6.9</b>	<b>3.4</b>	<b>38.8</b>

\* Consensus Estimates