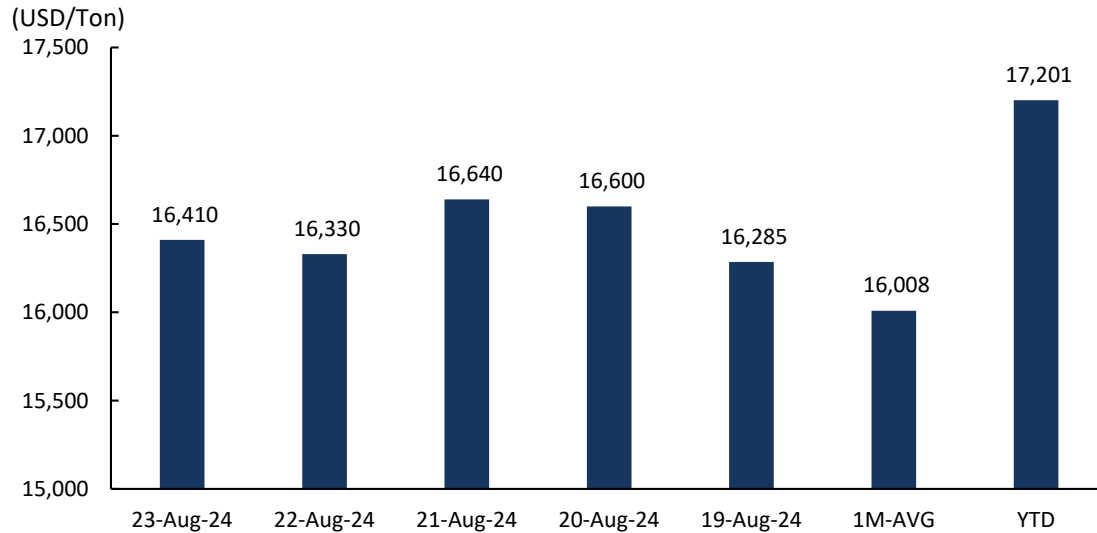


# Nickel Weekly (26 August 2024): USD 16,453/ton (+2.8% WoW)

## Price Chart



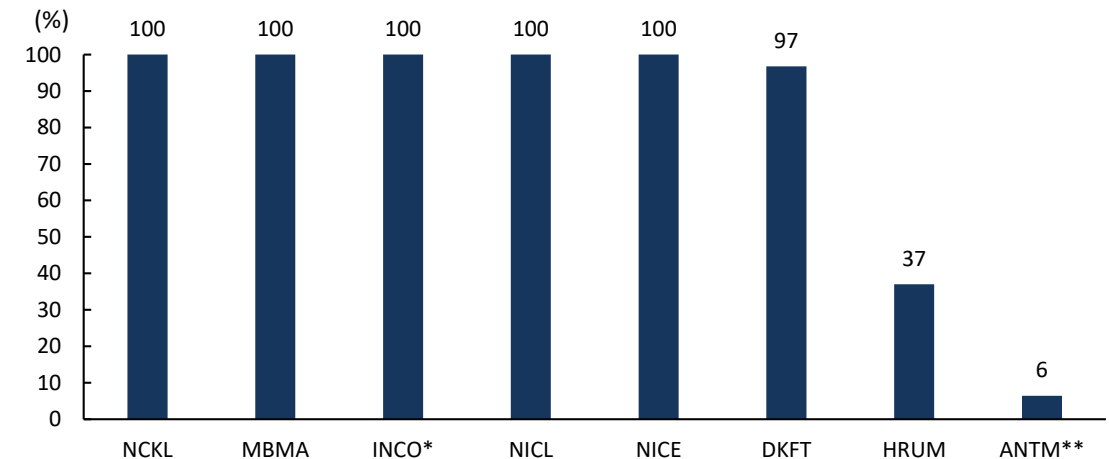
## Recent Catalysts Driving the Price

- Between 19–23 August 2024, nickel prices went up +2.8% WoW, averaging USD 16,453/ton, on the back of significant rebalancing currently occurring in global nickel market, with Australia cutting its 2024 production by 19% to 165,000 tons and Russia's Nornickel reducing output by 17–22% due to maintenance delays. China is scaling back its Nickel Pig Iron (NPI) production by 50,000 tons as it increasingly relies on cheaper imports from Indonesia.
- Despite these cutbacks, Indonesia is set to increase its 2024 nickel output by over 300,000 tons, a crucial move to meet global demand, particularly in the EV battery sector. The shift highlights the ongoing challenges and opportunities within the nickel industry as it navigates economic pressures and supply chain adjustments.
- We retain our FY24 nickel price forecast of USD 17,220/ton (YTD: USD 17,201/ton). Stock-wise, we maintain NCKL as our top pick with TP of IDR 1,200 (FY24 P/E: 8.4x) due to anticipated earnings growth from capacity expansion and industry-lowest cash cost.

## Peer Comparables

Company	Rating	Market Cap.	Last Price	2024F				
				PER	PBV	EV/EBITDA	EPS Gwt.	ROE
Ticker		(IDR Tn)	(IDR)	(x)	(x)	(x)	(%)	(%)
MBMA IJ	N/A	58	540	34.7	2.3	16.3	1,328.6	6.4
NCKL IJ	BUY	58	915	10.5	2.1	8.1	(5.9)	21.1
INCO IJ	HOLD	40	3,800	24.5	0.9	7.4	(63.2)	3.7
ANTM IJ	BUY	35	1,450	14.1	1.2	9.3	(19.7)	8.3
HRUM IJ	BUY	18	1,335	9.5	1.1	3.5	14.6	12.3
<b>Sector</b>		<b>209.0</b>		<b>20.5</b>	<b>1.7</b>	<b>10.1</b>	<b>355.0</b>	<b>10.8</b>

## Nickel Revenue Contribution, by Company



\*FY23 figures; \*\*Lower nickel contribution due to mining permit issues