

AngloGold Ashanti

Sharpening our pencil: US listing costs.

Reiterate Rating: NEUTRAL | PO: 350.00 ZAR | Price: 328.52 ZAR

Housekeeping. AngloGold Ashanti estimate update

We update our AngloGold Ashanti (AU) model to include the final US\$320mn one-off transactions costs incurred as part of the company's US listing. 2023E adjusted EBITDA remains unchanged at c. US\$1.4bn. Price objective US\$18.4 / ZAR350 unchanged based on the same 1.2x P/NPV multiple. Reiterate Neutral.

Estimates (Dec) (USD)	2021A	2022A	2023E	2024E	2025E
EPS (Adjusted Diluted)	1.46	1.29	0.84	1.35	2.45
EPS Change (YoY)	-39.0%	-11.3%	-35.3%	61.0%	82.3%
Dividend / Share	0.20	0.47	0.02	0.16	0.45
ADR EPS (Adjusted Diluted - US\$)	1.46	1.29	0.84	1.35	2.45
ADR Dividend / Share (US\$)	0.20	0.47	0.02	0.16	0.45
Valuation (Dec)					
P/E	14.1x	14.9x	21.5x	12.9x	7.06x
Dividend Yield	1.15%	2.71%	0.13%	0.91%	2.60%
EV / EBITDA*	4.65x	4.65x	7.61x	4.49x	3.26x
Free Cash Flow Yield*	3.31%	10.7%	-6.16%	5.52%	14.3%

* For full definitions of *IQmethod*SM measures, see page 9.

19 February 2024

Equity

Key Changes

(US\$)	Previous	Current
2025E EPS	2.46	2.45
2023E DPS	0.03	0.02

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Stock Data

Price (Common / ADR)	328.52 ZAR / 17.03 USD
Price Objective	350.00 ZAR / 18.40 USD
Date Established	18-Dec-2023 / 18-Dec-2023
Investment Opinion	C-2-8 / C-2-8
52-Week Range	287.40 ZAR-556.88 ZAR
Market Value (mn)	138,043 ZAR
Shares Outstanding (mn)	420.2 / 420.2
Average Daily Value (mn)	22.50 USD
Free Float	87.1%
BofA Ticker / Exchange	AULGF / JNB
BofA Ticker / Exchange	AU / NYS
Bloomberg / Reuters	ANG SJ / ANGJJ
ROE (2023E)	8.6%
Net Dbt to Eqty (Dec-2022A)	21.2%

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Refer to important disclosures on page 10 to 13. Analyst Certification on page 8. Price Objective Basis/Risk on page 8.

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Timestamp: 19 February 2024 12:30AM EST

iQprofileSM AngloGold Ashanti

Key Income Statement Data (Dec)	2021A	2022A	2023E	2024E	2025E
(US\$ Millions)					
Sales	4,029	4,501	4,413	4,689	5,339
EBITDA Adjusted	1,797	1,800	1,099	1,862	2,566
Depreciation & Amortization	(477)	(633)	(683)	(716)	(737)
EBIT Adjusted	1,215	1,072	311	1,041	1,729
Net Interest & Other Income	(257)	(583)	(235)	(170)	(156)
Tax Expense / Benefit	(312)	(173)	(31.9)	(287)	(519)
Net Income (Adjusted)	612	544	352	567	1,033
Average Fully Diluted Shares Outstanding	420	421	421	421	421

