

# Glencore Stock Analysis LON: GLEN, OCT: GLCNF

If you are reading this from any device, it is likely there is something from Glencore within the device, be it in the production process (coal for steel) or in the metals inside. Metals, steel, coal, aluminum, copper, gold, silver, all mined and produced (smelting) around the world, is an ugly business, there is always something happening and if for nothing else, following Glencore and knowing how things work, is always a good idea to see the real world behind the fancy iPhones.

Plus, Glencore being very diversified, gives a great perspective on various markets in the world (coal, copper, zinc, nickel, alumina, cobalt, gold, silver...)

## Table of Contents

<b>Glencore Business Overview .....</b>	<b>2</b>
<b>Glencore Stock Valuation, Risk &amp; Reward, Financials.....</b>	<b>10</b>
<b>Portfolios Fit .....</b>	<b>12</b>
<b>Comments On Conference Call.....</b>	<b>13</b>

## Glencore Business Overview

Glencore is both a commodity miner and trader. The core mining commodities are copper, zinc and coal, both steelmaking and thermal. [Glencore 2024 Presentation](#).



Overview

**Financial performance**

Positioned for the future

Appendix

### Industrial: Key commodity scorecard

	Copper			Zinc			Steelmaking Coal			Energy Coal		
	2023	2024	% chg	2023	2024	% chg	2023	2024	% chg	2023	2024	% chg
Production <sup>(1)</sup>	1.01Mt	<b>0.95Mt</b>	-6%	0.92Mt	<b>0.91Mt</b>	-1%	7.5Mt	<b>19.9Mt</b>	165%	106.1Mt	<b>99.6Mt</b>	-6%
Unit cost (pre credit)	220c/lb	<b>231c/lb</b>	5%	308c/lb	<b>310c/lb</b>	1%	141.3/t	<b>115.6/t</b>	-18%	70.5/t	<b>68.1/t</b>	-3%
By-product credit	57c/lb	<b>62c/lb</b>	9%	259c/lb	<b>280c/lb</b>	8%						
Net unit cash cost <sup>(2)</sup>	163c/lb	<b>169c/lb</b>	4%	49c/lb	<b>30c/lb</b>	-39%						
Portfolio mix adjustment <sup>(2)</sup>							28.8/t	<b>39.2/t</b>	36%	36.1/t	<b>34.2/t</b>	-5%
Portfolio adjusted Realisation <sup>(2)</sup>							267.4/t	<b>201.5/t</b>	-25%	136.7/t	<b>100.6/t</b>	-26%
Realised price <sup>(2)</sup>	367c/lb	<b>395c/lb</b>	7%	116c/lb	<b>125c/lb</b>	8%	296.2/t	<b>240.7/t</b>	-19%	172.8/t	<b>134.8/t</b>	-22%
Adjusted EBITDA (\$bn) <sup>(3)</sup>	3.9	<b>3.8</b>	-5%	1.0	<b>1.4</b>	44%	0.9	<b>1.7</b>	81%	7.0	<b>3.2</b>	-54%
Calculated EBITDA margin	204c/lb	<b>225c/lb</b>	10%	67c/lb	<b>95c/lb</b>	41%	126.1/t	<b>85.9/t</b>	-32%	66.2/t	<b>32.5/t</b>	-51%
Capex (\$bn) <sup>(3)</sup>	2.9	<b>3.2</b>	10%	0.9	<b>0.9</b>	1%	0.2	<b>0.9</b>	393%	1.15	<b>1.3</b>	15%
Review	<ul style="list-style-type: none"> <li>Production down 4% (like for like), excluding Cobar sold in 2023, reflecting lower anticipated production at Antapaccay and Collahuasi, as well as unplanned mill downtime at KCC and a geotechnical event at Antapaccay in H1 2024</li> <li>Net unit cost (+4%), primarily impacted by various inflation adjustments, including across labour, explosives and energy</li> </ul>			<ul style="list-style-type: none"> <li>While overall 2024 production was in line with 2023, zinc department own source volumes were 51kt higher year-on-year (excluding Antamina), reflecting the continued ramp up of Zhairam</li> <li>Lower zinc net unit cash cost (-39%) reflects higher gold and silver by-product credits, which more than offset the impact of low TCs at our custom zinc smelting assets</li> </ul>			<ul style="list-style-type: none"> <li>Production up 12.4Mt period-on-period, following the addition of EVR volumes from July 2024</li> <li>On a weighted average price basis, the 2024 realised prime hard coking coal price was \$218.1/t, less a portfolio mix adjustment of \$16.7/t<sup>(4)</sup></li> <li>Lower FOB unit cash cost (-18%) reflects reduced price linked royalties and a reweighting towards EVR volumes</li> <li>Higher capex (+\$0.7bn) with the addition of EVR</li> </ul>			<ul style="list-style-type: none"> <li>Production volumes declined 6% in 2024, primarily reflecting scheduled mine closures and longwall moves in Australia, SA rail export constraints and permit delays, community blockades and unusually heavy rain at Cerrejón</li> <li>Elevated energy coal portfolio mix adjustment largely reflects the impact of Cerrejón's lower margin coal, given its geographical disadvantage</li> <li>Lower FOB unit cost (-3%) reflects reduced price linked royalties</li> </ul>		

