

# Barrick

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## Brokers - Mackie downgrades Barrick Gold and IAMGOLD

Broker Mackie has downgraded gold giant Barrick Gold (NYSE:ABX) from 'buy' to a 'hold' on valuation grounds and says the firm is getting on with life as a "senior gold producer".

The market has recognised the improvements the world's biggest gold miner is making in its underlying performance, notes analyst Barry Allan.

Since the third quarter of fiscal 2015, the shares have performed nicely, rising off all-time lows and rising over 100%, he notes.

The group's 2015 production beat forecast with output of 6.12 million ounces better than the broker's 6.04 Moz forecast, largely due to excellent operating performance at Goldstrike and Cortez mines.

Meanwhile, the direct operating costs of US\$596/oz were well below Mackie's US\$615/oz forecast.

"As 2015 results confirm, ABX has made good strides in solving an over-leveraged balance sheet and halting the development of questionable projects of low-return.

"The attention has shifted to getting the best from its core mines, which operating results have shown to be a good strategy. While further assets sales are anticipated, the overwhelming shift will be to maximize operating results."

Meanwhile, the same broker reckons IAMGOLD (NYSE:IAG) is still a share to avoid, and puts its rating down to 'sell' from 'hold'.

"With a flat to declining production profile for 2016 and 2017, and a relatively high, all-in cost of ~US\$1,200, other than the potential for higher gold prices, there is no fundamental reason to be involved with the stock," notes Mackie.

The group is still treading water and going nowhere, it suggests..

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**Price:** C\$21.19

**Market Cap:** C\$37089.45M

### 1 Year Share Price Graph



### Share Information

**Code:** ABX

**Listing:** TSX

**52 week** **High** **Low**  
C\$21.81 C\$12.54

**Sector:** General Mining - Gold

**Website:** [www.barrick.com](http://www.barrick.com)

### Company Synopsis:

On 1 January 2019 a new Barrick was born out of the merger between Barrick Gold Corporation and Randgold Resources. Shares in the new company trade on the NYSE (GOLD) and the TSX (ABX).

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