Key Cash Flow Statement Data					
Net Income (Reported)	622	297	37.4	567	1,033
Depreciation & Amortization	477	633	683	716	737
Change in Working Capital	53.0	(137)	(256)	(1.72)	(4.90)
Deferred Taxation Charge	0	0	0	0	0
Other CFO	116	1,011	(5.14)	32.9	(3.54)
Cash Flow from Operations	1,268	1,804	459	1,314	1,761
Capital Expenditure	(1,027)	(1,028)	(907)	(912)	(720)
(Acquisition) / Disposal of Investments	22.0	18.0	0	0	0
Other CFI	65.0	(451)	79.5	21.4	36.3
Cash Flow from Investing	(940)	(1,461)	(828)	(891)	(683)
Share Issue / (Repurchase)	0	0	0	0	0
Cost of Dividends Paid	(240)	(203)	(16.8)	(66.2)	(190)
Increase (decrease) debt	(22.0)	74.0	0	0	0
Other CFF	(194)	(194)	(129)	(129)	(129)
Cash Flow from Financing	(456)	(323)	(146)	(195)	(318)
Total Cash Flow (CFO + CFI + CFF)	(128)	20.0	(515)	228	759
FX and other changes to cash	(48.0)	(66.0)	0	0	0
Change in Cash	(176)	(46.0)	(515)	228	759
Change in Net Debt	154	120	515	(228)	(759)
Net Debt	755	875	1,390	1,162	402

Key Balance Sheet Data					
Property, Plant & Equipment	3,493	4,209	4,414	4,610	4,593
Goodwill	115	100.0	100.0	100.0	100.0
Other Intangibles	6.94	6.03	6.03	6.03	6.03
Other Non-Current Assets	2,242	1,612	1,630	1,683	1,762
Trade Receivables	260	237	356	356	356
Cash & Equivalents	1,154	1,108	593	821	1,581
Other Current Assets	729	800	1,068	1,077	1,102
Total Assets	8,000	8,072	8,166	8,652	9,499
Long-Term Debt	1,858	1,965	1,965	1,965	1,965
Other Non-Current Liabilities	1,250	1,114	1,076	1,038	999
Short-Term Debt	51.0	18.0	18.0	18.0	18.0
Other Current Liabilities	747	841	971	978	999
Total Liabilities	3,906	3,938	4,030	3,999	3,981
Total Equity	4,094	4,134	4,162	4,679	5,544
Total Equity & Liabilities	8,000	8,072	8,192	8,678	9,525

Business Performance*					
Return On Capital Employed	12.2%	10.3%	3.00%	9.58%	14.6%
Return On Equity	15.8%	13.4%	8.56%	13.0%	20.5%
Operating Margin	30.2%	23.8%	7.06%	22.2%	32.4%
Free Cash Flow (MM)	241	776	(449)	402	1,042

Quality of Earnings*					
Cash Realization Ratio	2.07x	3.32x	1.30x	2.32x	1.70x
Asset Replacement Ratio	2.15x	1.62x	1.33x	1.27x	0.98x
Tax Rate	32.6%	35.4%	41.6%	33.0%	33.0%
Net Debt/Equity	18.4%	21.2%	33.4%	24.8%	7.26%
Interest Cover	10.5x	7.19x	2.42x	8.08x	13.4x

* For full definitions of iQmethodSM measures, see page 9.

Company Sector

Gold & Precious Metals

Company Description

AngloGold Ashanti (ANG) has gold mining operations and exploration projects across three key regions (Continental Africa, Americas, Australasia). ANG produces >2.7Moz of gold (2022E).

Investment Rationale

We have a favourable view of the strategic focus on turnaround and the new CEO's "back to basics" operating model. Repatriating amounts from the DRC (Kibali) is the most significant impediment, but we think the situation is improving slowly. That said, we think shares now look fairly fully valued. ANG is trading at the high end of P/NPV historic trading range.

Stock Data

Shares / ADR	1.00
Price to Book Value	1.8x

Key Changes

(US\$)	Previous	Current
2025E EPS	2.46	2.45
2023E DPS	0.03	0.02

Global comparable company valuations

Exhibit 1: Comparable company valuations
These are valuations on our base case published estimates

	Symbol	BofA QRQ	Shr Price	Ccy	EPS		PER-Calendar		NPV	P/NPV	ND/Eq	FCF Yield		EV/EBITDA		DY	MV
					2023E	2024E	2023E	2024E	2024E	2024	2022A	2023E	2024E	2023E	2024E	2022A	\$bn
AngloGold Ashanti	AULGF	NEUT (C-2-8)	ZAR 328.52	USD	0.84	1.35	21.3x	12.8x	300	1.1x	21.2%	-4.6%	5.5%	7.6x	4.5x	2.7%	7.3