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2024 Preliminary Results 10

Just to give you a perspective on things, Glencore produces 4.3% of the global yearly copper supply, 7% of global zinc supply, 15% of global met coal supply (including the recently acquired EVR from Teck), 1% of thermal coal and other commodities like cobalt, gold, silver and other by-products. On gold and silver, 738 thousand ounces of gold and 19 million ounces of silver.


When you produce that much globally, there are always issues, and you also move the price globally with your decisions. Recent news:

Top stories :

- B** Bloomberg


**Glencore to Cut Coal Output in Attempt to Halt Price Slump**

1 day ago





- B** Bloomberg.com

**Glencore Halts Chilean Smelter in Setback for US Copper Rush (GLEN LN)**

1 day ago



I can guarantee you there will always be something going on, but given the size and global diversification, the impact should be minimal across the board. Here is the guidance for 2025:

[Overview](#)

Financial performance

Positioned for the future

[Appendix](#)

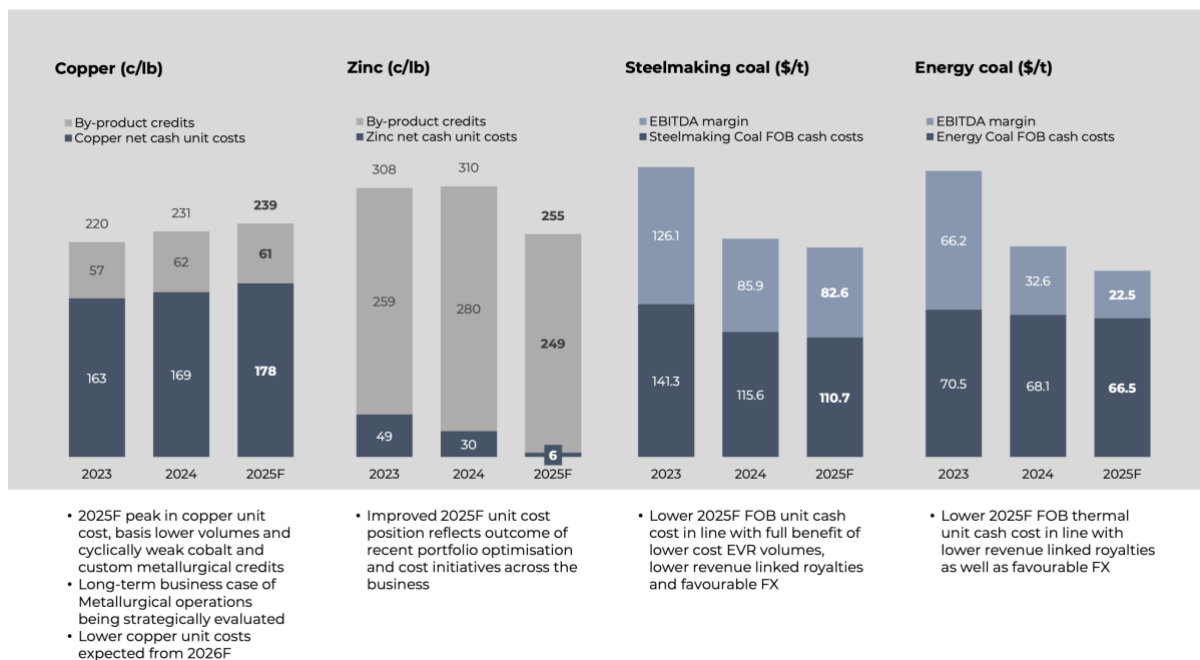
**2025 Guidance: Production**

Key commodities 2025-2028 production guidance <sup>(1)</sup>	2024	2025F	2026F	2027F	2028F
Copper (kt)	951.6	850-910 <sup>(2)</sup>	930	930	1000
Cobalt (kt)	38.2	40-45 <sup>(2)</sup>	45	45	65
Zinc (kt)	905.0	930-990	855	725	765
Nickel (kt)	82.3	74-86	80	100	95
Steelmaking coal (Mt)	19.9	30-35	35	35	35
Energy coal (Mt)	99.6	92-100	100	100	100
<b>Copper eq (Mt)<sup>(3)</sup></b>	<b>3.3</b>	<b>3.6<sup>(4)</sup></b>	<b>3.8</b>	<b>3.7</b>	<b>3.9</b>
<i>Year-on-year growth</i>	4.6%	9.2%	3.7%	-0.4%	4.5%
<b>2024-2028 key commodities CAGR</b>	<b>4.2%</b>				
Gold (koz)	738				
Silver (Moz)	19.3				
3PGE (koz)	143				
Lead (kt)	186				
Ferrochrome (kt)	1166				
Oil E&P (Mbbbl)	4.0				

Other metals are accounted as by-products that lower the cost of production for Glencore and due to higher gold prices, zinc production is expected to have no cost in 2025.



**2025 Guidance: Mine unit cash costs/margins<sup>(1)</sup>**



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2024 Preliminary Results 16

