

Case Study
Stock Market Research Support to a Leading
Investment Bank



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About the Client



- The client is a leading investment bank, headquartered in the US

Client Objectives / Goals



- The client's equity research team wanted to initiate coverage on few US-based gold mining companies
- The client wanted to understand the industry and the historical stock performance of the top players in the industry

Approach and Methodology



- Conducted an in-depth analysis of 10 gold mining stocks
- Looked at the respective companies' business operations strategy, ownership structure and geographic presence
- Identified the KPIs for the industry and tracked recent developments
- Analysed the historical stock performance and carried stock price valuation to identify under-valued and over-valued stocks
- Forecasted the future by analysing quantitative and qualitative data, such as historical financial performance, industry performance and management discussion, etc.

Sample Output



Recent News

March 2013: Newmont Mining Corporation announced that its President and Chief Operating Officer Gary Goldberg has been named President and Chief Executive Officer and joined Newmont's Board of Directors, pursuant to a succession plan announced on December 3, 2012.

Financial Summary					
Particulars (in US\$ mn)	FY2009	FY2010	FY2011	FY2012	CAGR%
Sales	7,705.0	9,640.0	10,588.0	9,868.0	8.6%
YoY growth %	28.2%	22.2%	8.4%	-6.7%	
Gross Profit	3,893.0	5,113.0	5,432.0	4,896.0	8.7%
Gross Margin %	50.5%	53.0%	51.4%	49.6%	
Operating Profit	2,893.0	4,173.0	4,126.0	3,137.0	1.6%
Operating Margin %	37.6%	43.3%	39.4%	31.8%	
EBITDA	3,799.0	5,158.0	5,162.0	4,169.0	9.1%
EBITDA Margin %	49.3%	53.5%	49.3%	42.2%	
Diluted EPS (US\$)	2.7	4.6	0.7	9.6	10.0%
Return on Equity %	14.4%	10.9%	2.0%	13.4%	
Cash & Equivalents	3,271.0	4,169.0	1,854.0	1,647.0	-10.3%
Total Debt	4,809	4,441.0	4,313.0	6,290.0	9.3%
Debt / Equity (x)	38.13x	28.26x	27.35x	37.16x	

Results / Value-add



Identified the top performing stocks in the industry, helping the client zero in on three companies it could initiate the coverage on