Source: BofA Global Research estimates

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Miners mark-to-market valuation

Exhibit 2: Mark to market estimated on an earnings power basis i.e. mark to market applied to a full year's earnings without hedge effects.
These are our latest earnings estimates versus earnings at spot commodity prices

			Base Case 2024E							Spot scenario							Consensus				
Company	Rec	Price				EV/			FCF yield				EV/			FCF yield	BofA				
			EPS	EBITDA	PER	EBITDA	FCF	EPS		Chg	EBITDA	Chg	PER	EBITDA	FCF		Chg	EBITDA	EV/	vs.	
																		Cons	Spot vs.Cons		
AngloGold Ashanti	NEUT (C-2-8)	ZAR 328	1.35	1862	12.9x	4.5x	401	6%	1.44	7%	1919	3%	12.0x	4.4x	438	9%	6%	2035	4.1x	-8%	-6%

Source: Bloomberg, BofA Global Research estimates.

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Commodity price assumptions

Exhibit 3: Commodity price forecasts

These are our published house commodity price forecasts and the basis for our published earnings forecasts.

	Unit	Spot	2020A	2021A	2022A	2023E	2024E	2025E	2026E	2027E	2028E	2029E	LT 2024\$
Base Metals													
Copper	US\$/t	8223	6176	9321	8822	8443	8625	10500	9500	9539	9578	9617	8500
	US\$/lb	3.73	2.80	4.23	4.00	3.83	3.91	4.76	4.31	4.33	4.34	4.36	3.86
Aluminium	US\$/t	2199	1702	2474	2706	2268	2563	3000	3250	3015	2781	2546	2250
	US\$/lb	1.00	0.77	1.12	1.23	1.03	1.16	1.36	1.47	1.37	1.26	1.15	1.02
Nickel	US\$/t	16007	13783	18456	25709	21787	18751	20001	20001	19142	18283	17425	15401
	US\$/lb	7.26	6.25	8.37	11.66	9.88	8.51	9.07	9.07	8.68	8.29	7.90	6.99
Zinc	US\$/t	2332	2265	3003	3482	2648	2375	2250	2424	2596	2769	2942	2600
	US\$/lb	1.06	1.03	1.36	1.58	1.20	1.08	1.02	1.10	1.18	1.26	1.33	1.18
Lead	US\$/t	2055	1825	2200	2149	2157	2000	1750	2024	2217	2409	2602	2300
	US\$/lb	0.93	0.83	1.00	0.97	0.98	0.91	0.79	0.92	1.01	1.09	1.18	1.04