What is key above is the low-cost production, \$1.78 for copper, \$0.06 for zinc, \$110 for met coal which means that Glencore makes money no matter the market situation. This also means less volatility in the stock price, but more stability from an investing perspective.

And there is the commodity trading business, that does approximately \$3 billion per year in EBIT.



**Marketing: Adjusted EBIT \$3.2bn**

**2024 Adjusted EBIT: \$3.2bn, -8% p/p**

- Marketing Adjusted EBIT of \$3.2bn came in at the top end of our long-term \$2.2-\$3.2bn guidance range, albeit 8% lower than 2023
- A strong performance from Metals and Minerals was more than offset by the progressive normalisation of energy markets from the severe disruption and extreme volatilities seen in 2022/23

**Metals and Minerals:**

- \$2.4bn, +39%**, reflecting tight physical markets and drawdown of inventories in various commodities, including copper and zinc concentrates. Fiscal stimulus measures in China and monetary policy actions in the US maintained positive momentum in H2

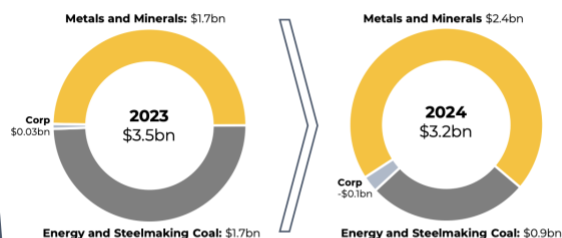
**Energy and Steelmaking Coal:**

- \$0.9bn, -47%**, reflecting the continued rebalancing and normalisation of international energy trade flows, where natural gas and thermal coal prices trended materially lower vs 2023, amid weaker European demand and supply growth

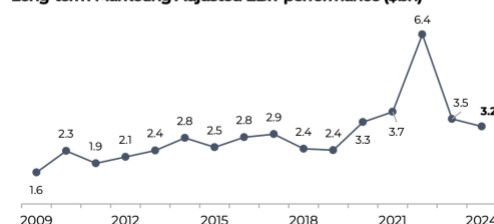
**Viterra:**

- \$165M** share of Net Income (included in Corporate and Other) from Viterra's underlying 100% basis Adjusted EBITDA of \$1.6 billion. Outstanding regulatory approvals and closing of sale expected in the coming months

**Marketing Adjusted EBIT (\$bn)**



**Long-term Marketing Adjusted EBIT performance (\$bn)**



Based on spot prices for commodities on the 7th of February 2025, Glencore guides for \$4.8 billion in FCF for 2025. Copper and zinc are a bit up since, coal maybe a little bit down, but given the diversification with Glencore, in addition to the marketing arm, we could expect \$5 billion in FCF to be the baseline for a long-term average.

