

Market Report

Ver. Nov 2024

Indonesia's FFB Production Outlook

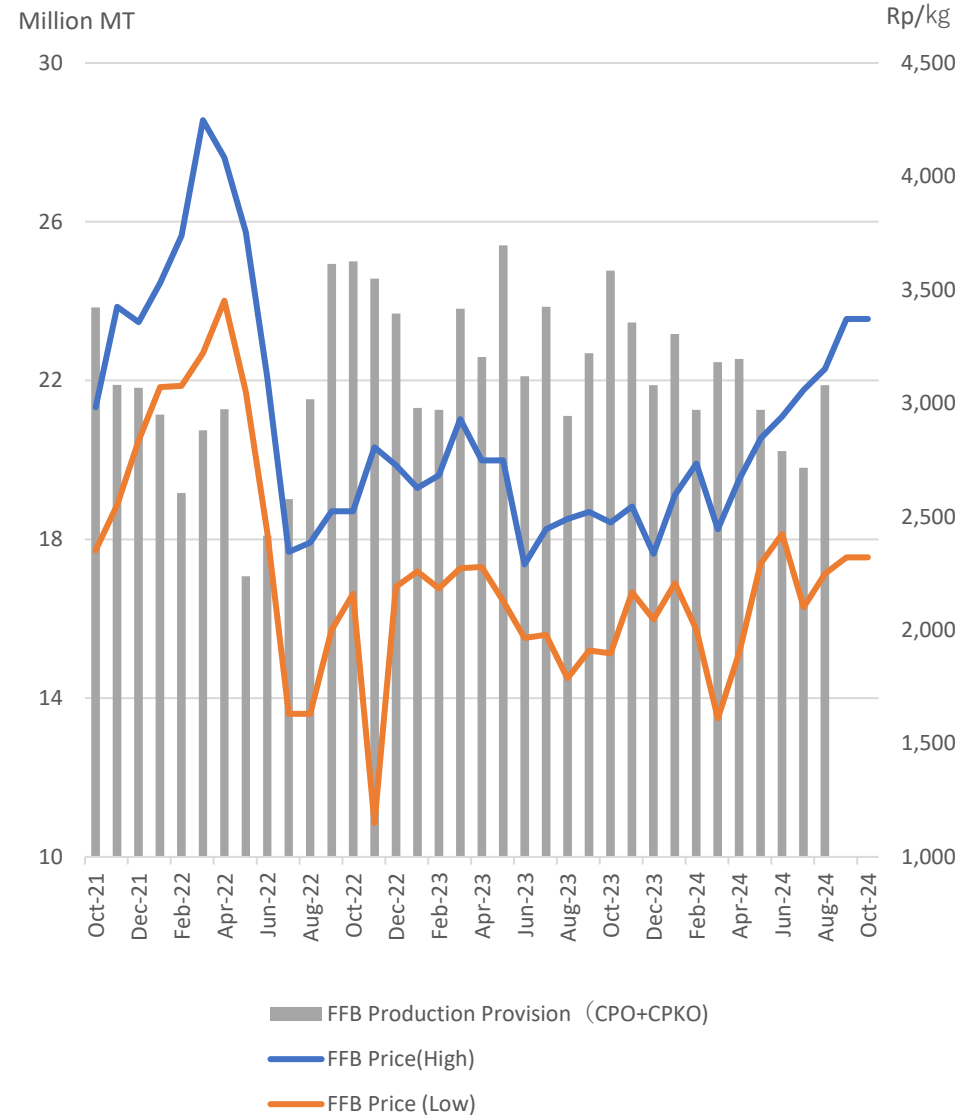
1. Actual Results

In October 2024, the average FFB price in 22 provinces in Indonesia for tree age of 10-20 years. The highest price was Rp2,824/kg in West Sumatra Province, about 4% higher than the previous month of September. The lowest price was 2,320Rp/kg in West Papua Province.

2. FFB Production Forecast

FFB production is actually increasing from July to August. From October, production is expected to decline due to the rainy season in Indonesia as a whole.