Molybdenum	US\$/lb	19.8	8.68	15.89	18.74	23.99	18.10	18.10	18.10	16.32	14.54	12.76	11.28
Cobalt	US\$/lb	13	15.18	23.37	31.04	17.57	18.00	18.00	18.44	19.84	21.23	22.63	20.00
Uranium	US\$/lb	103	29.58	36.29	50.17	60.17	105.00	115.00	85.00	75.00	65.00	55.00	48.61
Precious													
Platinum	US\$/oz	902	886	1,093	964	976	1,050	1,250	1,322	1,372	1,421	1,471	1,300
Palladium	US\$/oz	965	2201	2399	2110	1379	750	500	500	824	1147	1471	1300
Rhodium	US\$/oz	4375	11206	20145	15477	6505	4000	4000	3888	3818	3747	3677	3250
Gold - Real	US\$/oz	1999	1,771	1,799	1,803	1,924	1,975	2,098	1,995	1,946	1,898	1,850	
Silver - Real	US\$/oz	22.96	20.52	25.15	21.80	23.20	23.26	24.15	24.81	25.21	25.60	26.00	
Bulks													
Coking Coal CY, FOB	US\$/t	316.0	135	203	365	290	270	215	205.0	212.1	219.2	226.3	200.0
Semi Soft CY	US\$/t		75.3	138.0	277.3	220.5	178.2	141.9	135.3	134.2	133.1	132.0	116.7
Thermal Coal CY	US\$/t	122.5	60.3	135.9	357.4	176.2	150.0	125.0	111.8	112.2	112.7	113.1	100.0
Iron ore fines spot CFR	US\$/t	127.5	108.6	159.9	120	115	125	90	90	94	98	102	90.0
Other Commodities													
Manganese ore	US\$/dmtu	4.9	4.64	5.23	6.06	4.79	4.35	4.35	4.93	5.52	6.11	6.70	5.92
WTI Oil	US\$/bbl	78	39.8	68.5	95.3	81.0	86.0	57.0	57.0	57.0	57.0	57.0	50.4
Brent Oil	US\$/bbl	83	43.8	71.3	100.2	85.5	90.0	60.0	60.0	60.0	60.0	60.0	53.0
Henry Hub (US) Gas	US\$/GJ	1.61	2.117	3.473	6.70	2.73	4.00	2.60	2.60	2.60	2.60	2.60	2.30
Currencies													
AUD:USD		0.65	0.70	0.74	0.69	0.65	0.64	0.64	0.64	0.67	0.69	0.72	
USD:CAD		1.35	1.34	1.26	1.32	1.35	1.37	1.37	1.36	1.36	1.36	1.36	
USD:GBP	vs. 1/USD	1.26	1.29	1.37	1.21	1.24	1.23	1.23	1.23	1.23	1.23	1.23	
USD:EUR	vs. 1/USD	1.08	1.16	1.16	1.05	1.08	1.08	1.10	1.12	1.12	1.12	1.12	
USD:BRL	vs. USD	4.98	5.37	5.40	5.17	4.95	5.04	5.27	5.57	5.68	5.68	5.68	
USD:ZAR	vs. USD	18.96	16.96	15.02	16.50	18.55	18.99	19.65	20.45	21.27	22.12	23.00	

