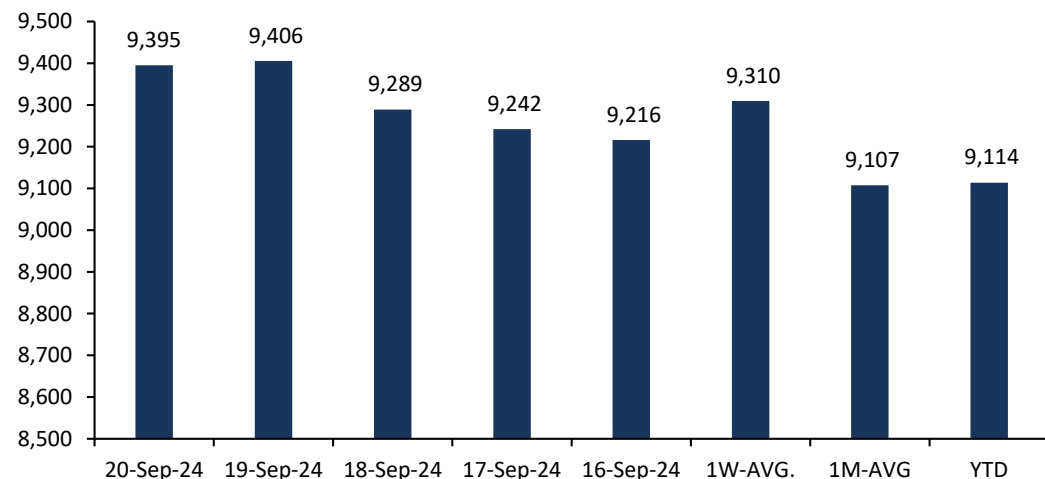


Copper Weekly (23 September 2024): USD 9,310/ton (+3.1% WoW)

Price Chart

(USD/Ton)



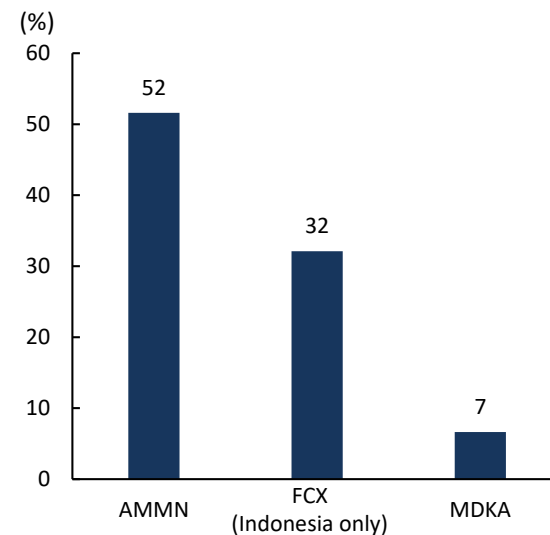
Recent Catalysts Driving the Price

- Between 16 – 20 September 2024, copper prices rose +3.1% WoW to USD 9,310/ton on the back of the Fed 50 bps rate cut, which boosted commodity market sentiment and spurred rally in riskier assets.
- Due to its superior conductivity, copper remains the material of choice for chip wire manufacturing in the semiconductor industry. The rise of AI adoption is expected to boost the sector further, highlighting strong growth potential for copper demand. According to projections by the International Copper Association (ICA) and McKinsey, copper demand is set to increase 5-7% annually over the next decade, offering positive momentum for future price appreciation.
- Despite the trend, we maintain our average FY24 copper price forecast of USD 9,200/ton (YTD: USD 9,114/ton) as industrial growth may slow down due to potential global economic recession. We retain MDKA as our top pick in the sector, with TP IDR 3,000 (EV/EBITDA FY24: 10.9x), thanks to its potential to reach profitability in 2024 and its smelter establishment in Weda Bay in 4Q24.

Peer Comparables

Company	Rating	Market Cap.	Current Price	2024F				
				EPS Growth	PER	PBV	EV/EBITDA	ROE
Ticker		(USDMn)	(USD)	(%)	(x)	(x)	(x)	(%)
SCCO US	-	81,381	103.6	43.6	22.9	8.5	12.7	42.0
FCX US	-	63,983	44.5	27.7	27.1	3.5	7.3	13.8
ANTO LN	-	23,460	23.8	-6.1	30.6	2.3	7.7	8.8
LUN CN	-	7,532	9.7	111.3	15.8	1.5	5.7	10.4
TKO CN	-	679	2.3	-7.2	11.4	1.8	6.2	9.2
Average Global Peers		177,037		33.9	25.1	5.5	9.7	25.7
AMMN IJ	HOLD	49,403	10,325	308.7	44.6	9.0	10.3	22.2
MDKA IJ	BUY	3,649	2,260	N/A	145.5	3.7	19.9	1.9
Average Local Peers		53,052		308.7	43.2	8.7	11.0	20.7

Copper to Revenue, by Company



Copper 2023 Reserves, by Company

