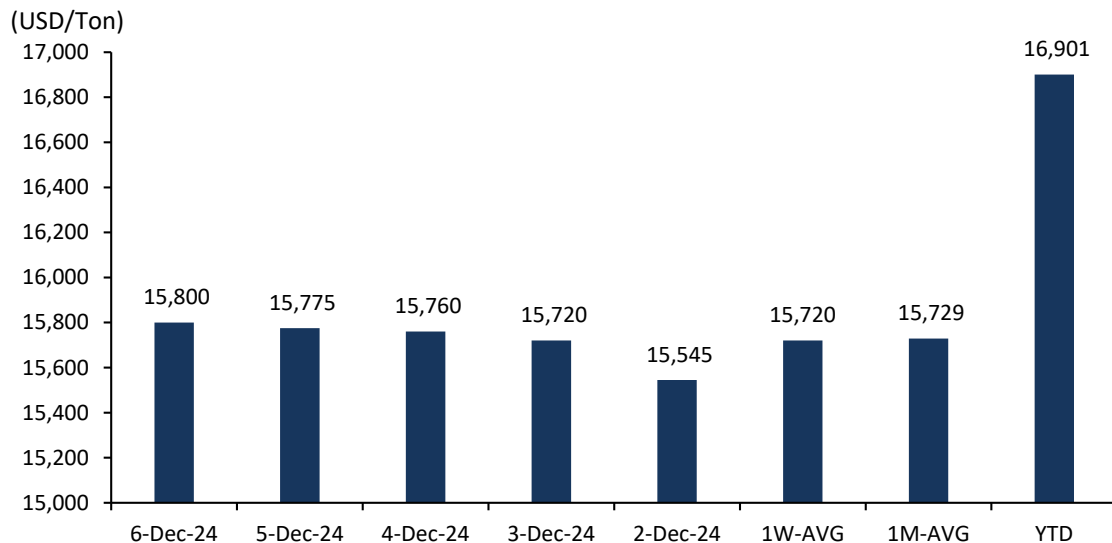


Nickel Weekly (02-06 December 2024): Avg. USD 15,720/ton (-0.4% WoW)

Price Chart



Recent Catalysts Driving the Price

- ❑ In the last five trading days, average nickel prices slightly decreased to USD 15,720/ton (-0.4% WoW), mainly on inventory surplus amid increased production, particularly in Indonesia, and softer-than-expected demand growth, notably from electric vehicle (EV) sector.
- ❑ On the other hand, In November, China's stainless steel production grew 3.0% YoY, with cumulative growth of 3.3% YoY, driven by 3.8% MoM increase in 200-series and 2.4% MoM growth in 300-series production. December projections indicate 6.3% MoM rise in 300-series and 10.7% MoM growth in 400-series output, fuelled by resumption of production lines and market adjustments.
- ❑ Lack of market stimulus, persistent oversupply issues, and possible US-China trade war has us to maintaining our FY24 nickel price forecast at USD 16,900/ ton (YTD: USD 16,901/ton). Given minimal downside risk for nickel prices, 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)	2025F				
					EPS Gwt. (%)	PER (x)	PBV (x)	EV/EBITDA (x)	ROE (%)
MBMA	N.R	55	510	N.R	238.1	25.7	2.0	10.5	8.7
NCKL	BUY	52	830	1,200	28.8	7.1	1.6	6.2	23.9
INCO	SELL	38	3,640	3,400	39.6	20.6	0.9	5.4	4.1
ANTM	BUY	36	1,485	1,800	26.7	10.3	1.1	5.5	6.9
HRUM	SELL	15	1,105	1,100	90.6	4.6	0.8	3.6	16.6
Sector		193.4			93.9	15.3	1.4	6.9	12.1

Nickel Revenue Contribution 1H24, by Company