Source: BofA Global Research estimates, Bloomberg

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Summary metals views

Exhibit 4: Price forecasts, fundamental drivers and risks

We are bullish on a range of cyclical commodities

Metal	2024E	2025E	Fundamental drivers	Risks (D = downside; U = upside)
Aluminium	\$2,563/t 116c/lb	\$3,000/t 136c/lb	<ul style="list-style-type: none"> China is almost operating at its 45mt capacity cap and smelters ex-China have closed capacity China's smelters remain under pressure on hydro power shortages. At the same time, demand has been strong, so exports will likely remain capped We expect rising deficits going forward 	<ul style="list-style-type: none"> D: No production discipline in China/World ex-China D: China exports more U: Smelter restraint and/or production disruptions reduce output U: Stronger-than-anticipated demand growth
Copper	\$8,625/t 391c/lb	\$10,500/t 476c/lb	<ul style="list-style-type: none"> Demand in China has been patchy, but grid spending has completely offset weakness in housing. Demand may be more balanced in 2024, and should hold up. Copper to rally, if the government pushes leads to broader recovery Inventories are low, which is supportive, but could also increase volatility We expect a small surplus for 2024 	<ul style="list-style-type: none"> D: China re-exports metal D: Global demand slows sharply into next year U: Strong restocking through the supply chain on improved confidence U: Continued production disruptions in coming quarters
Lead	\$2,000/t 91c/lb	\$1,750/t 79c/lb	<ul style="list-style-type: none"> There are no immediate scrap or concentrates shortages, suggesting the market could flip back into surplus China's demand has slowed structurally, as the ebike market has matured 	<ul style="list-style-type: none"> D: Destocking in China or higher lead exports from the country. U: Strong seasonal demand for replacement batteries after cold/hot winter/summer months
Nickel	\$18,750/t 851c/lb	\$20,000/t 907c/lb	<ul style="list-style-type: none"> Nickel demand from electric vehicle producers should rise in the coming years, yet more NPI is being converted to nickel sulphate China has built conversion capacity, which should take about 100Kt of Indonesian units into the refined market Indonesian supply may prevent shortages near-term, but further out, more material is required We expect a surplus for 2024, with prices increasingly supported by costs 	<ul style="list-style-type: none"> D: NPI producers don't close shop; ore inventories last for longer and more ores are imported from the Philippines. D: Faster ramp-up of Indonesian NPI production D: Stainless steel demand remains subdued
Zinc	\$2,375/t 108c/lb	\$2,250/t 102c/lb	<ul style="list-style-type: none"> The zinc market has been better supplied, as demand from galvanisers has subsided Zinc may remain an underperformer, but immediate downside more limited, also because costs have shifted higher on inflation The surpluses could disappear, if more mine close 	<ul style="list-style-type: none"> D: Unreported inventories exist on the zinc market. More metal could become available D: The zinc market is fragmented. There is evidence that miners, especially in China, could consider further output increases
Gold	\$1,975/oz	\$2,150/oz	<ul style="list-style-type: none"> Gold has been a trade on US rates. The rally past \$2,000/oz subsided as the Fed signalled a resumption of rate hikes. Until the end of the hiking cycle is reached, gold prices will remain capped. If rate cuts come before 2Q24, gold could end next year at \$2,400/oz Central bank buying has been strong, but not sufficient; a Fed pivot may bring more investors into the market Gold to rally in 2H24 	<ul style="list-style-type: none"> D: Deterioration of investor sentiment D: Real rates become more positive; sustained USD rally D: High gold prices deter buyers of physical gold; increased scrap supply
Silver	\$23.26/oz	\$24.75/oz	<ul style="list-style-type: none"> The silver market has rebalanced on production discipline and demand from new applications including solar panels As more spending on solar panels come through, silver should rally Bottoming out of the global economy in 2024 should also help industrial demand 	<ul style="list-style-type: none"> U: Investors returning to the market U: China's imports to rise D: ETF liquidation D: More supply
Platinum	\$1,050/oz	\$1,250/oz	<ul style="list-style-type: none"> Palladium is slowly moving into surplus, keeping pressure on prices. More production discipline is necessary. Any supply cuts may reduce the palladium surpluses, but will likely push platinum into a deficit, so prices might diverge. PGMs are in a difficult spot. 	<ul style="list-style-type: none"> D: Jewellery demand suffers due to rising prices D: In palladium, the risk of deliveries from Russian stockpiles has not gone away D: Demand from key buyers like Europe not increasing U: Production disruptions reduce availability of PT and PD
Palladium	\$750/oz	\$500/oz		
Iron Ore	\$125/t CIF	\$90/t CIF	<ul style="list-style-type: none"> Iron ore inventories at China's mills are extremely low. Production cuts at mills, along with higher steel demand should support steel prices, likely pulling iron ore higher as well near-term 	<ul style="list-style-type: none"> D: China's steel production slowing sharply U: Mine closures/slowdown in production increases
HCC Thermal coal	\$270/t \$150t	\$215/t \$125/t	<ul style="list-style-type: none"> Thermal coal prices to come under pressure as supply is increasing and the energy emergency normalises Normalisation of supply should also contribute to lower met coal prices 	<ul style="list-style-type: none"> D: Lack of supply discipline U: Chinese steel production stronger (HCC) U: mine closures

Colours indicate our stance on each commodity: Green = bullish, Yellow = neutral, Red = cautious. **Source:** BofA Global Research estimates

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Housekeeping: AngloGold Ashanti estimate update

