

Sell – Antofagasta (ANTO)

October 23, 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:				
Opening Price	Stop Loss	Profit Limit	Reward vs. Risk	CFD Margin
888p	915p (27p/3.0% above)	805p (83p/9.3% below)	3.1x	5%

Technical Observations - For

- Resistance at September highs on waning volume
- RSI overbought and turned down; Stochastics too
- Momentum topped out;
- Positive directional indicator falling
- Shares underperforming FTSE 100

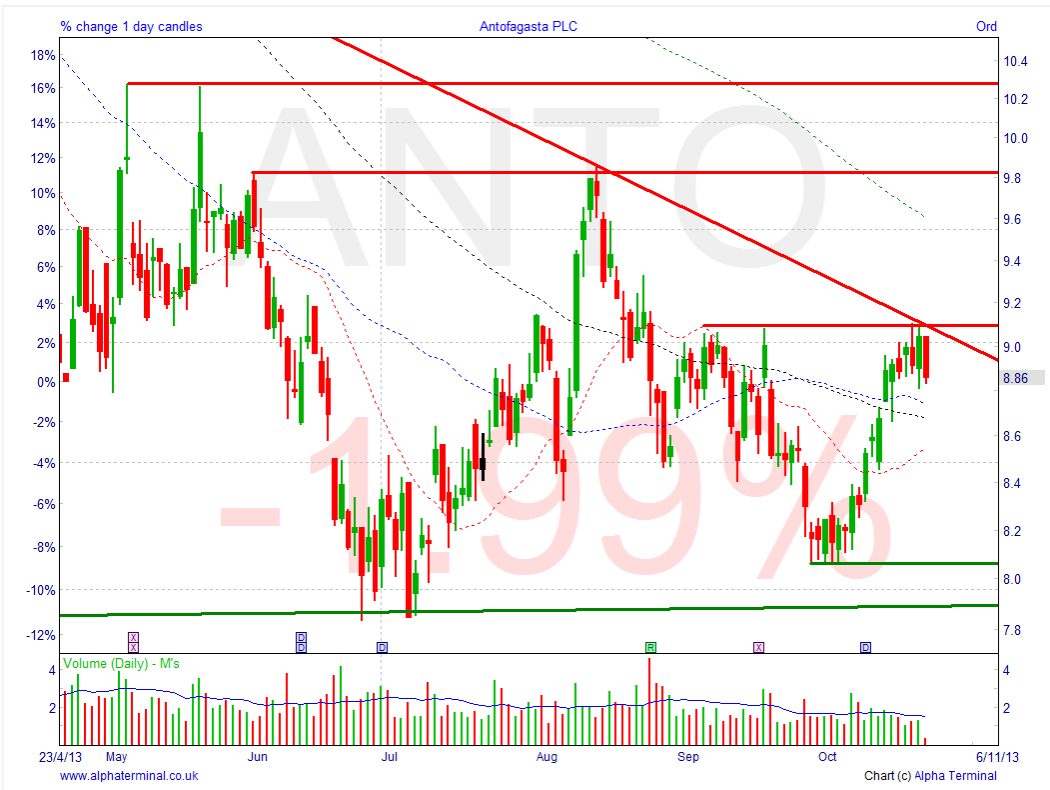
Technical Observations - Against

- MACD still rising
- No bearish cross by directional indicators
- RSI not gone below breakeven lows
- Momentum still positive
- Point & Figure shows no big reversal

News / Broker Comments / Important Dates / Observations **

HSBC removes volatility flag from ANTO and upgrades seeing consensus expectation on copper are too bearish and that prices will rise (17 Oct). Shares suffered in August when half-year results were published highlighting lower prices but on track for FY production (27 Aug). Citigroup says results miss at EPS level on higher tax rate and lower operating cash-flow (27 Aug). Exposed to sentiment on economic growth. Fears China needs tighter policy to tame overheating. Consensus split. **Next Event:** Quarterly production, 31 Oct

Latest Broker 12m Consensus: 9 x Buy, 8 x Hold, 8 x Sell (Source: Digital Look, AlphaTerminal) (U = Upgrade / D = Downgrade)
17-Oct, HSBC, Overweight (U), TP 990p (U); **16-Oct,** Westhouse, Buy, TP 1090p; **11-Oct,** Nomura, Reduce, TP 875p; **8-Oct,** Deutsche, Hold, TP 1035p; **7-Oct,** BoA-ML, Buy, TP 1200p; **24-Sept,** RBC, Outperform, TP 1000p; **23-Sept,** Citigroup, Sell, TP 790p (U)



