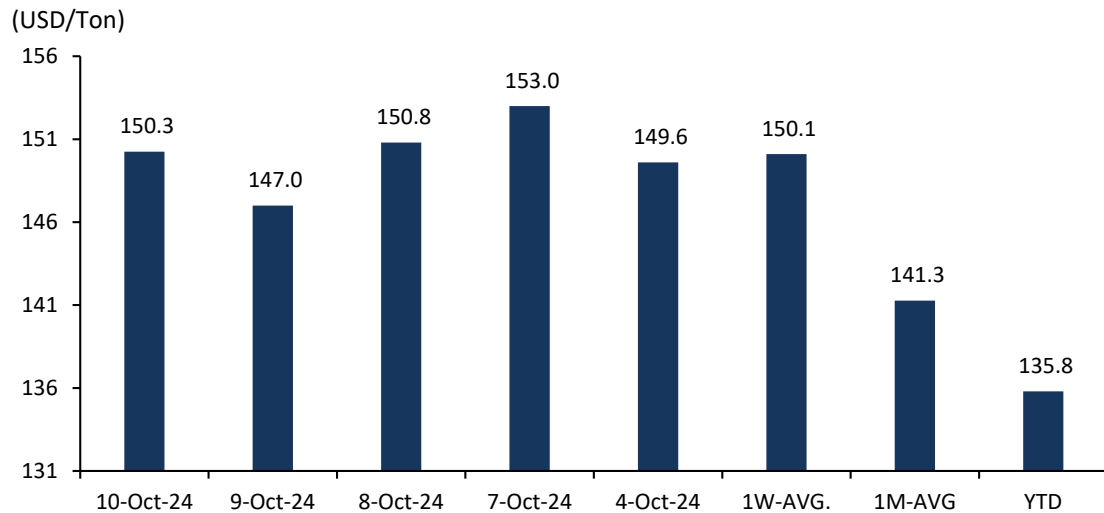


Coal Weekly (11 October 2024): USD 150/ton (+4.7% WoW)

Price Chart



Recent Catalysts Driving the Price

- ❑ In 04 – 10 October 2024, average coal prices surged to USD 150.1/ton (+4.7% WoW), driven by the sharp rise in oil prices, prompting consumers to turn to coal as a substitute. In addition, heavy rainfall in China hampered coal production, while industrial consumption increased.
- ❑ India reported -16% decline in renewable energy output and +15% rise in coal-fired power generation. Also, the occupation of Ukrainian coal-mining city of Vuhledar by Russian forces may further disrupt supply. Meanwhile, coal imports to the Netherlands and Belgium are expected to increase to 3.46M tons in October (from Sep: 1.31M), with several ports nearing capacity.
- ❑ Supported by higher imports from India and China to meet winter power needs, along with the possibility of import escalation from EU during harsh winter, we maintain our FY24 coal price forecast at USD 136/ton (YTD: USD 135.8/ton) and retain ADRO (TP IDR 4,700; FY24 P/E of 5.7x) as our top pick, primarily due to its AAI spin-off plan and significant dividends.

Peer Comparables

Company Ticker	Market Cap. (IDR Tn)	Rating	Current Price (IDR)	1W Net Buy (Sell) (IDR Bn)	2024F			
					EPS Growth (%)	P/E (x)	Div. Yield (%)	ROE (%)
ADRO IJ	117	BUY	3,820	(212.8)	(24.7)	6.1	7.8	18.0
UNTR IJ	97	HOLD	25,900	(169.7)	(13.6)	5.3	8.6	21.8
BUMI IJ	49	BUY	131	(49.9)	1,445.5	49.7	-	23.1
PTBA IJ	35	BUY	3,020	10.8	(25.1)	7.6	8.3	20.8
ITMG IJ	29	HOLD	26,025	(32.7)	(31.8)	5.5	12.2	17.7
Sector	327			(454.4)	196.6	12.4	7.3	20.1

Coal Revenue Contribution 1H24, by Company