Thus, copper should make \$4.1 billion in EBITDA, possibly a bit more but if there is a global slowdown, possibly also half of that if prices decline from \$5 to \$3 per copper pound. Zinc seems to be around a long-term average while met coal prices are in a downturn that, we don't know when, could spike, and lead to much higher profits down the road. Marketing is standard, around \$3 billion, up from \$2 billion since I've first taken a first look at Glencore almost a decade ago.

**2025 Guidance: Illustrative spot annualised FCF<sup>(1)</sup>**

	Industrial							(\$bn)
	Copper <sup>(2)</sup>	Zinc <sup>(3)</sup>	Steelmaking Coal <sup>(4)</sup>	Energy Coal <sup>(5)</sup>	Other	Marketing <sup>(6)</sup>	Group	
<b>Primary production</b>	<b>850-910kt</b>	<b>930-990kt</b>	<b>30-35Mt</b>	<b>92-100Mt</b>				
Production from other departments	-90kt	-155kt						
Payability deduction		-133kt						
Net relevant production	790kt	672kt	32.5Mt	96Mt				
<b>Net relevant sales<sup>(a)</sup></b>	<b>822kt</b>	<b>694kt</b>	<b>32.5Mt</b>	<b>96Mt</b>				
<b>Realised price</b>	<b>413.7/lb</b>	<b>129.8/lb</b>	<b>206.2/t</b>	<b>123.1/t</b>				
Portfolio mix adjustment			-12.9/t	-34.1/t				
<b>Unit cost</b>	<b>-178.0/lb</b>	<b>-6.1/lb</b>	<b>-110.7/t</b>	<b>-66.5/t</b>				
Margin per unit	236c/lb	124c/lb						
Margin per unit (\$) <sup>(b)</sup>	5196/t	2728/t	82.6/t	22.5/t				
<b>Base Adj.EBITDA (\$bn)<sup>(a)(b)</sup></b>	<b>4.3</b>	<b>1.9</b>	<b>2.7</b>	<b>2.2</b>	<b>1.0</b>	<b>3.4</b>	<b>15.5</b>	
Development projects & other	-0.2							-0.2
KNS closure & C+M costs					0.0			-0.0
<b>Adjusted EBITDA (\$bn)</b>	<b>4.1</b>	<b>1.9</b>	<b>2.7</b>	<b>2.2</b>	<b>1.0</b>	<b>3.4</b>	<b>15.3</b>	
Cash taxes, interest, minorities + other								-3.8
Capex: Ind+Mktg <sup>(7)</sup>								-6.7
<b>Illustrative spot FCF<sup>(8)</sup></b>								<b>4.8</b>

Adj.EBITDA	\$bn
Ferroalloys, Nickel, Aluminium and Oil	1.5
Corporate/Other	-0.5

↑

GLENCORE

2024 Preliminary Results 17

For valuation purposes, take a base of \$5 billion per year, possibly going down to \$3 or \$2 in a severe commodity downturn, and up to \$10 or more in a commodity boom.

On specific metals, there is 910kt of copper production, globally diversified but mostly Latin America, low cost, long-life assets.

**Industrial: production outlook - copper**

**Growing base business; declining by-product copper production from Zinc assets (Mount Isa and Kidd)**

- Copper business focused around long-life assets in South America and Africa
  - Collahuasi, Antamina, Antapaccay, Lomas Bayas, KCC and Mutanda comprise >90% of volumes over the outlook period
- Lower 2025F base copper business production (vs 2024) primarily reflects South American mine plan changes
  - H1 2025 impact of Collahuasi lower-grade stockpile recoveries and water constraints (c.30kt FY impact vs 2024)
  - Lower anticipated copper grades at Antamina (c.15kt impact vs 2024) and mine sequencing at Lomas Bayas (c.10kt vs 2024)
- Production trending higher over the outlook period – c.1Mt forecast by 2028 (before growth projects)
  - The commissioning of Collahuasi's desalination plant (expected later in 2025) should remove water constraints from H2 2025
  - Collahuasi's Ujina Growth Project (to 210ktpd) and higher grades at Antapaccay are expected to lift South American volumes to c.650kt by 2028F
  - African copper volumes of c.300kt by 2027F (from c.250kt in 2025F)
  - + attractive brownfield growth project options – Mutanda Sulphides, Coroccohuayco, MARA and Collahuasi



