

SE Business
HD **Hopes high for zinc but Glencore profits down**
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LP

Mining

Swiss commodities **company** GlencoreXstrata suffered declining profits in each of its Australian **mining** sectors, according to the **company's** full-year results.

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Despite growing production and achieving efficiencies through the merger between Glencore and Xstrata, profits in the **company's** local **copper**, **coal**, zinc and nickel businesses were all lower than the year before.

The **company** was most upbeat about the outlook for Australian zinc, particularly through the expansion work at its McArthur River mine in the Northern Territory.

Glencore and Xstrata are close to completing their gradual merger and the **company** said on Tuesday that the merger had delivered \$US2.4 **billion** worth of "synergies", many of which would not be fully realised until later this year.

There was no significant update to the **sale** process of the Las Bambas **copper** mine in Peru, the **sale** of which is required to satisfy **Chinese** regulators before the merger can be completed.

Glencore said the **sale** process at Las Bambas was continuing.

That **sale** process will have an impact on when ASX-listed PanAust can complete a **purchase** of GlencoreXstrata's Frieda River **copper** and **gold** project in Papua New Guinea.

GlencoreXstrata's overall financial results were slightly lower than analysts had hoped at \$US3.67 **billion**.

Aside from **mining**, GlencoreXstrata also has exposure to Australian agriculture, particularly through grains in South Australia.

It said the grain season had been good in South Australia, but not as good as was hoped.

CO march : Glencore Xstrata PLC
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