

Innoprise Plantations Bhd

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Improving FFB production and riding onto high CPO prices

- Currently undertaking the development on 22,763-ha of land across 6 estates of which approximately 12,500-ha are suitable for oil palm planting and 1 palm oil mill in Sabah.
- FFB production to improve in 2022 in view of the higher yields arising from the better tree age profile.
- CPO prices will remain elevated above RM5,000/MT over the foreseeable future, owing to the tighter supply from Indonesia, prolonged supply chain disruption and robust demand amid recovering consumer sentiment.
- Technically, price has formed flag-formation breakout above RM1.89, targeting the next resistances at RM2.00-2.08 with long term target set at RM2.30.

INNO daily: Flag-formation breakout



M+ Wiz

Trading Catalyst

- Innoprise Plantations Bhd (INNO) is principally involved in cultivation of oil palm, processing of Fresh Fruits Bunches (FFB) to produce crude palm oil (CPO) and palm kernel (PK). INNO is currently undertaking the development on 22,763-ha of land across 6 estates of which approximately 12,500-ha are suitable for oil palm planting and 1 palm oil mill in Sabah.
- Moving forward, INNO expects FFB production to improve in 2022 in view of the higher yields arising from the better tree age profile. Already, we gather that 1Q22 FFB production rose 11.7% YoY to 53,001MT.
- We think that the CPO prices will remain elevated above RM5,000/MT over the foreseeable future, owing to the tighter supply from Indonesia, prolonged supply chain disruption and robust demand amid the recovering economic activities. At current price of RM1.91, INNO's dividend declared at 22.0 sen per share in FY21 that

INNORISE PLANTATIONS BHD

Last Price (RM)	1.88
5 Day Change (%)	-0.5
1 Day Range Percentile (%)	100.0
5 Day Range Percentile (%)	36.4
52Week Range Percentile (%)	83.1
Volatility 30D	48.0
EMA9, EMA20, EMA60 Trend	Uptrend
Price vs. EMA20 (%)	3.1
DMI DI+	31.0
DMI DI-	20.8
ADX	17.4
Price Skew	UP
RSI 14D	64.7
RSI OB/OS	Positive
Price vs. Bollinger Band (%)	73.3

Bloomberg

Financial snapshot

FYE Dec	FY21	FY22f	FY23f
Revenue (RM m)	118.6	154.9	230.0
Net profit (RM m)	14.7	36.4	87.1
Shares (m)	478.9	478.9	478.9
EPS (sen)	3.1	7.6	18.2
DPS (sen)	2.0	6.5	22.0
P/E (x)	62.1	25.1	10.5
DY (%)	1.0	3.4	11.5

Bloomberg

translates dividend yield of 11.5% is fairly attractive for longer term investment horizon.

Technical Outlook

- Technically, share price is on the strong uptrend formation since January 2022 alongside with the rally in CPO prices. Price has since pullback towards daily EMA60 before a recovery took precedence. Coming closer, price has formed flag-formation breakout above RM1.89 and traders may anticipate for further upside towards the next resistances at RM2.00-2.08 with long term target set at RM2.30. Support is pegged at RM1.77 and cut loss is located at RM1.76.

Glossary

Last Price (RM)	Last closing price
5 Day Change (%)	Percent change in price over the last five days. The formula is: [(Last Trade - Closing Price Five Days Ago) / Closing Price Five Days Ago] x 100.
1 Day Range Percentile (%)	Calculates the percentile value within the 1-day range
5 Day Range Percentile (%)	Calculates the percentile value within the 5-day range
52 Week Range Percentile (%)	Calculates the percentile value within the 52-week range
Volatility 30D	A measure of the risk of price moves for a security calculated from the standard deviation of day-to-day logarithmic historical price changes. The 30-day price volatility equals the annualised standard deviation of the relative price change for the 30 most recent trading days closing price, expressed as a percentage.
EMA9, EMA20, EMA60 Trend	If EMA9 is greater than EMA20 and EMA20 is greater than EMA60 it will be stated as Uptrend. If the EMA9 is lesser than EMA20 and the EMA20 is lesser than EMA60, it will be stated as Downtrend, otherwise Consolidation.
Price vs. EMA20 (%)	Position of the price away from the EMA20 level
DMI DI+	Positive directional movement.
DMI DI-	Negative directional movement.
ADX	ADX is a moving average of the directional movement index.
Price Skew	If the average of 20 days closing price is greater than 20 days Median price, it will be stated Up. If the average of 20 days closing price is lower than 20 days Median price, it will be stated Down.
RSI 14D	RSI measures the momentum of a security to determine whether it is in an overbought or oversold condition. If RSI 14 days is greater or equal to 70, it will be stated Overbought.
RSI OB/OS	If the RSI 14 days is greater or equal to 50, but lower than 70, it will be stated Positive. If the RSI 14 days is greater than 30, but lower than 50, it will be stated Negative. If the RSI 14 days is lower or equal to 30, it will be stated Oversold.
Price vs. Bollinger Band (%)	Position of the price compare to the Bollinger band in percentage