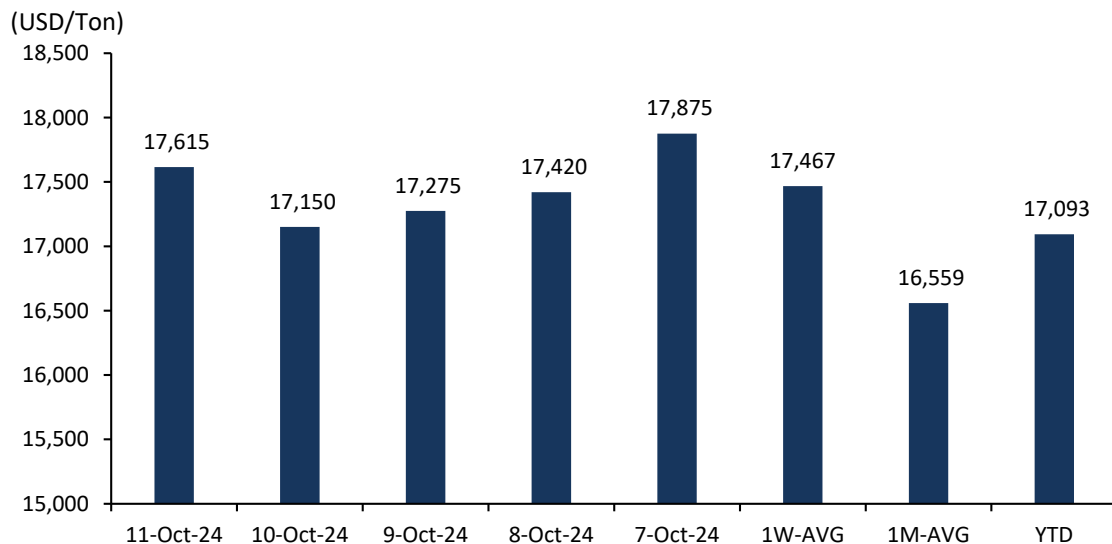


Nickel Weekly (14 October 2024): USD 17,467/ton (-0.3% WoW)

Price Chart



Recent Catalysts Driving the Price

- Between 07 – 11 October 2024, nickel prices were quite flattish (-0.3% WoW), averaging USD 17,467/ ton, primarily due to oversupply of Class 2 nickel from Indonesia, weak demand from China's stainless steel industry, and high spot market inventories. Additionally, lack of further stimulus from the Chinese government has dampened market and economic responses.
- However, China's one-week holiday provided some support for prices, as production activities in the country were temporarily halted. Looking ahead, we expect NPI prices to remain robust, supported by solid demand from global stainless steel industries.
- We retain our FY24 nickel price forecast of USD 17,220/ton (YTD: USD 17,093/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.R	58	540	N.R	563.0	35.1	2.3	16.4	6.4
NCKL IJ	BUY	58	920	1,200	(7.5)	10.6	2.1	8.0	21.0
INCO IJ	HOLD	44	4,160	4,000	(66.9)	27.2	0.9	6.5	3.4
ANTM IJ	BUY	38	1,565	1,750	(20.5)	13.7	1.1	10.3	8.1
HRUM IJ	BUY	18	1,340	1,600	23.5	9.7	1.1	3.8	12.3
Sector		215.9			134.9	21.1	1.7	10.0	10.5

Nickel Revenue Contribution 1H24, by Company

