

Market Report

Ver. Jan 2025



Indonesia's FFB Production Outlook

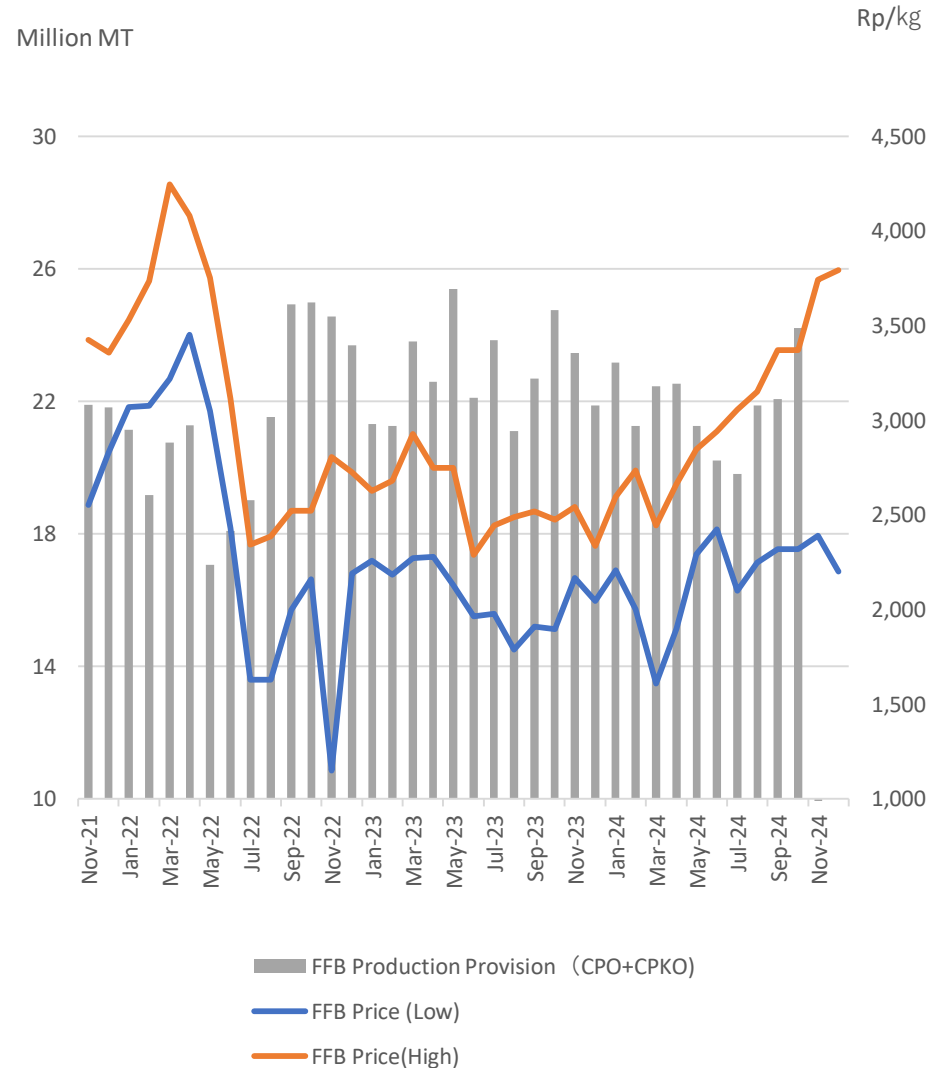
1. Actual Results

In December 2024, the average FFB price in 22 provinces in Indonesia for tree age of 10-20 years is Rp3,202/kg. The highest price was Rp3,794/kg in West Sumatra Province, about 5% higher than the previous month of December. The lowest price was 2,202Rp/kg in Banten Province.

2. FFB Production Forecast

FFB production is actually increasing from July to October. From November, production is expected to decline due to the whole Indonesia entering rainy season.

