



## Barrick Gold Earnings: What Should You Expect From the Canadian Gold Miner in Q3?

### Description

**Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD), which is one of the [largest mining companies in the world](#), is slated to report its third-quarter 2021 results after the market close on November 4, 2021. It's quite likely that investors will be approaching the Canada-based miner's report with optimism given that Barrick Gold has managed to beat Wall Street earnings forecasts in each of the last four quarters.

Barrick Gold stock, similar to most other mining companies, has grossly underperformed the broader markets in the last year. While the S&P 500 has returned 42.3% to investors in the last year, ABX stock is down 31%. In fact, shares of Barrick Gold are trading 38% below their 52-week high.

The pullback can be attributed to falling prices of the yellow metal that are currently trading at US\$1,776.50/ounce compared to over US\$2,000/ounce back in September 2020. But there are multiple drivers that might result in higher gold prices going forward, that include a low-interest-rate environment, rising inflation rates, and an overvalued equity market.

But right now, let's see what investors can expect from Barrick Gold in Q3.

### Barrick Gold: Revenue and earnings forecast

Wall Street expects [Barrick Gold revenue to fall](#) by 10% to US\$3.18 billion and adjusted earnings per share to decline by 24.4% year over year to US\$0.31 per share in Q3 of 2021. They also expect Barrick Gold sales to marginally fall by 0.7% to US\$3.26 billion in Q4 with an adjusted EPS decline of 5.7% year over year.

As stated earlier, Barrick Gold has outpaced earnings estimates consistently in the last year.

- Its earnings of US\$0.29 per share in Q2 of 2021 was 11.5% higher than estimates of US\$0.26.
- Its earnings of US\$0.29 per share in Q1 of 2021 was 7.4% higher than estimates of US\$0.27.
- Its earnings of US\$0.35 per share in Q4 of 2020 was 12.9% higher than estimates of US\$0.31.
- Its earnings of US\$0.41 per share in Q3 of 2020 was 28% higher than estimates of US\$0.32.

In its preliminary Q3 report, Barrick Gold confirmed it sold 1.07 million ounces of gold and 101 million pounds of copper. Comparatively, it produced 1.09 million ounces of gold and 100 million pounds of copper in Q2. The average market price for gold stood at US\$1,790 per ounce, while the average market price for copper was US\$4.25 per pound.

## What's next for investors?

Barrick Gold is one of the largest Canadian companies trading on the TSX with a market cap of \$33 billion. Due to its large size and wide economic moat, Barrick Gold's earnings will also impact the share prices of other mining peers.

Earlier this month, the company stated it remains on track to reach 2021 production targets "with both the Africa & Middle East and Latin America & Asia Pacific regions continuing to trend to the higher end of their regional gold guidance and North America at the lower end."

Despite the exaggerated decline in Barrick Gold stock, analysts remain bullish on the gold miner with an average 12-month price target of US\$28.41. This indicates an upside potential of 54% from the current price.

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