

Market Report

Ver. July 2023



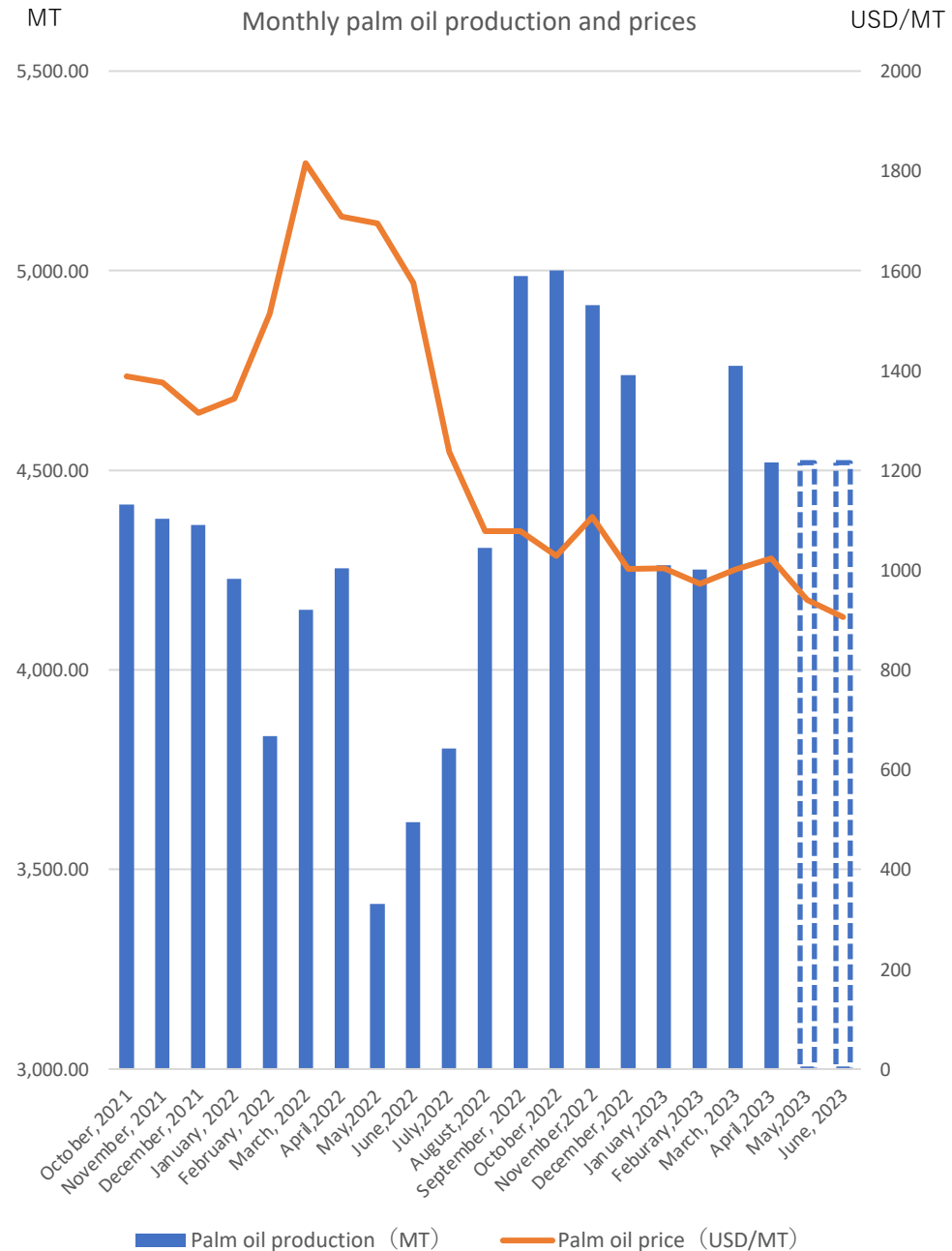
Indonesian Palm Oil Production and Price Outlook

1. Actual results

Palm oil production in April was 5.1% (243 MT) lower than in March due to seasonal factors as well as the Idul Fitri holiday. However, production through April 2023 is 8.1% (1,328 MT) higher than production through April 2022.

2. Outlook

CPO prices could be challenged in July 2023. This is due to the implementation of the palm oil block policy by EU countries, which restricts the entry of palm oil. This makes international trade pressures on Indonesian palm oil, especially those prevalent through the EU's deforestation regulation (EUDR), a source of concern for palm oil farmers. In response to the development of the Indonesian palm oil market, the government aims to launch the Indonesian Palm Exchange. The CPO production forecast for July 2023 is 4,125 MT, an increase of 660 MT compared to last year's actual production of 3,465 MT in July.



PKS export volume and export value forecast from Indonesia

1. Actual results

In May 2023, Indonesia recorded 390,164 MT of PKS exports with a foreign currency value of USD 46,972,950, an increase of 28.36% (86,196 MT) compared to April's export volume of 303,968 MT.

Japan was the largest export destination in May 2023 with 363,248 MT of exports and a 93.10% market share.

2. Outlook

Palm harvest volume is increasing steadily, and CPO mill operations are expected to increase compared to the previous month.

