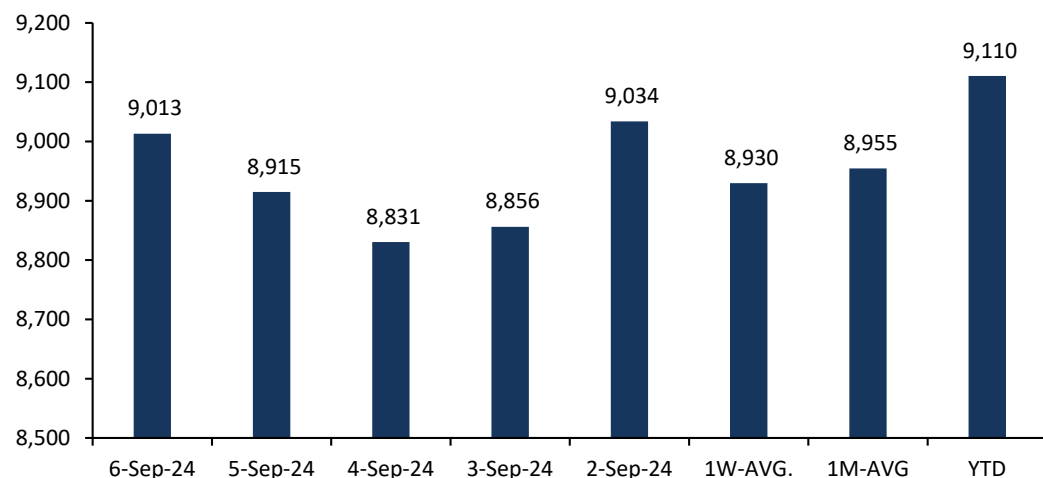


Copper Weekly (09 September 2024): USD 8,930/ton (-2.7% WoW)

Price Chart

(USD/Ton)



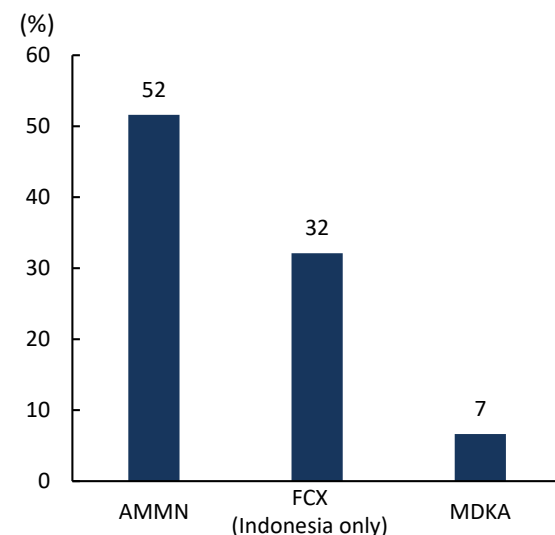
Recent Catalysts Driving the Price

- Between 02–06 September 2024, copper prices fell -2.7% WoW, partly attributable to weak demand from China as the country struggled with economic recovery. China’s industrial output only grew 5.1% YoY in Aug-24, down from 5.3% in the previous month.
- Additionally, concerns over rising interest rates in major economies like the US and Europe have heightened fears of industrial slowdown, which could curb global copper demand. The Fed rate hikes have pushed borrowing costs to over 5%, further dampening industrial growth. Increased inventory levels at key warehouses to 150k tons (+8% MoM) and stronger DXY (+0.3%) also contributed to the bearish sentiment.
- We maintain our average FY24 copper price forecast at USD 9,500 per ton (YTD: USD 9,110/ton). On the stock front, we retain MDKA as our top pick, with TP of IDR 3,300 (EV/EBITDA FY24: 12.2x), reflecting 45% upside potential, as the company turns into profit in 2024, supported by its smelter in Weda Bay, Maluku.

Peer Comparables

Company	Rating	Market Cap.	Current Price	2024F				
				EPS Growth	PER	PBV	EV/EBITDA	ROE
Ticker		(USDMn)	(USD)	(%)	(x)	(x)	(x)	(%)
SCCO US	-	73,919	94.1	43.6	22.9	8.5	12.7	42
FCX US	-	57,474	40.0	27.7	27.1	3.5	7.3	13.8
ANTO LN	-	21,222	21.5	-6.1	30.6	2.3	7.7	8.8
LUN CN	-	6,572	8.5	111.3	15.8	1.5	5.7	10.4
TKO CN	-	554	1.9	-7.2	11.4	1.8	6.2	9.2
Average Global Peers		159,741		34	25.1	5.5	9.7	25.7
AMMN IJ	HOLD	51,288	10,900	308.7	44.6	9	10.3	22.2
MDKA IJ	BUY	3,620	2,280	N/A	145.5	3.7	19.9	1.9
Average Local Peers		54,908		280.3	43.2	8.7	1.4	20.7

Copper to Revenue, by Company



Copper Reserves, by Company

