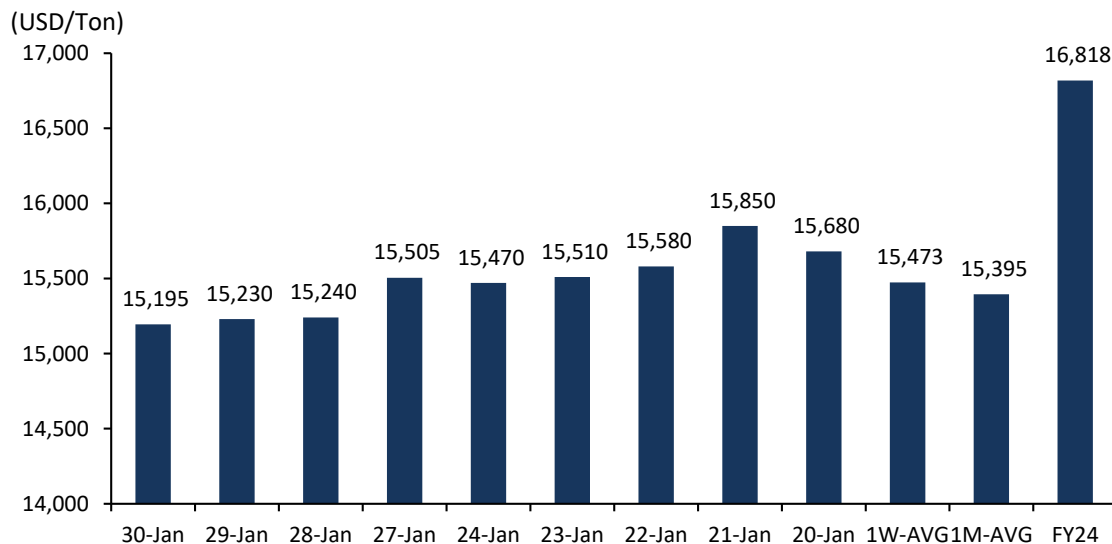


# Nickel Weekly (20 - 30 January 2025): Avg. USD 15,473/ton (-1.2% WoW)

## Price Chart



## Recent Catalysts Driving the Price

- ❑ In the last nine trading days, average nickel prices dropped to USD 15,473/ton (-1.2% WoW) due to muted demand on CNY holiday despite -4.9% MoM drop in China's January refined nickel output on production suspensions. Additionally, abundant inventory due to early stockpiling, potential relaxation in Indonesia's nickel ore export quotas, and Trump's 25% tariff announcement on Mexico and Canada further weighed on prices.
- ❑ China's NPI production saw a sharp contraction in January, with physical content down -10.7% MoM and metal content dropping -12.7% MoM, driven by weak high-grade NPI prices, firm nickel ore costs following the Philippines' rainy season, and mounting smelter losses. Environmental restrictions in northern China and lower stainless steel output added further pressure on nickel prices. Thus, market players expect oversupply concerns to persist further, causing nickel production decline in February.
- ❑ We maintain our FY25 forecast at USD 15,000 (YTD: USD 15,395/ton) amid global uncertainties and volatile supply-demand dynamics. Stock-wise, we retain NCKL as our top pick, on anticipated earnings growth from capacity expansions and industry-low cash costs, with TP of IDR 850 (FY25 P/E: 7.3x).

## 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	42	390	N.R	238.1	19.7	1.5	10.5	8.7
NCKL	BUY	44	700	850	28.8	6.0	1.4	6.2	23.9
INCO	SELL	32	3,040	3,000	39.6	17.2	0.7	5.4	4.1
ANTM	BUY	34	1,395	1,700	26.7	9.7	1.0	5.5	6.9
HRUM	BUY	12	900	1,100	90.6	3.7	0.7	3.6	16.6
<b>Sector</b>		<b>164</b>			<b>88.8</b>	<b>12.3</b>	<b>1.2</b>	<b>6.8</b>	<b>12.1</b>

## Nickel Revenue Contribution 9M24, by Company

