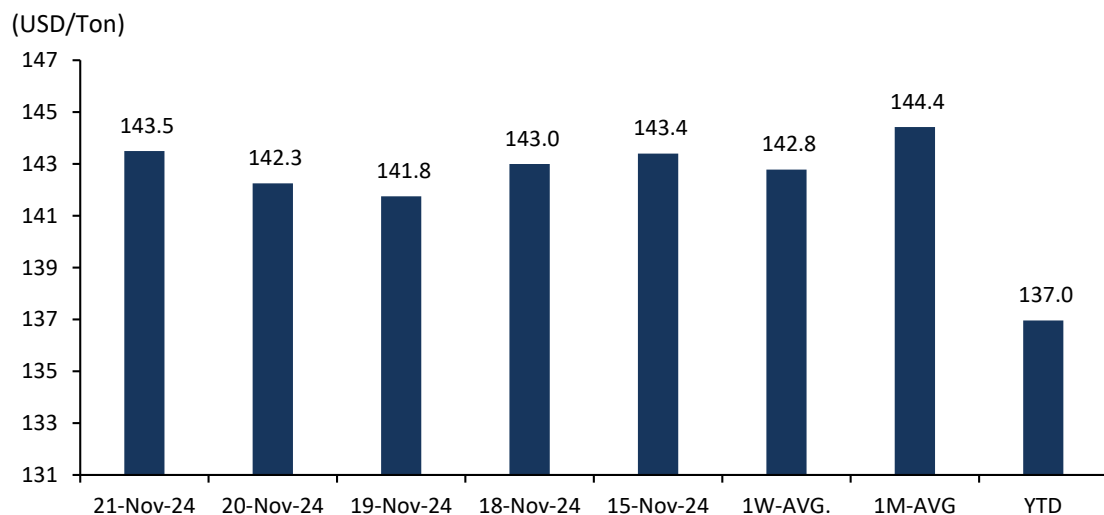


Coal Weekly (22 November 2024): USD 142.8/ton (-0.3% WoW)

Price Chart



Recent Catalysts Driving the Price

- Between 15 – 21 November 2024, average coal prices slipped to USD 142.8/ton (-0.3% WoW). Coal prices faced pressure from COP29, as 25 countries and the EU pledged to halt coal power plant construction without carbon capture.
- Furthermore, China's higher 10M24 coal production of 3.89 billion tons (+1.2% YoY) and October output of 411.8 Mt (+4.6% YoY) added to the decline. On 20 November, New Delhi, ranked as the world's most polluted city by IQAir, further intensified coal's downward pressure.
- On the other hand, the U.S. approval for Ukraine to deploy long-range weapons, the Army Tactical Missile System (ATACMS), to target Russian cities has provided support to coal prices, preventing them from falling further.
- In light of economic uncertainty and ongoing geopolitical tensions, we maintain our FY24 coal price forecast at USD 136/ton (YTD: USD 137.0/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	Target	1W	2024F			
	Cap. (IDR Tn)	Rating	Price (IDR)	Price (IDR)	Net Buy (Sell) (IDR)	EPS Growth (%)	P/E (x)	Div. Yield (%)	ROE (%)
ADRO	113	BUY	3,680	4,200	(384.4)	(3.9)	4.7	8.5	20.1
UNTR	100	BUY	26,675	29,600	82.3	(7.4)	5.5	8.0	22.4
BUMI	53	BUY	143	170	(147.0)	1,445.5	49.7	-	23.1
PTBA	31	BUY	2,720	3,200	13.2	(29.4)	7.9	13.4	20.2
ITMG	31	BUY	27,375	30,000	94.1	(32.0)	5.3	12.8	17.8
Sector	328				(341.8)	224.5	12.6	7.8	21.1

Coal Revenue Contribution 1H24, by Company