Notes: Figures are based on management estimates and current portfolio (except where indicated). These estimates are subject to change. (1) 2024 Full Year Production Report, Page 1. (2) 2025F production guidance stacked bar based on the mid-point of the guidance range. (3) (p) denotes the named asset as a copper project.

On top of what is already there, Glencore owns low-cost development assets that could double copper production:

**energising today | advancing tomorrow**

**Delivering our strategy**

**Organic growth options<sup>(1)</sup>**

- Key copper projects progressing towards feasibility conclusions and FID
- Updated study estimates indicate the potential for 1Mtpa of copper production from our El Pachon, Mutanda sulphides, Coroccohuayco, MARA and Collahuasi projects - at an attractively low capital intensity of \$15-20k per CuEq tonne (est)
- RIC1 enrollment preparation

**Capex per CuEq tonne (\$)<sup>(2)</sup>**

Glencore	15-20k
Avg Brownfield	~25k
Avg Greenfield	~35k

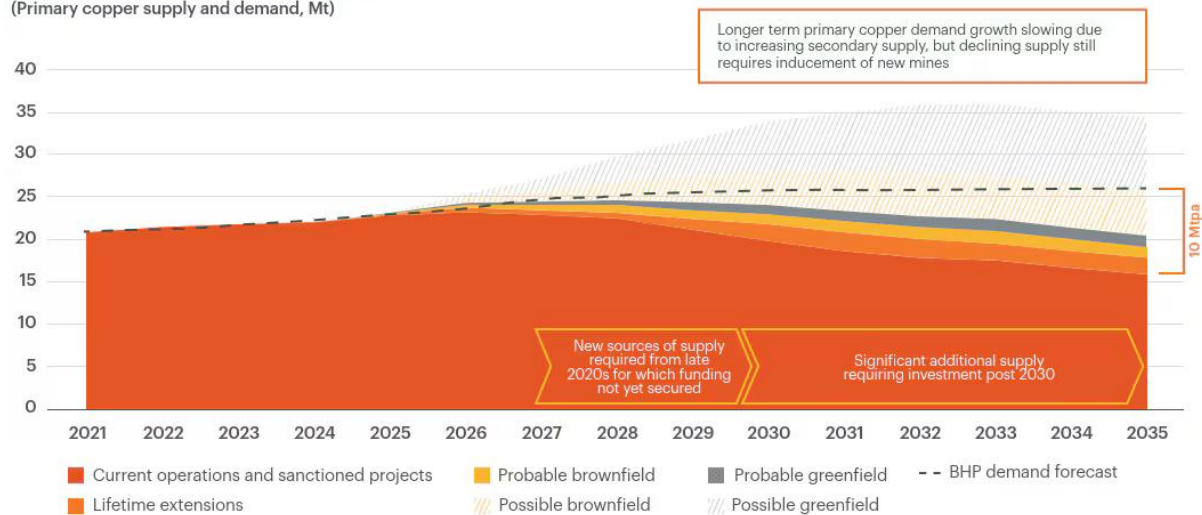
**Key copper projects<sup>(3)</sup>**

Notes: All project data highly indicative and subject to change prior to eventual financial investment decision

Now, as discussed in the conference call, they are not interested to do crazy things to go into production into what seems a balanced copper market, they want the supply gap to really open, so that these projects make a lot of money. Keep in mind this is 4% of global copper supply (just Glencore's projects). According to BHP, the current situation still sees copper oversupply in 2026, and then the gap to possibly open over time (current spike in copper price is due to rush purchases before tariffs).

### Significant investment required

(Primary copper supply and demand, Mt)



Source: Supply—Wood Mackenzie (Q2 2024); Demand—BHP analysis.

