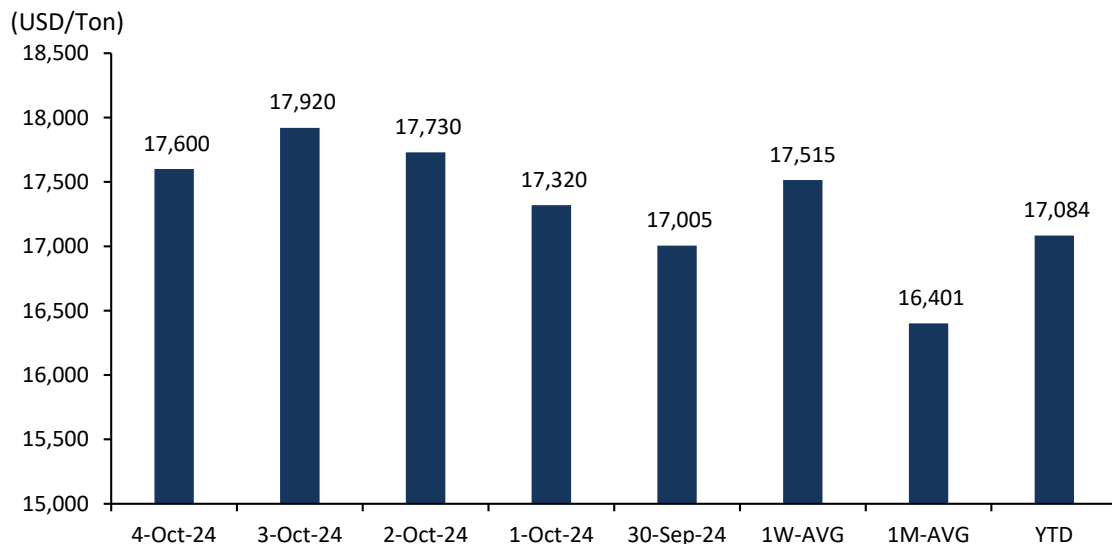


Nickel Weekly (07 October 2024): USD 17,515/ton (+6.2% WoW)

Price Chart



Recent Catalysts Driving the Price

- Between 30 Sep – 04 Oct 2024, nickel prices spiked +6.2% WoW, averaging USD 17,515/ ton, driven by reports that China, the world’s largest importer, is considering USD 142bn capital injection into its state-owned banks, which could help support the country’s struggling industrial sector and lead to higher usage.
- Recent global developments, including the planned closure of smelters in Australia and New Caledonia, as well as moratorium on new RKEF smelters in Indonesia, have led to reduced projections for future nickel supply. INSG predicts global nickel surplus will fall to 140,000 tpa in 2025 (from 205,000 tons in 2024).
- We retain our FY24 nickel price forecast of USD 17,220/ton (YTD: USD 17,084/ton), with NCKL, supported by anticipated earnings growth from capacity expansion and industry-lowest cash cost, as our top pick with TP of IDR 1,200 (FY24 P/E: 8.4x).

Peer Comparables

Company Ticker	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	60	560	N/A	1,328.6	35.1	2.3	16.4	6.4
NCKL IJ	BUY	58	915	1,200	(7.5)	10.6	2.1	8.0	21.0
INCO IJ	HOLD	45	4,300	4,000	(66.9)	27.2	0.9	6.5	3.4
ANTM IJ	BUY	37	1,525	1,415	(20.5)	13.7	1.1	10.3	8.1
HRUM IJ	BUY	19	1,405	1,185	23.5	9.7	1.1	3.8	12.3
Sector		216.6			349.4	21.2	1.7	10.0	10.4

Nickel Revenue Contribution 1H24, by Company