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Changes to estimates

Exhibit 5: Changes to estimates

2023E EBITDA of US\$1.4bn remains largely unchanged

	FY23E			FY24E			FY25E		
	New	Old	% change	New	Old	% change	New	Old	% change
Group production (koz)	2,531	2,531	0%	2,617	2,617	0%	2,822	2,822	0%
Gold price (\$/oz)	1,924	1,924	0%	1,975	1,975	0%	2,098	2,098	0%
USDZAR	18.55	18.55	0%	18.99	18.99	0%	19.65	19.65	0%
Total cash costs (\$/oz)	1,174	1,174	0%	1,139	1,139	0%	1,075	1,075	0%
AISC (\$/oz)	1,566	1,566	0%	1,512	1,512	0%	1,436	1,436	0%
Attributable revenue	5,053	5,053	0%	5,369	5,369	0%	6,130	6,130	0%
Adj. EBITDA (US\$m)	1,412	1,412	0%	1,862	1,862	0%	2,566	2,566	0%
Margin	28%	28%		35%	35%		42%	42%	
EBIT (US\$m)	311	631	-51%	1,041	1,041	0%	1,729	1,729	0%
Adj. headline earnings (US\$m)	352	352	0%	567	567	0%	1,033	1,033	0%
Adj. HEPS (UScps)	84	84	0%	135	135	0%	245	246	0%
DPS (UScps)	2	3	-22%	16	16	0%	45	45	0%
DPS (SACps)	70	70	0%	299	299	0%	887	886	0%
CFO	459	792	-42%	1,314	1,313	0%	1,761	1,761	0%
Capex (attribbl)	999	999	0%	1,006	1,006	0%	820	820	0%
FCF (\$ mn)	-238	-225	6%	273	273	0%	913	913	0%
Net debt/(cash)	1,390	1,377	1%	1,162	1,148	1%	402	389	4%
Net debt to EBITDA	0.98	0.97	1%	0.62	0.62	1%	0.16	0.15	4%
NPV/shr (ZAR)	311	311	0%	295	296	0%	271	272	0%

Source: BofA Global Research estimates

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Price objective derivation

Exhibit 6: Price objective derivation

We derive our price objective based on 1.2x P/NPV

Price objective derivation

	2024E, US\$m
Iduapriem	847
Obuasi	2,625
Siguiri (85%)	518
Geita	938
Kibali (45%)	1,324
Africa Total	6,251
Sunrise Dam	375
Tropicana (70%)	1,283
Australia Total	1,658
Cerro Vanguardia (92.5%)	234
Mineracao	0
Serra Grande	0
North Bullfrog	0
Other Nevada properties	517
Americas Total	751
SOTP NPV	8,660
Net cash/ (debt) (t-1)	-1,390
Corporate & Admin	-739
Group equity value	6,531
NPV/share US\$	15.54
NPV/share ZAR	295
NPV multiple	1.2x
Price Objective - US\$	18.40
Price Objective - ZAR	350

Source: BofA Global Research estimates

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Price objective basis & risk

AngloGold Ashanti (AULGF (C-2-8, ZAR328 / AU (C-2-8, US\$17.03)

Our PO of R350ps / US\$18.4 is set at 1.2x NPV. We use a sum-of-the-parts (SOTP) DCF and a 5% p.a. real discount rate over life-of-mine (LoM) cash flows. 10 year avg. P/NPV is 1.0x NPV.

Upside & downside risks: Gold price & FX rates (Brazil, Argentina, Australia, South Africa). Cash repatriation from Kibali in the DRC. Regulatory dispute outcome in Tanzania. Tax receivables build/release in Argentina & Tanzania impacting cash flow.

Downside risks:

Operational suspensions/disruptions from COVID-19 virus, incl. logistical constraints on supply chain (including PPE) and ability to make gold shipments.

Project delivery behind schedule &/or over budget (e.g. Siguiri)

Regulatory changes increasing: the cost of compliance, increasing taxes & royalties &/or higher closure & decommissioning requirements

ESG considerations: increasing operating costs &/or increasing the cost of capital for mining companies.

Worse-than-forecast operational performance (production, costs, capex) including as a result of poor ground conditions (Mineracao mine, Brazil) & plant performance (Siguiri mine, Guinea).

