

# GOLD STOCK ANALYST™

A Monthly Newsletter Finding **Undervalued** Investment Opportunities through Fundamental Analysis & Rankings of the largest North American-Traded Precious Metals Mining Stocks

April 2002 • Issue #95 • Editor: John C. Doody • Single Issue: \$75.00

## IN THIS ISSUE:

Past Analysis Index	2
GSA's Top 10 Stocks	3
Company News and Analysis	4
GSA Stock Data	5
The Metals Markets	6
Gold: Price, Stock Indexes, Market Indicators	7

## Reviewed Inside:

Tier II: Gold Reserve	4
Glamis	8
Goldcorp	9
Gold Fields	10 & 11
Golden Star	12
IAMGOLD	12

## Analyses Inside:

Banks' Gold Derivative Positions Over Time	4
UK Gold Sales Wrap-up	6
Charts: Reverse Splits	6

Next Issue Mailed: 5/1/02

## Holding the Door Open

Many observers believe Gold's price action has been restrained over the past several years. Much of belief is based on the timing of ... *continued Page 4*

## Return of Smoot-Hawley?

The Hoover administration in 1930 allowed passage of tariffs near 60% on US imports and triggered protectionist retaliation by other nations that sent the world deep into depression. Economic historians view Smoot as a colossal mistake.

Now Bush administration "goes political" to protect steel and lumber jobs and curry favor with voters. The approx 30% duties imposed will add to US inflation, and foreign nations react by adding similar-sized taxes on ... *continued Page 6*

## TVX & the History of Reverse Splits

TVX will hold an Annual and Special Meeting on May 16, 2002. One item up for vote is a 10 into 1 reverse split. No doubt this will be approved, as it should be, to allow TVX to maintain its NYSE listing and bring its soon to be 429 mil shares outstanding in line with its smaller intermediate size (also see Page 4).

BUT, investors should beware!!! The history of reverse splits is such that the stocks always fall after the consolidation. ... *continued Page 6*

## Let's Play: Name That Miner!

The nature of stock prices means sometimes two similar companies can move to wildly different valuations, often due to Market misperceptions.

The table presents data for two big miners that the Market sees differently, as evidenced in the big disparity between their Market Caps/oz P+P.

Miner "A" has several advantages over "Z" and GSA expects over time for "A" to rise and/or "Z" to fall to close the gap. Accordingly, it's better to own "A" and be out of, or short, "Z".

For who's who, please turn to Page 4.

	Miner "A"	Miner "Z"
Mkt Cap/oz P+P	\$965/oz	\$1,608/oz
% P+P Hedged: 12/31/01	22%	19%
% P+P in S. Africa	84%	64%
Debt % of Tot Debt + Equity	47%	39%
4Q01 Cash Cost/oz Prod	\$159/oz	\$167/oz
2001 EPS (*pre-writedowns)	\$1.15/shr	\$0.51/shr*
Dividend Yield	3.4%	0.8%
Future Production	Growing	Flat/down

**Newmont tops Barrick and \$10 billion Market Capitalization! See Page 5**

• A *Forbes.com* article listing the 17 most recco'd stocks by newsletters with the "best track records in the past year" found **Barrick** tied for most frequently picked, chosen by 7 of the "best." These letters must operate purely on name recognition, because gold investors know ABX's hedge policy sees it shunned by many to give it the 2nd worst record of the Majors in 2002 (losing only to **Placer Dome**, a hedger w/declining prod and 2/3 of P+P in South Africa).

• Addition to **Top 10**: A small producer with a big exploration potential being advanced by Placer Dome in a "hot" camp. See Page 3 for more.

• **Aussie Hedging** fell 8% in 4Q01 to 34.2 mil oz and was led by cuts at **Normandy**, **Auriongold** and **Newcrest**, reports JP Morgan.

## Stock Price Change in 2002

	12/31/01	3/28/02	% Chg
Barrick	\$15.95	\$18.56	+16.4%
Gold Flds	4.84	10.42	+115.3
Harmony	6.51	11.30	+73.4
Newmont	19.11	27.69	+44.9
Anglogold	18.06	25.18	+39.4
Placer D	10.91	12.25	+12.3

Internet: [www.goldstockanalyst.com](http://www.goldstockanalyst.com) • Talk w/Editor: 900-820-GOLD • 100% Subscriber Supported