Note: Wood Mackenzie mine volumes adjusted for forecast disruption and smelting/refining losses. Lifetime extensions are BHP's assessment of current supply that will require significant "expansion capex" to maintain production levels (normally counted in Wood Mackenzie's Current Operations). Probable projects are those that are not considered sufficiently imminent and advanced to include in the base case. Possible projects have more significant risks associated with their development, resulting in longer lead times.

I am watching and waiting for a downturn, I am sure of one thing, prices will be volatile :).

Glencore's plan is not to spend much money on these projects but to find partners for the capex, thus to derisk the development over time. Here is more detail on the possible long-term projects:





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Delivering our strategy – organic growth options<sup>(1,2)</sup>



**MARA/Alumbrera**

Location	Catamarca, Argentina
Type	Brownfield
Ownership	100%
Commodities	Cu, Au, Ag, Mo
Operation	Open pit mine, utilising existing Alumbrera infrastructure
Production   Cu	c.165ktpa
Production   Cu eq. <sup>(5)</sup>	c.210ktpa
Life of Asset	c.20+ years



**Coroccohuayco/Antapaccay Complex**

Location	Espinar, Peru
Type	Brownfield
Ownership	100%
Commodities	Cu, Au, Ag
Operation	Open pit mine, utilising existing Antapaccay infrastructure
Production   Cu*	c.300ktpa
Production   Cu eq. <sup>(4)</sup>	c.320ktpa
Life of Asset*	c.10 years



**El Pachon**

Location	San Juan, Argentina
Type	Greenfield
Ownership	100%
Commodities	Cu, Au, Ag, Mo
Operation	Open pit mine, concentrator plant
Production   Cu <sup>(5)</sup>	c.340ktpa
Life of Asset	20+ years

\*Broader Antapaccay complex has an anticipated mine life of 25+ years at average life of mine of c.185ktpa of Cu and c.205ktpa of CuEq, including the Coroccohuayco project above

Expected capital expenditures are approximately \$6.4 billion per year:



Capital allocation: Business reinvestment

**2024 Industrial capex and net purchase and sale of PP&E**

- Capitalised Industrial segment capex of \$7.0bn
- \$6.7bn net capex cash outflow, up from \$5.6bn in 2023, largely reflecting the addition of EVR in July 2024 and additional deferred stripping investment across Copper and Coal

**2025F-2027F Industrial capex average<sup>(1)</sup>: \$6.6bn p.a., including c.\$1.4bn p.a. for EVR**

- Excludes up to c.\$400M earmarked over this period for extensive MARA, El Pachon and Collahuasi (4<sup>th</sup> line) feasibility and development work

**2025F-2027F estimated major capex spend**

**Copper:** c.35-40% allocated to copper, comprising:

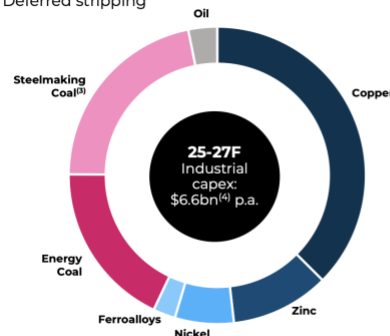
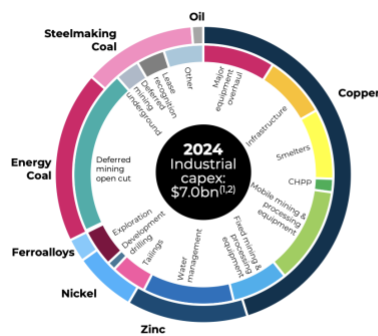
- Collahuasi's Ujina Growth Project (to 210ktpd)
- Extensive deferred stripping at KCC, Antapaccay, Collahuasi and Antamina
- KCC/Antapaccay fleet renewals
- Antamina fleet and tailings investments

**Nickel:** Completion of Onaping Depth project

**Steelmaking coal:**

- EVR water treatment facilities; increasing current 77.5M litres per day (LPD) capacity to 150M LPD per day by 2027F, in line with permit commitments
- Extra haul trucks/shovels expected to deliver 35% increase in materials movement capacity
- Extensive deferred stripping
- c.\$1.4bn average EVR capex over 2025F-2027F; expected to reduce to c.\$1.1bn p.a. thereafter

**Energy coal:** Deferred stripping



Let's look at the finances and valuation.

