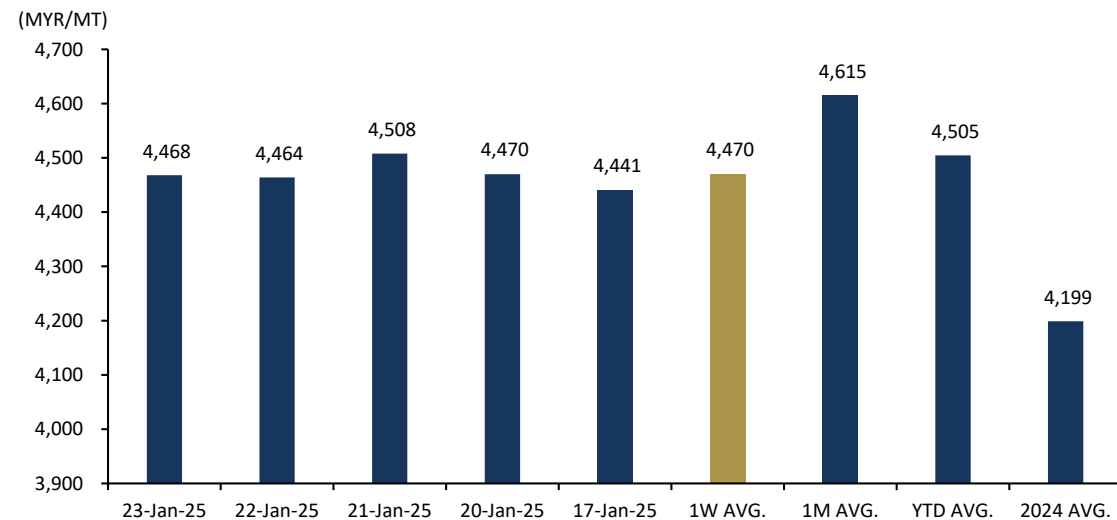


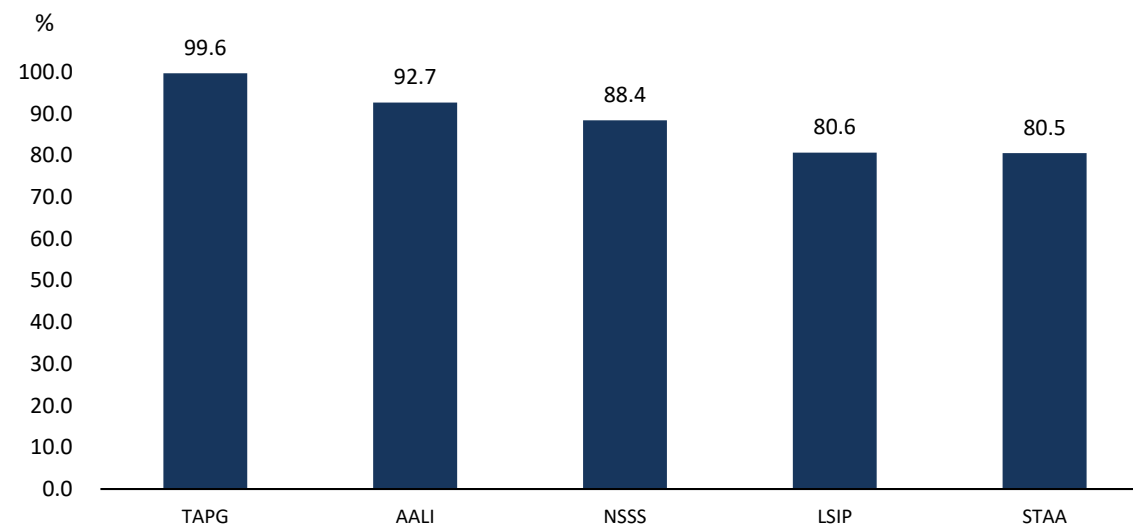
CPO Price Performance



Recent Catalysts Driving the Price

- ❑ In the last five trading days, CPO prices decreased -1.9% WoW, averaging MYR 4,470/MT, largely influenced by Trump’s national energy emergency declaration.
- ❑ Shortly after his inauguration, US President Donald Trump announced the need for more O&G drilling, creating concerns regarding global oversupply of oil and its potential impact on biofuel demand. Furthermore, Trump’s nominee for overseeing American farming, Brooke Rollins, previously led an opposition group on biofuel, adding to market apprehension.
- ❑ Despite this, CPO prices could see temporary boost thanks to increased demand ahead of Ramadan and Lebaran in March-April.
- ❑ For FY25, we set our forecast at MYR 4,500/MT (YTD: MYR 4,505/MT), up 7.2% YoY, on the back of B40 program and CPO’s defensive nature. Stock-wise, NSSS (TP: IDR 350/sh) and TAPG (TP: IDR 1,050/sh) are our top picks due to their young plantation profiles (<10 years), allowing for higher crop and extraction yields.

CPO Contribution to 3Q24 Revenue, by Company



Peer Comparables

Ticker	Mkt Cap (IDR Tn)	Rating	Target Price (IDR)	Last Price (IDR)	Rel. to JCI 5D (%)	2025F			
						EPS Growth (%)	P/E (x)	EV/Ha (USD)	ROE (%)
TAPG IJ	15.3	BUY	1050	770	-6.7	33.4	23.1	6,524	23.1
AALI IJ*	11.5	HOLD	7,377	6,000	-1.3	2.5	5.1	3,533	4.8
STAA IJ*	9.1	BUY	1000	835	-2.4	25.4	7.9	12,438	12.4
LSIP IJ*	7.0	BUY	1312	1025	-2.2	4.9	8.1	1,563	7.8
NSSS IJ	6.9	BUY	350	288	2.6	91.3	30.5	20,624	6.2
Sector	49.8				-2.8	28.7	15.1	8,157	12.4

*based on consensus