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



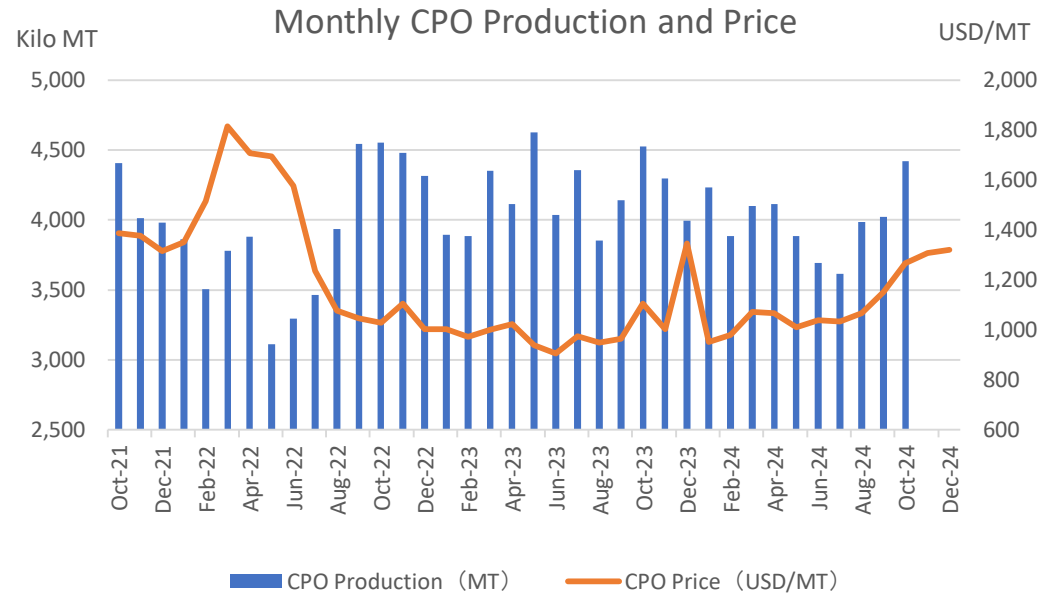
Source: Data prepared by Santomo based on various information.

Indonesian Palm Oil Production and Price Outlook

Actual Results

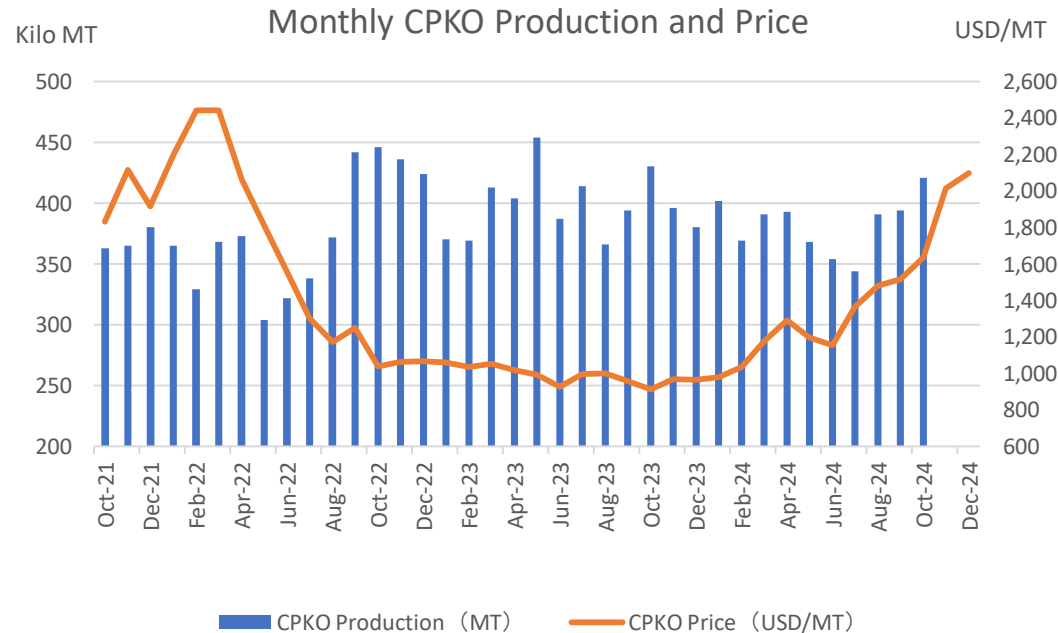
1.CPO

The average price of CPO (CIF Rotterdam) was 1,308 USD/MT in November 2024 compared to 1,321 USD/MT in December 2024, an increase of 13 USD/MT (about 1% increase). It also increased by 24 USD/MT (about 2% increase) compared to the average CPO price of 1,345 USD/MT in November 2023.



2.CPKO

The average price of CPKO (CIF Rotterdam) was 2,015 USD/MT in November 2024 compared to 2,099 USD/MT in December 2024, an increase of 84 USD/MT (about 4% increase). It was also 1,133 USD/MT higher (about 117% increase) compared to the average CPO price of 966 USD/MT in December 2023.