FFB Price in Indonesia(High/Min)
Estimated FFB Production



Indonesian Palm Oil Production and Price Outlook

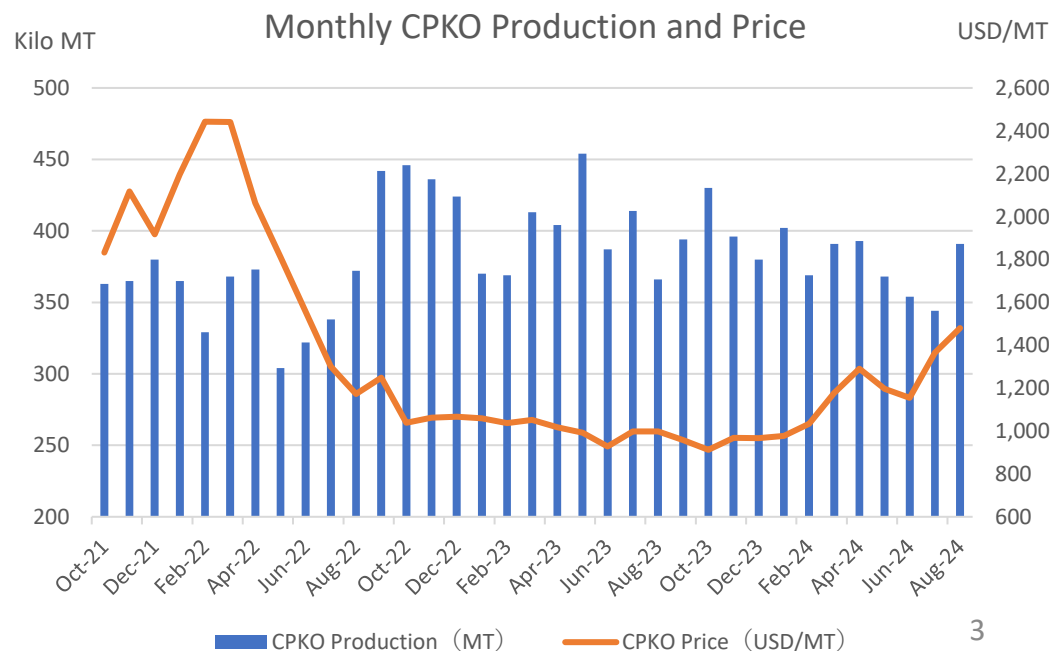
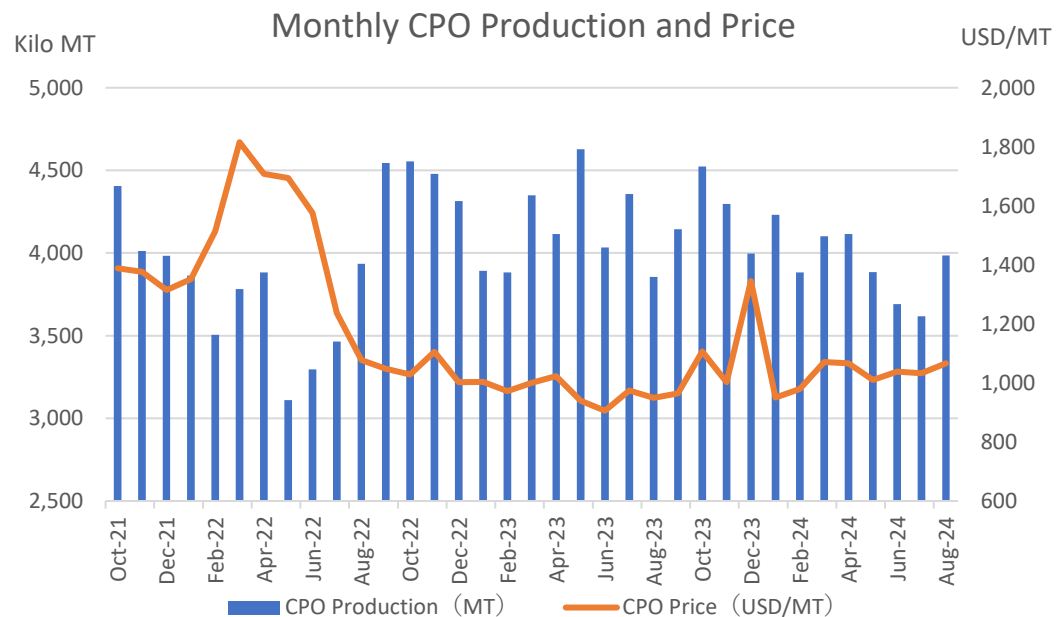
Actual Results

1.CPO

The average price of CPO (CIF Rotterdam) was 12,958 Rp/kg in August 2024 compared to 13,353 Rp/kg in September 2024, an increase of 396 Rp/kg (about 3% increase). It also increased by 2,491 Rp/kg (about 23% increase) compared to the average CPO price of 10,863 Rp/kg in September 2023.

2.CPKO

The average price of CPKO (CIF Rotterdam) was 1,480 USD/MT in August 2024 compared to 1,515 USD/MT in September 2024, an increase of 35 USD/MT (about 2% increase). It was also 557 USD/MT higher (about 58% increase) compared to the average CPO price of 958 USD/MT in September 2023.