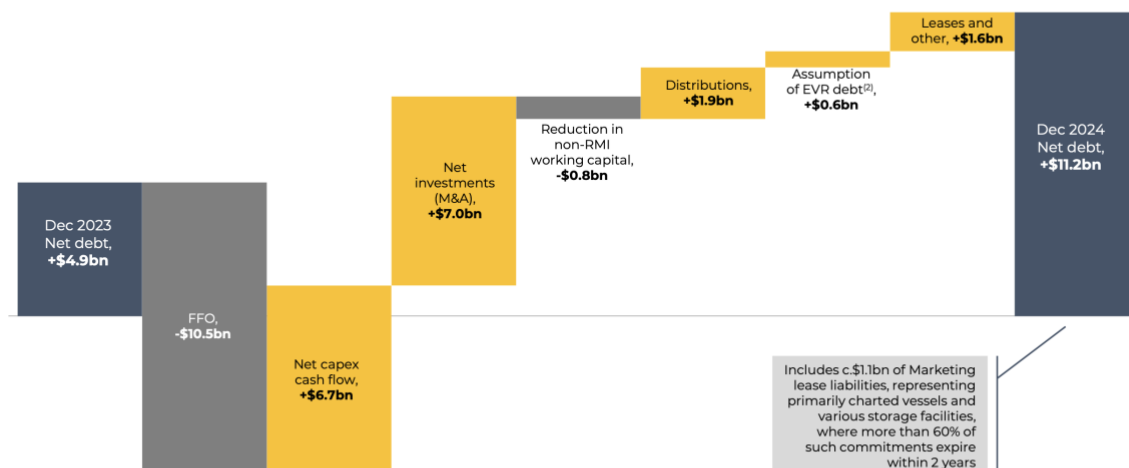
## Glencore Stock Valuation, Risk & Reward, Financials

When it comes to net debt, their goal is to keep it at \$10 billion. They are pretty much there despite the \$7 billion EVR acquisition.

Overview | **Financial performance** | Positioned for the future | Appendix

**Capital allocation: Balance sheet – change in Net debt & working capital**

2024 movement in Net debt (\$bn) <sup>(1)</sup>



Note: Totals may not add due to rounding

GLENCORE

2024 Preliminary Results 12

The plan is to use the free cash flow for opportunities, but given Glencore is trading at 4 times EBITDA, \$60 billion enterprise value and \$15 billion EBITDA, the best opportunity as discussed by the management is to do buybacks. They have \$1 billion in plan to do it up till August and if there is more money by then, do more for the second part of the year.

All in all, we can calculate \$5 billion in FCF and that FCF to be returned to shareholders or used for M&A, creating value in both ways.

Another possible catalyst is listing the company in New York. The stock is currently listed in London, but especially after Brexit London isn't attractive anymore. (yes, sorry to say, but from a financial perspective, it seems the UK shoot itself in the leg) It would be easier to access financing, do deals, spins or whatever if Glencore would be traded elsewhere.

On valuation, 10% likely average FCF yield, we have some growth from copper possible, likely operational improvements here and there and the key, inflation. Global demand for Glencore's commodities is likely to grow, and thus long-term prices could also constantly go higher. 10% FCF, plus possible 5% nominal growth, is already 15%.

A third catalyst is a possible merger with other companies that are looking for growth, from RIO to others, you never now, Glencore is a dealmaking company.

When it comes to valuation, I don't know what they will do with the FCF, but they have announced buybacks, which are not bad at these prices. I have put 4, 6 and 2% growth rates and terminal valuations of 10, 15 and 8 for the various scenarios.

