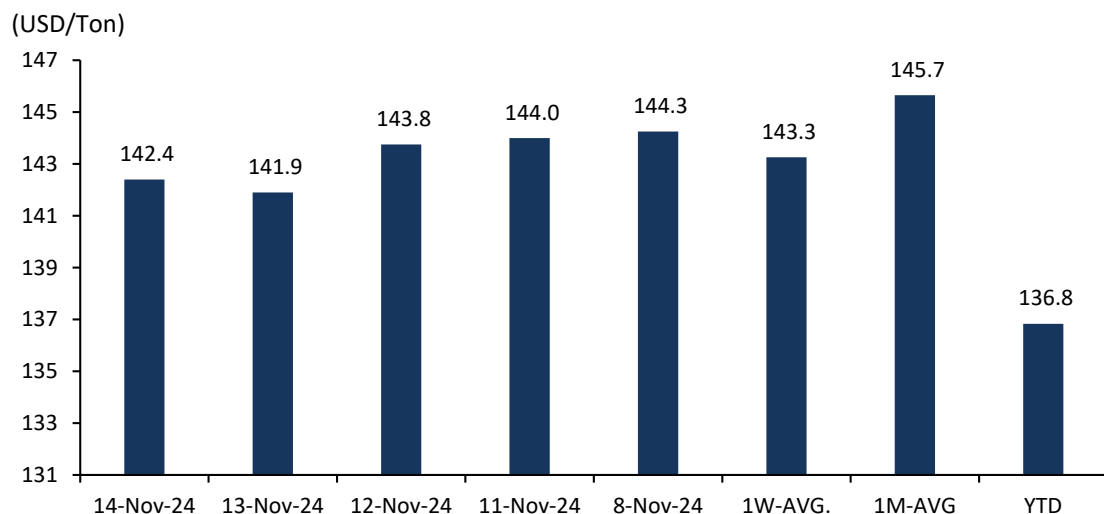


Coal Weekly (15 November 2024): USD 143.3/ton (-0.4% WoW)

Price Chart



Recent Catalysts Driving the Price

- ❑ In 8 – 14 November 2024, average coal prices slipped to USD 143.3/ton (-0.4% WoW) on the back of limited buying interest from China’s downstream industries, which dampened short-term prospects. However, recent economic stimulus measures have sparked optimism for gradual rebound in industrial activity, potentially boosting coal demand and alleviating market sluggishness.
- ❑ In October, India’s coal imports fell to 13.56 Mt (-30.2% MoM, -31.8% YoY) driven by rapid domestic production from captive/commercial coal mines, which increased to 100.08 Mt from April 1 to November 8 (up from 75.1 Mt; +33.4% YoY), meeting the national demand of c. 120 Mt for the upcoming winter season. Slower shipments to India, combined with strong production, may contribute to increased global supplies that could weigh on prices.
- ❑ In light of economic uncertainty and ongoing geopolitical tensions, we maintain our FY24 coal price forecast at USD 136/ton (YTD: USD 136.8/ton), with ADRO (TP IDR 4,200; FY24 P/E of 5.7x) as our top pick, primarily due to its AAI spin-off plan and significant dividends.

Peer Comparables

Ticker	Market		Current Price (IDR)	Target Price (IDR)	1W Net Buy (Sell) (IDR)	2024F			
	Cap. (IDR Tn)	Rating				EPS Growth (%)	P/E (x)	Div. Yield (%)	ROE (%)
ADRO	118	BUY	3,830	4,200	(505.2)	(3.9)	4.7	8.5	20.1
UNTR	97	BUY	25,975	29,600	(80.1)	(7.4)	5.5	8.0	22.4
BUMI	60	BUY	161	170	201.8	1,445.5	49.7	-	23.1
PTBA	32	BUY	2,770	3,200	(5.2)	(29.4)	7.9	13.4	20.2
ITMG	30	HOLD	26,300	26,000	45.1	(32.0)	5.3	12.8	17.8
Sector	336				(343.6)	248.0	13.3	7.7	21.1

Coal Revenue Contribution 1H24, by Company

