

# Buy – Glencore (GLEN)

March 27, 2013

Leveraged products involve a high level of risk and you can lose more than your original investment. They are not suitable for everyone so please ensure you understand the risks involved and if necessary please obtain investment advice from a financial adviser before investing. This report is not a personal recommendation and does not take into account your personal circumstances or appetite for risk.

Trade parameters:				
<b>Opening Price</b> 357p	<b>Stop Loss</b> 12p away (345p)	<b>Limit/Target</b> 390p	<b>Reward vs. Risk</b> 2.8x	<b>CFD Margin</b> 10%

**Observations - For**

- Shares back down at key resistance/support 355p level
- Shares back at 9-month support & 200-day moving average
- Directional indicators converging bullishy
- RSI down near oversold; Momentum near prior lows
- Stochastics suggests oversold

**Observations - Against**

- MACD still in downtrend, and below zero
- RSI not yet kicked back up
- Momentum still negative
- Shares still underperforming FTSE100
- Markets still very tetchy regarding Eurozone**

**News / Broker Comments / Important Dates / Observations \*\***

Congo lifts curfew in copper producing heathland after attacks (27 Mar). Violent clashes halts production at SA coal mine (20 Mar) GLEN hires BofA-ML to sell Australia Malt unit (14 Mar). Upgraded to mkt perform from underperform by BMO (13 Mar). Global Mining cut to underweight by Credit Suisse (8 Mar) Jefferies says Glencore/Xstrata merger will get nod from China, while Bernstein says merger to survive review (6 Mar). Shares rallied on results, but struggled since on macro worries. **Next Event:** Ex-div, 22 May

**Latest Broker 12m Consensus: 7 x Buy, 4x Hold, 0 x Sell** (Source: Digital Look, Alpha Terminal, Brokerforecasts.com) (U = Upgrade / D = Downgrade)  
**20-Mar**, Jefferies, Buy, TP 450p; **12-Mar**, ExaneBNP, Neutral, TP 390p; **12-Mar**, Liberium, Buy; **6-Mar**, BoA-ML, Buy, TP 450p; **4-Mar**, UBS, TP 440p; **4-Mar**, SocGen, Hold, TP 390p;



**Stock description**

**Glencore International PLC**, through its subsidiaries, supplies commodities and raw materials to industrial consumers. The Company operates in three groups: Metals and Minerals, Energy Products, and Agricultural Products.

**Graph: 1-year (daily)**

**Stock last used as Trade Idea;**  
10-Jan 2013

\*\*Source: DowJones Newswires, Reuters News or Company Press releases, Bloomberg.com

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**Graph: 1-year (daily) - ADX and Directional Indicators, MACD & Volume**



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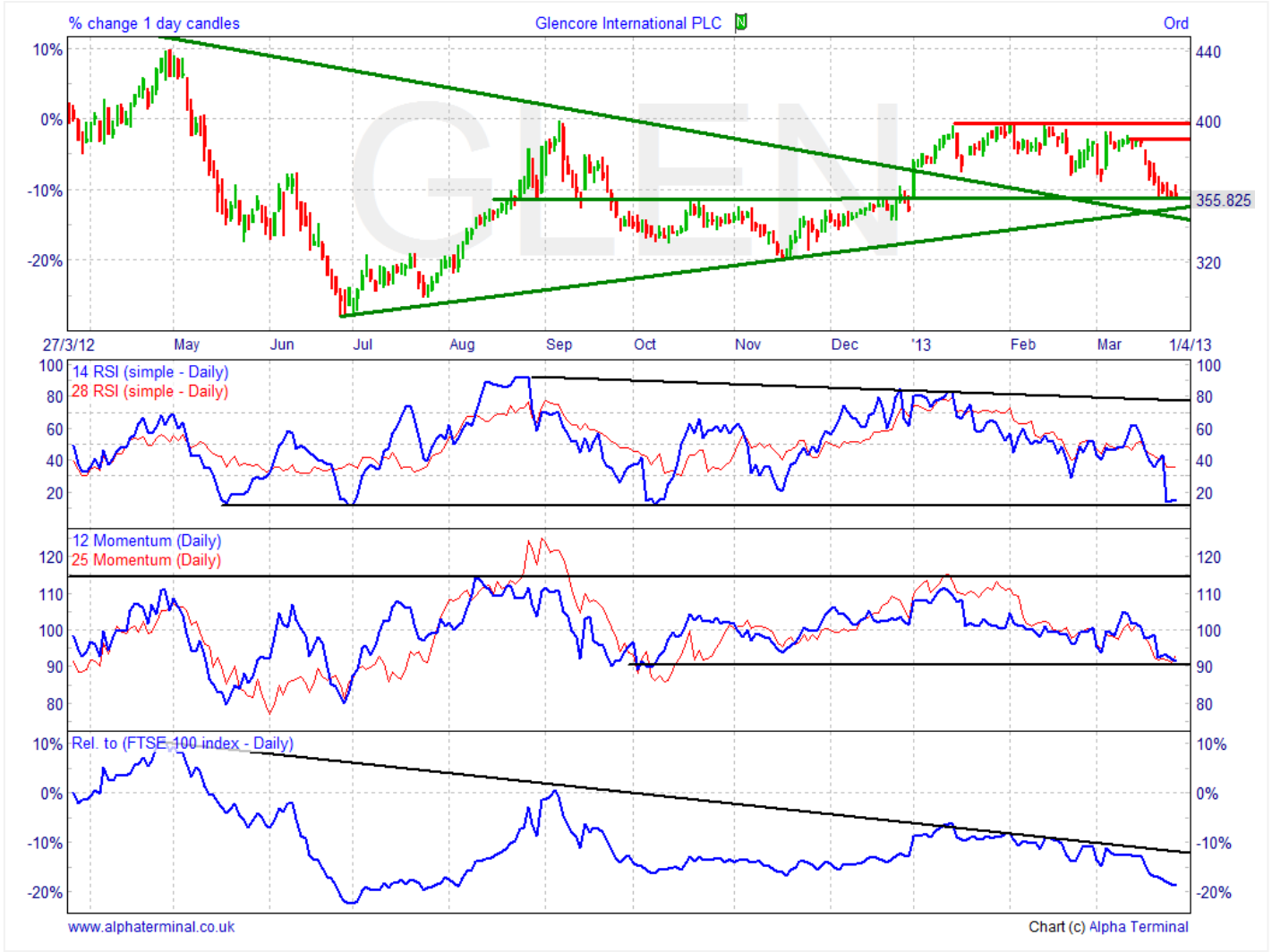
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**Graph: 1-year (daily) - RSI, Momentum and Performance relative to FTSE 100**



Share Perf %	1wk	1m	3m	1yr	2yr	3yr	4yr	5yr
	1.75	-7.12	1.27	-11.39	n/a	n/a	n/a	n/a

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