Glencore LINK TO RESEARCH		STOCK PRICE 0,00											DIVIDEND PAYOUT RATIO 100%		
COMPARATIVE TABLE 'A1													Terminal Value	Growth rate	
Scenario 1 normal case	FCF	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2034	4%	next 5 years	
		5,00	5,20	5,41	5,62	5,85	6,08	6,33	6,58	6,84	7,12	7,40	71,17	4%	5 to 10 years
	PV(10%)		4,73	4,47	4,23	4,00	3,78	3,57	3,38	3,19	3,02	2,85	27,44	10%	Discount rate
	INTRINSIC VALUE		64,64											10,0	Terminal multiple
Scenario 2 best case													Terminal Value	Growth rate	
	FCF	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2034	6%	next 5 years	
		5,00	5,30	5,62	5,96	6,31	6,69	7,09	7,52	7,97	8,45	8,95	126,71	6%	5 to 10 years
	PV(10%)		4,82	4,64	4,47	4,31	4,15	4,00	3,86	3,72	3,58	3,45	48,85	10%	Discount rate
	Present value sum		89,87											15,0	Terminal multiple
Scenario 3 worst case													Terminal Value	Growth rate	
	FCF	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2034	2%	next 5 years	
		5,00	5,10	5,20	5,31	5,41	5,52	5,63	5,74	5,86	5,98	6,09	47,80	2%	5 to 10 years
MARGIN OF SAFETY	PV(10%)		4,64	4,30	3,99	3,70	3,43	3,18	2,95	2,73	2,53	2,35	18,43	10%	Discount rate
	Present value sum		52,22											8,0	Terminal multiple
Scenario		Probability	PV	Part											
Scenario 1 (normal case)		34%	64,64	21,98											
Scenario 2 (best case)		33%	89,87	29,66											
Scenario 3 (worst case)		33%	52,22	17,23											
STOCK PRICE NOW			0	Sum	68,87										

SVEN CARLIN

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RESEARCH PLATFORM

Disclaimer: This is just for educational purposes and not for investing advice!

MADE BY STOCK MARKET RESEARCH PLATFORM

On \$5 billion FCF, and 4% growth, Glencore is cheap now for a 10% return ahead, a \$70 billion market capitalization would be a fair price, now we are at \$47 billion.

GLENCORE

# Glencore PLC

LON: GLEN

Overview

Compare

Financials

Market Summary > Glencore PLC

**297,35** GBX

-226.65 (-43.25%) ↓ all time

27 Mar, 15:32 GMT • Disclaimer

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1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max



Open	307,75	Mkt cap	36,67B	52-wk high	506,72
High	309,25	P/E ratio	-	52-wk low	298,35
Low	302,95	Div yield	3,01%		

Price in GBP, market capitalization in USD \$47 billion.

# 1 Pound sterling equals 1,30 United States Dollar

27 Mar, 15:32 UTC · From Morningstar · Disclaimer

Thus, cheap from that long-term perspective on commodities, global growth and development. Keep in mind there is 4 billion people that also want to live like we do in the developed world.

However, one must always keep in mind that in case of a China slowdown (less demand for copper and steel (met coal)), cash flows could be zero for a year or two, and then I wouldn't be surprised to see this stock down another 50%. And, I hope it happens!!!

Further on the risks:

- Commodity downturn
- Issues in various countries, from Congo to Argentina, you never know
- Department of Justice investigation is behind them, but you never know about the skeletons in the closet.
- Sustainability, if the world goes net zero, coal would suffer, but maybe copper would boom...

## Portfolios Fit

From a risk reward perspective, Glencore is priced at a mid-cycle level at a FCF yield of 10%. For a bigger commodity bargain, we would need to see a downturn, which would mean 50% down and then it would be a 20% average cycle yield (of course, no FCF at that point in time, but that is how it works). Of course, such a downturn might happen only once in a decade, but that is why I follow many things and hope for a few such opportunities in a decade.

However, from a more diversified perspective, it is very likely that 10 businesses like Glencore will likely deliver 10%+ yearly returns. So, it fits already the diversified portfolio where I'll start with a mid position and 3% of the portfolio, and then if it goes lower, I'll be very happy to increase the position.

## Comments On Conference Call

Being a large diversified business, there is a lot to discuss in the conference call and it is one of the longest ones I have seen. However, from an investing perspective, we need to understand the key factors and work on those. What I got from the conference call is the following:

- best M&A according to the CEO are buybacks
- re-rating can happen on another exchange, but they are not in a rush, buybacks are cheap now
- there was one comment on US met coal producers and how those are high cost, which was also my feeling when I researched them, but their management always says how they are low cost, which is true if you don't count transport to China... so, it is always interesting to see a different perspective which you can only see from conference calls
- there was a comment about copper, and the key was how current prices are low, and Glencore is not going to push production up at these prices, interesting perspective for copper long-term...