Stock description

Antofagasta plc owns and operates copper mines in Chile and conducts exploration activities in Chile and Peru. The Group also operates a rail network servicing the mining region of northern Chile, as well as operates a concession for the distribution of water in this region. (FTSE 100)

Graph: 6-months (daily)

Stock last used as Trade Idea;
24-Apr-2013

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

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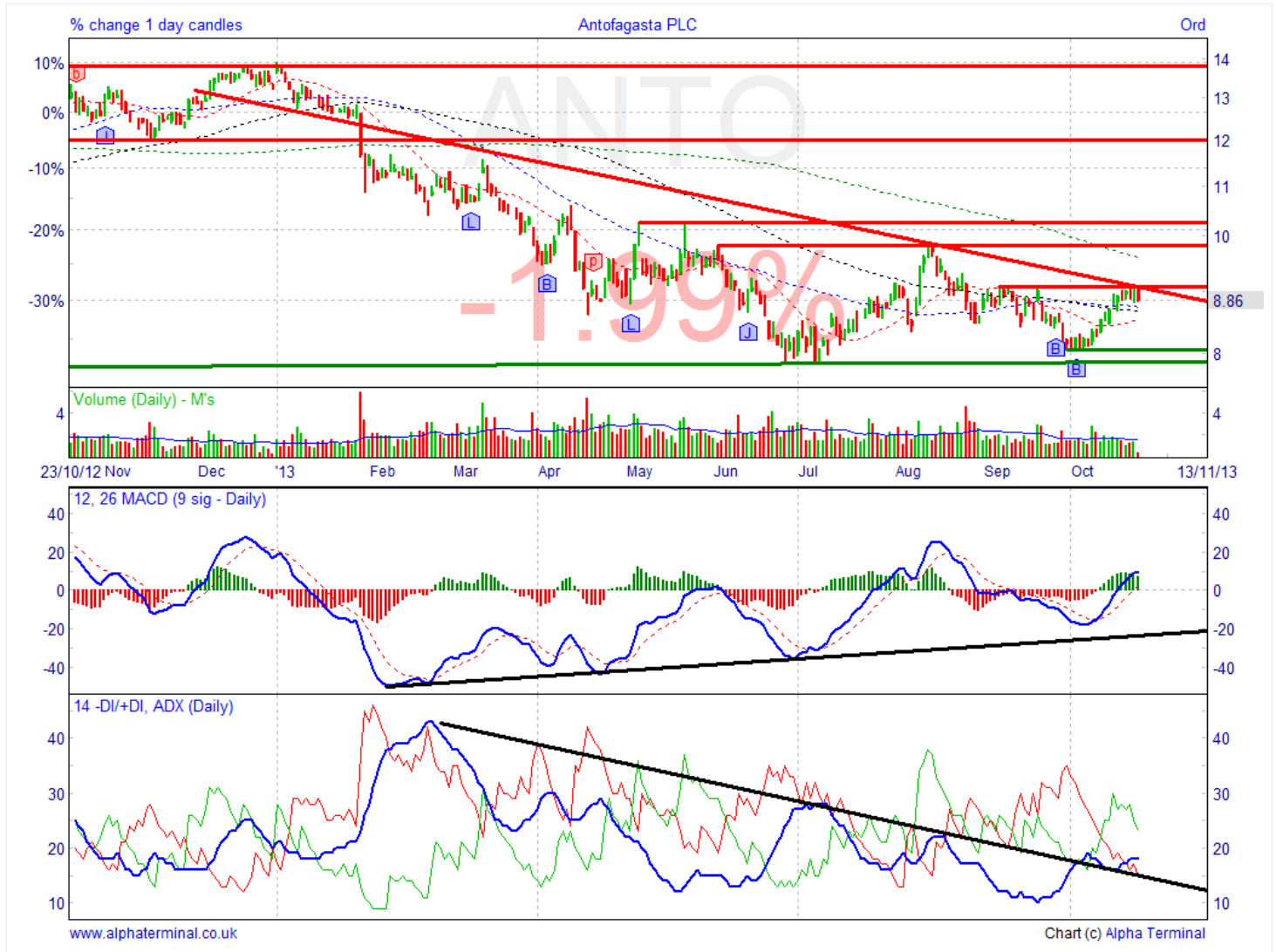
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Graph: 1-year (daily) - ADX and Directional Indicators, MACD & Volume



Moving averages on price:
Green: 200-period, Black: 100-period, Red: 50-period, Red: 20-period

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



Share	1wk	1m	3m	1yr	2yr	3yr	4yr	5yr
Perf %	-0.11	4.41	1.31	-30.66	-24.53	-31.68	8.03	133.86

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