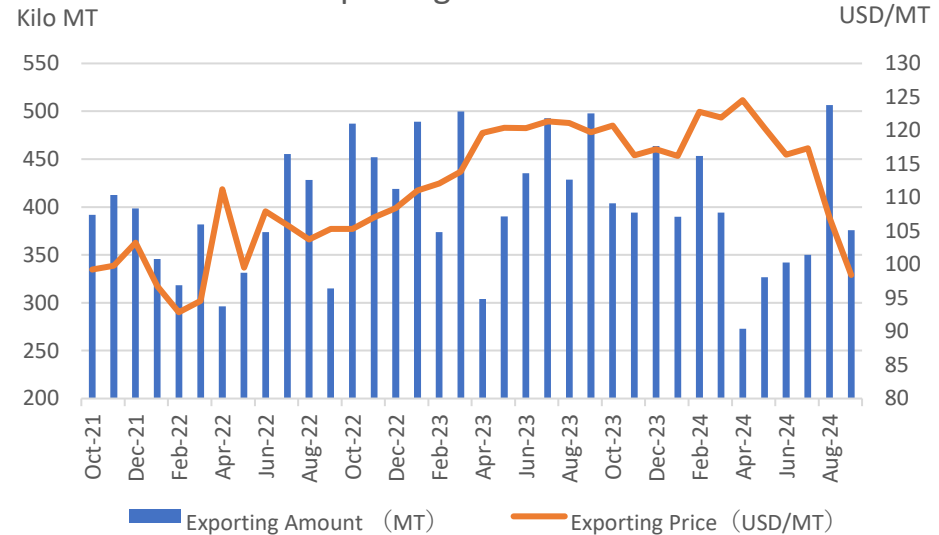
PKS export volume and export value forecast from Indonesia

Actual Results

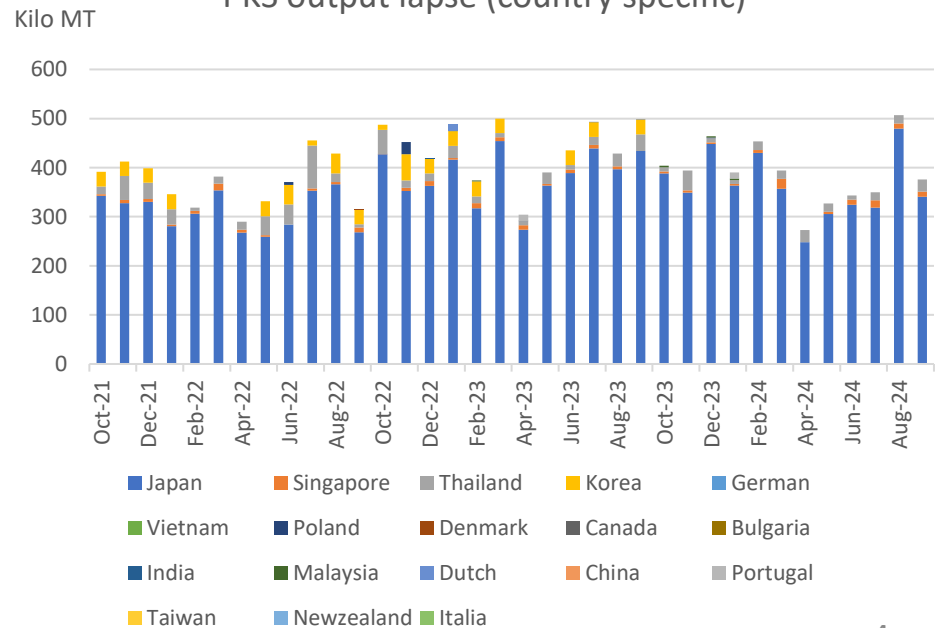
Indonesia's PKS exports in September 2024 totaled 375,928 tons, a decrease of 130,695 tons (about 26% from the previous month) when compared to August's exports of 506,623 tons. Compared to the 497,957 tons of PKS exported the previous year in September 2023, September 2024 exports decreased by 122,029 tons (about 25%). The value of PKS exports in September 2024 was recorded at USD 37,010,922.

Japan was the largest export destination in September 2024, recording 340,948 tons in export volume and 34,286,523 USD. (PKS exports to Japan account for about 91% of Indonesia's total exports.) Compared to August's exports of 479,630 tons, exports to Japan decreased by 138,682 tons (about 29% decrease from the previous month).

PKS Exporting Amount and Price



PKS output lapse (country specific)



Source: Data prepared by Santomo based on various information.

PKS export volume and export value forecast from Indonesia

1.Outlook for CPO and FFB Prices

With Indonesia, a palm producing country, planning to sell B40 biodiesel (a mixture of CPO and diesel fuel), domestic demand for CPO will increase, and FFB and CPO prices are expected to continue to trend upward.

2. Outlook for PKS Prices

Once the export volume of PKS dropped significantly and the price of PKS also dropped, but the export volume is on a recovery trend. In addition, FFB and CPO production in November is estimated to decrease due to the rainy season. As a result, the future increase in PKS demand and low supply of PKS may continue, which may lead to higher prices.

3. Indonesian Domestic Policy

Domestic demand for CPO is increasing as Indonesia, a palm producing country, plans to sell B40 biodiesel (CPO: a mixture of 40% biodiesel and 60% diesel fuel).In addition, export restrictions on CPO may be tightened in relation to the domestic supply of B40.