Increasing Community & Government demands

The upside risks to our price objective:

Successful project delivery

Increased NPV multiple on increased attractiveness of gold as a "safe haven" investment

Analyst Certification

I, Cameron Needham, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

EEMEA - Materials Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Kazatomprom	XWREF	KAP LI	Jason Fairclough
	Kazatomprom	XCWGF	KAP KZ	Jason Fairclough
	Northam Platinum Holdings	NPTLF	NPH SJ	Cameron Needham
NEUTRAL				
	Anglo Platinum	AGPPF	AMS SJ	Cameron Needham
	AngloGold Ashanti	AULGF	ANG SJ	Cameron Needham
	AngloGold Ashanti	AU	AU US	Cameron Needham
	Gold Fields	GFI	GFI US	Cameron Needham
	Gold Fields	GFI OF	GFI SJ	Cameron Needham
UNDERPERFORM				
	Erdemir	ERELF	EREGL TI	Jason Fairclough
	Exxaro Resources	EXXAF	EXX SJ	Cameron Needham
	Harmony	HGMCF	HAR SJ	Cameron Needham
	Harmony	HMY	HMY US	Cameron Needham
	Impala Platinum	IMPUF	IMP SJ	Cameron Needham
	Impala Platinum	IMPUY	IMPUY US	Cameron Needham

EEMEA - Materials Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	KGHM Polska Miedz	KGHPF	KGH PW	Jason Fairclough
	Kumba Iron Ore	KUMBF	KIO SJ	Cameron Needham
	Sibanye-Stillwater	SBYSF	SSW SJ	Cameron Needham
	Sibanye-Stillwater	SBSW	SBSW US	Cameron Needham

iQmethodSM Measures Definitions**Business Performance**

Return On Capital Employed

Return On Equity

Operating Margin

Earnings Growth

Free Cash Flow

Quality of Earnings

Cash Realization Ratio

Asset Replacement Ratio

Tax Rate

Net Debt-To-Equity Ratio

Interest Cover

Valuation Toolkit

Price / Earnings Ratio

Price / Book Value

Dividend Yield

Free Cash Flow Yield

Enterprise Value / Sales

EV / EBITDA

Numerator

NOPAT = (EBIT + Interest Income) × (1 – Tax Rate) + Goodwill Amortization

Net Income

Operating Profit

Expected 5 Year CAGR From Latest Actual

Cash Flow From Operations – Total Capex

Numerator

Cash Flow From Operations

Capex

Tax Charge

Net Debt = Total Debt – Cash & Equivalents

EBIT

Numerator

Current Share Price

Current Share Price

Annualised Declared Cash Dividend

Cash Flow From Operations – Total Capex

EV = Current Share Price × Current Shares + Minority Equity + Net Debt +

Other LT Liabilities

Enterprise Value

Denominator

Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill

Amortization

Shareholders' Equity

Sales

N/A

N/A

Denominator

Net Income

Depreciation

Pre-Tax Income

Total Equity

Interest Expense

Denominator

Diluted Earnings Per Share (Basis As Specified)

