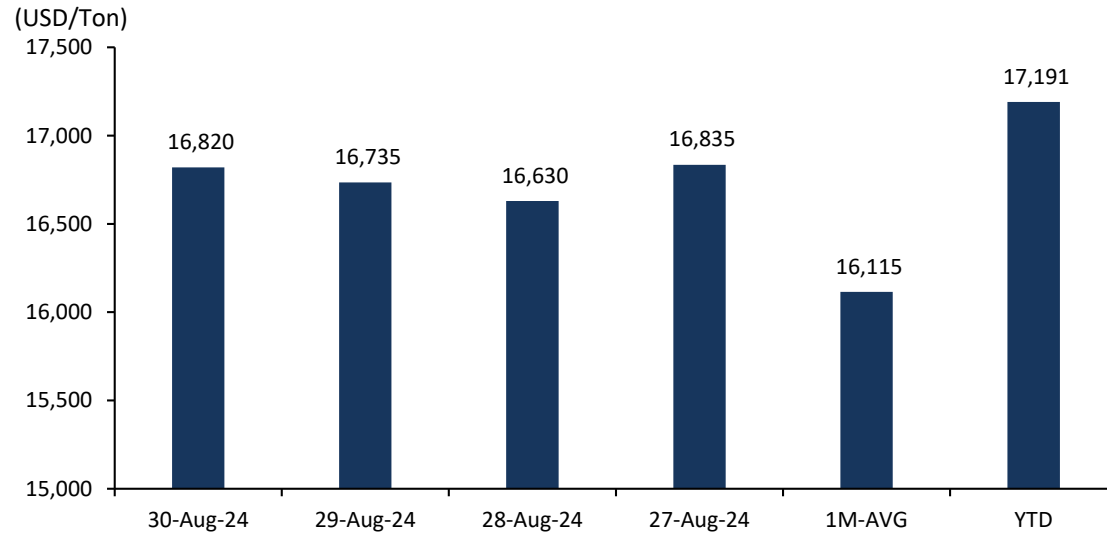


Nickel Weekly (02 September 2024): USD 16,755/ton (+1.8% WoW)

Price Chart



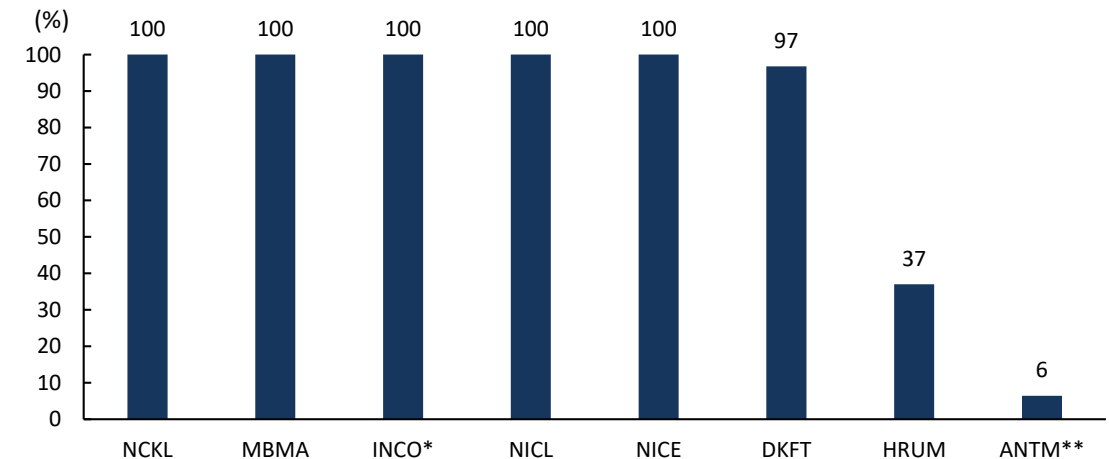
Recent Catalysts Driving the Price

- Between 27 – 30 August 2024, nickel prices went up +1.8% WoW, averaging USD 16,755/ton, triggered by output disruption from New Caledonia, the world’s third-largest nickel producer. The incident has sparked supply concerns, driving prices to their highest levels in recent months.
- Additionally, Estrella Resources in Australia reported sizable exploration target at its Carr Boyd nickel-copper project, estimated at around 5-7 million tons. Similarly, Raiden Resources commenced its maiden drilling program at Mt Sholl nickel-sulphide project. These developments are aimed to meet growing nickel demand from EV players, contributing to more optimistic market outlook.
- We retain our FY24 nickel price forecast of USD 17,220/ton (YTD: USD 17,191/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. (IDR Tn)	Last Price (IDR)	Target Price (IDR)	EPS Gwt. (%)	PER (x)	2024F PBV (x)	EV/EBITDA (x)	ROE (%)
MBMA IJ	N/A	59	545	N/A	1,328.6	35.5	2.4	16.6	6.4
NCKL IJ	BUY	57	910	1,200	(7.5)	10.6	2.1	8.0	21.0
INCO IJ	HOLD	40	3,800	4,000	(66.9)	27.5	0.9	6.6	3.4
ANTM IJ	BUY	34	1,395	1,415	(20.5)	13.7	1.1	10.3	8.1
HRUM IJ	BUY	18	1,355	1,185	23.5	9.6	1.1	3.7	12.3
Sector		208.2	-		361.7	21.4	1.7	10.2	10.6

Nickel Revenue Contribution, by Company



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