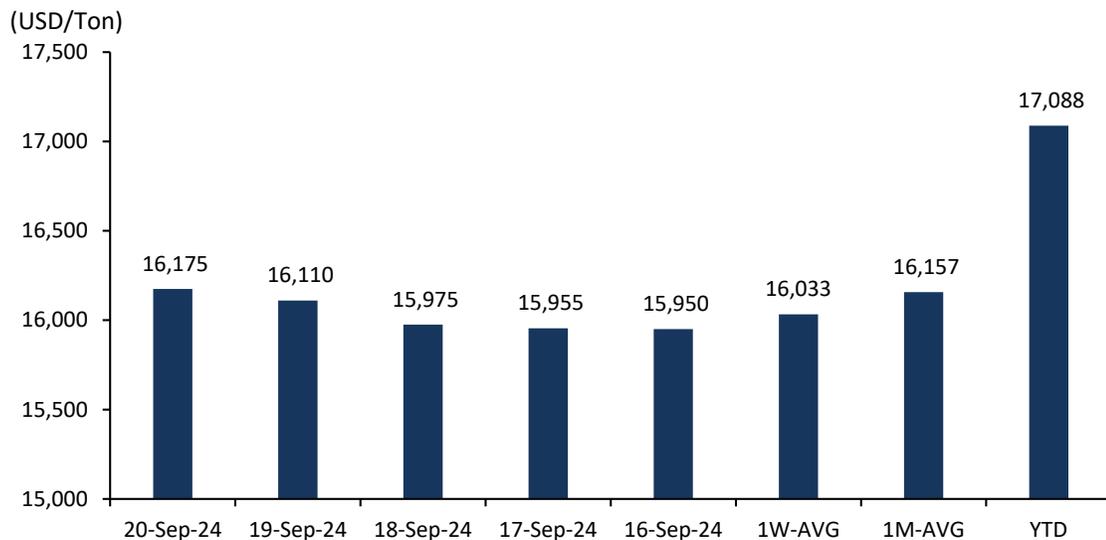


Nickel Weekly (23 September 2024): USD 16,033/ton (+2.1% WoW)

Price Chart



Recent Catalysts Driving the Price

- Between 16 – 20 September 2024, nickel prices rose +2.1% WoW, averaging USD 16,033/ ton, as market players priced in Russia’s (7.3% of global production; 3rd in the world) nickel supply cuts, which could help alleviate current global nickel oversupply issue.
- APEI forecasts La Niña impacts, including heavy rainfall and flooding, may cause 20-40% drop in production of mining commodities (including nickel), leading to higher prices. The US Climate Prediction Center forecasts 70% chance of La Niña developing in the Southern Hemisphere, including in our mining regions, from August to October 2024, possibly continuing into early 2025 with 79% probability.
- We retain our FY24 nickel price forecast of USD 17,220/ton (YTD: USD 17,088/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)	2024F				
					EPS Gwt. (%)	PER (x)	PBV (x)	EV/EBITDA (x)	ROE (%)
MBMA IJ	N/A	58	540	N/A	1,328.6	35.5	2.4	16.6	6.4
NCKL IJ	BUY	56	890	1,200	(7.5)	10.6	2.1	8.0	21.0
INCO IJ	HOLD	39	3,700	4,000	(66.9)	27.5	0.9	6.6	3.4
ANTM IJ	BUY	33	1,370	1,415	(20.5)	13.7	1.1	10.3	8.1
HRUM IJ	BUY	18	1,365	1,185	23.5	9.6	1.1	3.7	12.3
Sector		204.8			361.7	21.4	1.7	10.2	10.6

Nickel Revenue Contribution 1H24, by Company