Shareholders' Equity / Current Basic Shares

Current Share Price

Market Cap = Current Share Price × Current Basic Shares

Sales

Basic EBIT + Depreciation + Amortization

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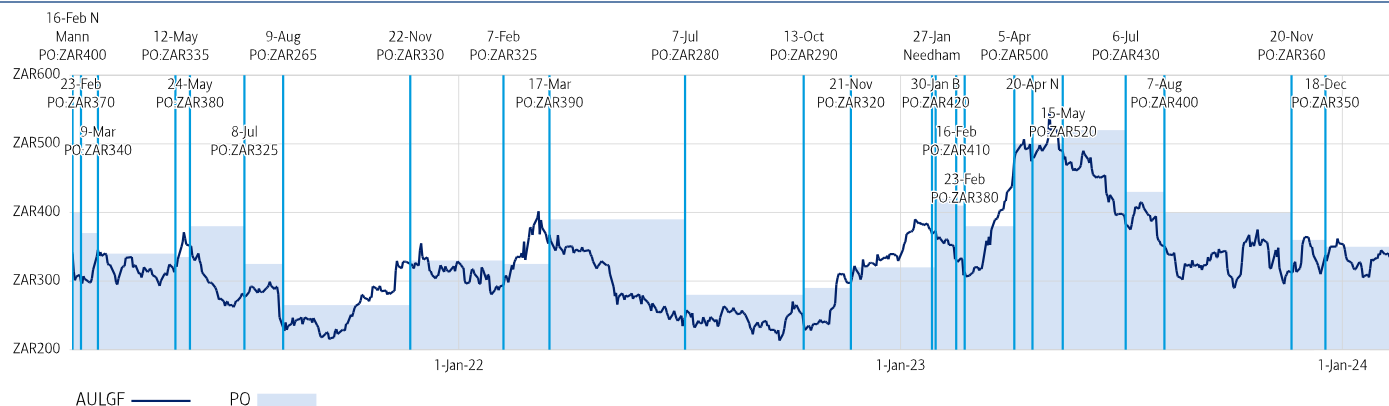
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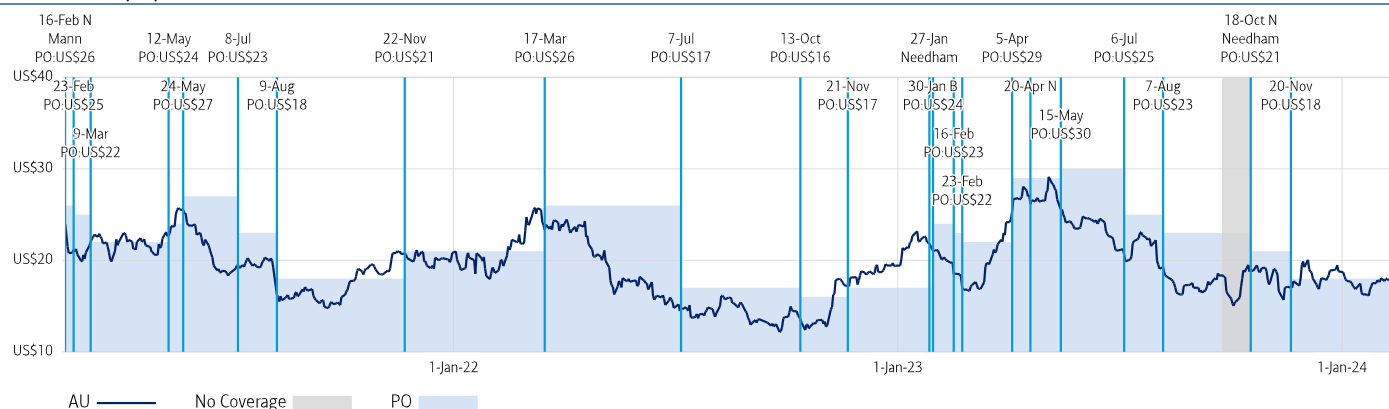
AngloGold Ashanti (AULGF) Price Chart



B: Buy, N: Neutral, U: Underperform, PO: Price Objective, NA: No longer valid, NR: No Rating

The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

AngloGold Ashanti (AU) Price Chart



B: Buy, N: Neutral, U: Underperform, PO: Price Objective, NA: No longer valid, NR: No Rating

The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Equity Investment Rating Distribution: Non-Ferrous Metals/Mining & Minerals Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	58	53.70%	Buy	26	44.83%
Hold	24	22.22%	Hold	10	41.67%
Sell	26	24.07%	Sell	13	50.00%

Equity Investment Rating Distribution: Global Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	1895	53.62%	Buy	1083	57.15%
Hold	832	23.54%	Hold	454	54.57%
Sell	807	22.84%	Sell	383	47.46%

^{R1} Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R2}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

^{R2}Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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