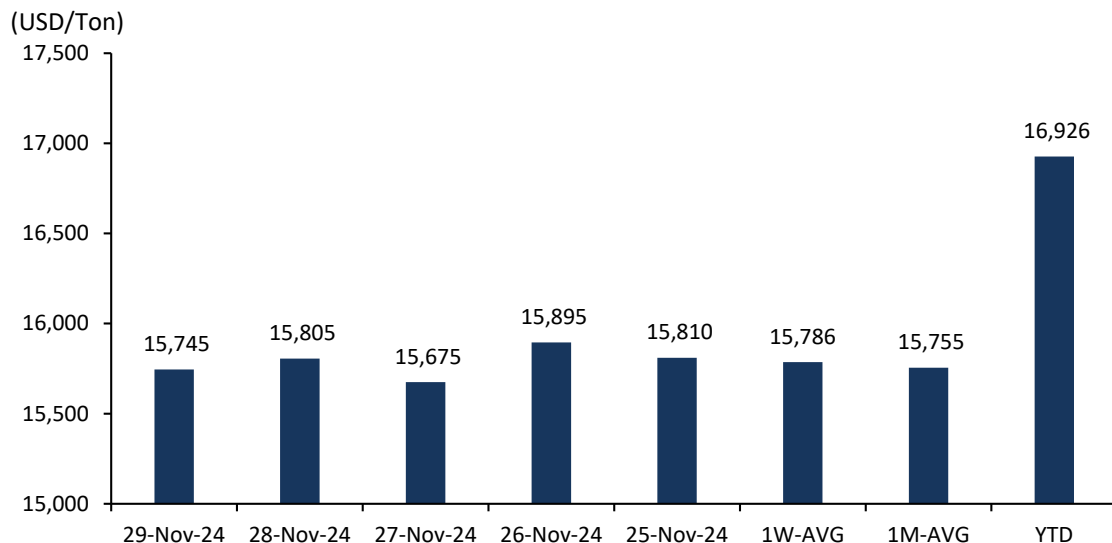


Nickel Weekly (25-29 November 2024): Avg. USD 15,786/ton (+1.1% WoW)

Price Chart



Recent Catalysts Driving the Price

- ❑ In the last five trading days, average nickel prices rose to USD 15,786/ton (+1.1% WoW) on the back of higher demand from China's downstream industry, as reflected by the increase in CRC (cold rolled coil) October import to 167,000 mt (+33.5% MoM; 79% from Indonesia), along with decreased nickel inventory to 10.2 million wmt (-92,000 wmt WoW).
- ❑ Additionally, nickel ore output approval in Indonesia decreased -29% YoY in 2024, primarily due to delays in mining approvals and tighter production quotas, leading to supply shortages for smelters. Furthermore, weaker USD and improved sentiment regarding China's economic reopening fuelled optimism across most base metals markets.
- ❑ Lack of market stimulus, persistent oversupply issues, and possible US-China trade war have as us maintaining our FY24 nickel price forecast at USD 16,900/ton (YTD: USD 16,926/ton). Given minimal downside risk for nickel, we retain NCKL as our top sector pick, driven by anticipated earnings growth from capacity expansions and industry-lowest cash cost, with TP of IDR 1,200 (FY24 P/E: 8.6x).

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	N.R	54	500	N.R	563.0	35.1	2.3	16.4	6.4
NCKL	BUY	52	830	1,200	(6.0)	10.2	2.1	8.0	21.5
INCO	SELL	38	3,600	3,400	(66.9)	27.0	0.9	6.8	3.4
ANTM	BUY	34	1,430	1,800	(23.6)	16.4	1.3	10.0	7.9
HRUM	SELL	15	1,090	1,100	(38.2)	12.0	1.2	5.3	7.6
Sector		193.4			135.3	21.7	1.7	10.3	10.3

Nickel Revenue Contribution 1H24, by Company

