



#### **ANALYST QUICK NOTES**

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**Barrick Gold Corp. (NYSE: ABX: BUY)**

**Target Price: \$26**

**Bill Selesky**

**1/17/2017**

#### **Fourth-quarter 2016 earnings release on February 15, 2017 (after the close)**

- We expect Barrick Gold to post strong 4Q16 operational and financial results.
- For 4Q, we anticipate sales of \$2.25 billion with EPS of \$0.23.
  - The Street expects \$2.12 billion and \$0.18.
- The higher performance we anticipate is likely to stem from lower cash costs and higher margins.
- Looking ahead, ABX is our favorite name in the gold-mining sector even as gold prices suffer.
- The combination of Federal Reserve tightening, rising interest rates and U.S. dollar gains are all headwinds.

#### **Recommendation**

- We reaffirm our BUY rating with a \$26 price target.
  - The near-term is challenging but the long-term seems positive.
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