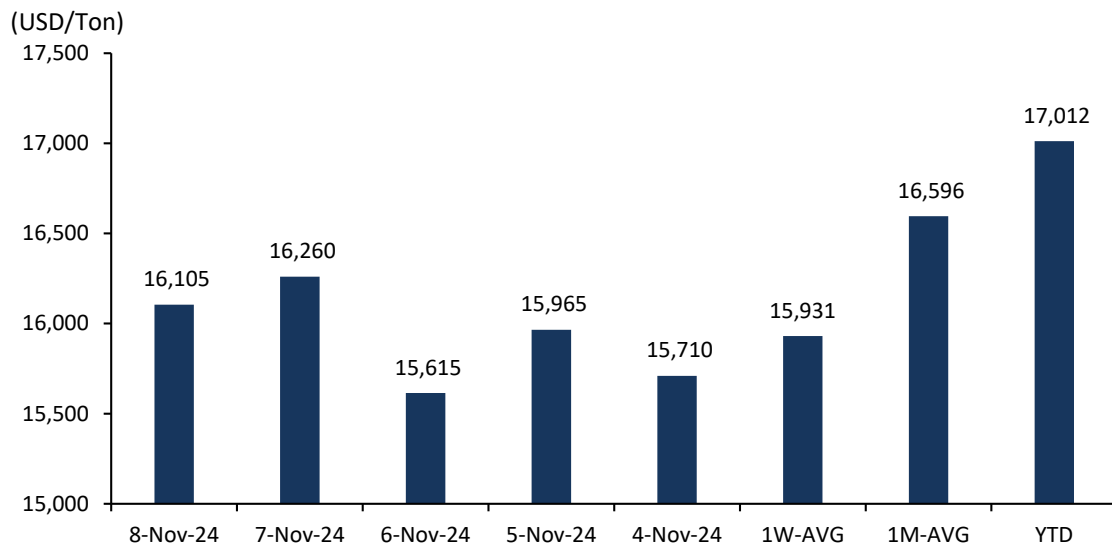


Nickel Weekly (11 November 2024): USD 15,931/ton (+1.3% WoW)

Price Chart



Recent Catalysts Driving the Price

- Between 04 – 08 November 2024, nickel prices rose +1.3% WoW, averaging USD 15,931/ton, driven by the announcement of CNY 10tn stimulus package from the Chinese government aimed to tackle local government debt issues, coupled with signals that more economic support measures are planned for next year.
- China's October PMI rose to 50.3 (+2.2% MoM, +1.6% YoY), indicating the first manufacturing activity expansion since April. The PMI data was further supported by the -1.17% WoW decline in stainless steel inventory, building on the -0.85% drop in the prior week. In addition, the potential implementation of a new export ban on commodities by the Indonesian government may tighten global nickel supply, providing another catalyst for higher prices.
- Despite this, we maintain our FY24 nickel price forecast at USD 16,900/ton (YTD: USD 17,012/ton), mainly due to risk of trade war following Trump's election victory. Stock-wise, we retain NCKL as our top pick, driven by anticipated earnings growth from capacity expansion and the industry's lowest cash cost, with a 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	56	885	1,200	(6.0)	10.2	2.1	8.0	21.5
INCO IJ	SELL	40	3,800	3,400	(66.9)	27.0	0.9	6.8	3.4
ANTM IJ	BUY	37	1,520	1,800	(23.6)	16.4	1.3	10.0	7.9
HRUM IJ	SELL	16	1,200	1,100	(38.2)	12.0	1.2	5.3	7.6
Sector		205.0			130.7	21.5	1.7	10.2	10.3

Nickel Revenue Contribution 1H24, by Company