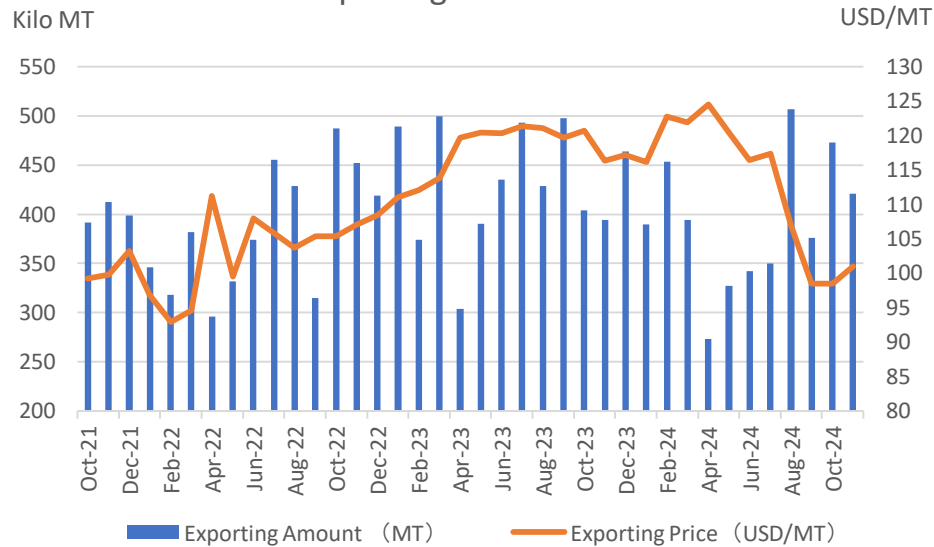
PKS export volume and export value forecast from Indonesia

Actual Results

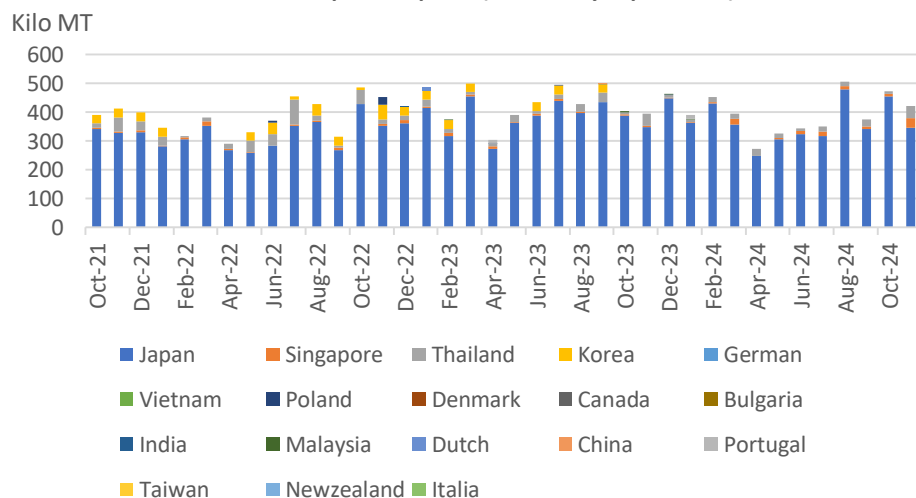
Indonesia's PKS exports in November 2024 totaled 421,038 tons, a increase of 51,784 tons (about 11% from the previous month) when compared to October's exports of 472,822 tons. Compared to the 394,275 tons of PKS exported the previous year in November 2023, October 2024 exports increased by 26,763 tons (about 7%). The value of PKS exports in November 2024 was at USD 42,526,336 recorded

Japan was the largest export destination in November 2024, recording 346,429 tons in export volume and 36,378,472 USD. (PKS exports to Japan account for about 82% of Indonesia's total exports.) Compared to October's exports of 340,948 tons, exports to Japan increased by 45,481 tons (about 13% increase from the previous month).

PKS Exporting Amount and Price



PKS output lapse (country specific)



PKS export volume and export value forecast from Indonesia

1. Outlook for CPO and FFB Prices

-In December, all of the Indonesia enters rainy season, then FFB production is expected to be decreasing, then price also will be expected to be getting higher.

-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 but decrease again. In addition, FFB and CPO production in December will be estimated to decrease due to the rainy season. As a result, now, the supply of PKS is lowered, demand of PKS effects the price of PKS.

3. Indonesian Domestic Policy

Domestic demand for CPO is increasing in Indonesia due to Indonesia government 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.