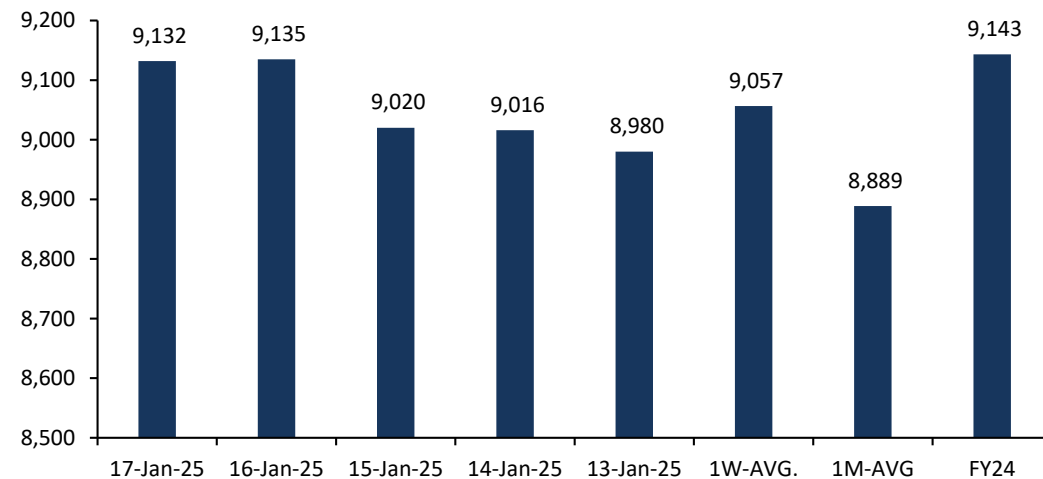


# Copper Weekly (13 - 17 January 2025): Avg. USD 9,057/ton (+1.6% WoW)

## Price Chart

(USD/Ton)



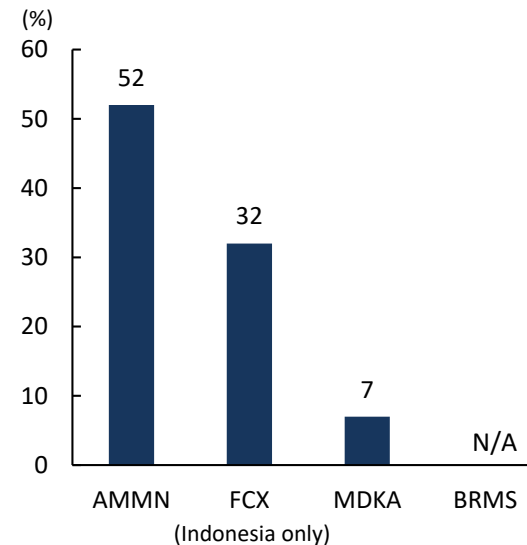
## Recent Catalysts Driving the Price

- Over the past 2 consecutive weeks copper prices went up gradually, averaging in the last five trading days USD 9,057/ton, up +1.6% WoW, hitting two-month high. The surge was driven by restocking efforts amid declining inventories in China, highlighted by +17.8% YoY spike in December refined copper imports to 13-month high and the drop in Shanghai inventory to 74,000 tons (from 337,000 tons in June 2024).
- Metal prices including copper benefitted from optimism surrounding China's aggressive economic support which was reflected in 4Q24 GDP growth of +5.4% YoY (+200bps YoY) that beat market expectations (consensus: 3.5%). Additionally, metal demand support will come from potential addition of US interest rate cuts.
- Despite recent rallies, concerns over the China-US trade war and global economic uncertainties persist. Thus, we maintain our 12M avg. copper price forecast at USD 8,500/ton (YTD: USD 8,938/ton). Stock-wise, MDKA is our top pick with TP of IDR 1,800 (EV/EBITDA FY25: 10.9x), supported by its path to profitability and completion of the Weda Bay smelter in 4Q24.

## Peer Comparables

| Ticker                      | Rating | Market Cap. (USDMn) | Current Price (IDR) | Target Price (IDR) | EPS Growth (%) | 2025F        |            |               |             |
|-----------------------------|--------|---------------------|---------------------|--------------------|----------------|--------------|------------|---------------|-------------|
|                             |        |                     |                     |                    |                | PER (x)      | PBV (x)    | EV/EBITDA (x) | ROE (%)     |
| SCCO US                     | N.R    | 77,555              | 98.1                | N.R                | 8.8            | 20.2         | 7.6        | 11.4          | 37.2        |
| FCX US                      | N.R    | 57,793              | 40.2                | N.R                | 31.0           | 21.0         | 2.7        | 5.5           | 15.3        |
| ANTO LN                     | N.R    | 21,182              | 21.5                | N.R                | 25.6           | 24.5         | 2.0        | 6.1           | 8.6         |
| LUN CN                      | N.R    | 6,560               | 8.5                 | N.R                | 18.1           | 13.8         | 1.2        | 4.1           | 9.4         |
| TKO CN                      | N.R    | 617                 | 2.0                 | N.R                | 33.5           | 11.0         | 1.5        | 5.6           | 9.7         |
| <b>Average Global Peers</b> |        | <b>163,707</b>      |                     |                    | <b>19.3</b>    | <b>20.7</b>  | <b>4.8</b> | <b>8.3</b>    | <b>24.6</b> |
| AMMN IJ                     | SELL   | 36,631              | 8,275               | 9,000              | (81.6)         | 170.0        | 4.9        | 44.4          | 3.7         |
| MDKA IJ                     | BUY    | 2,405               | 1,610               | 1,800              | N/A            | 33.8         | 2.3        | 10.3          | 6.6         |
| <b>Average Local Peers</b>  |        | <b>39,036</b>       |                     |                    | <b>(76.6)</b>  | <b>161.6</b> | <b>4.8</b> | <b>42.3</b>   | <b>3.9</b>  |

## Copper to Revenue, by Company



## 2023 Copper Reserves, by Company

