

Freeport-McMoRan Inc.

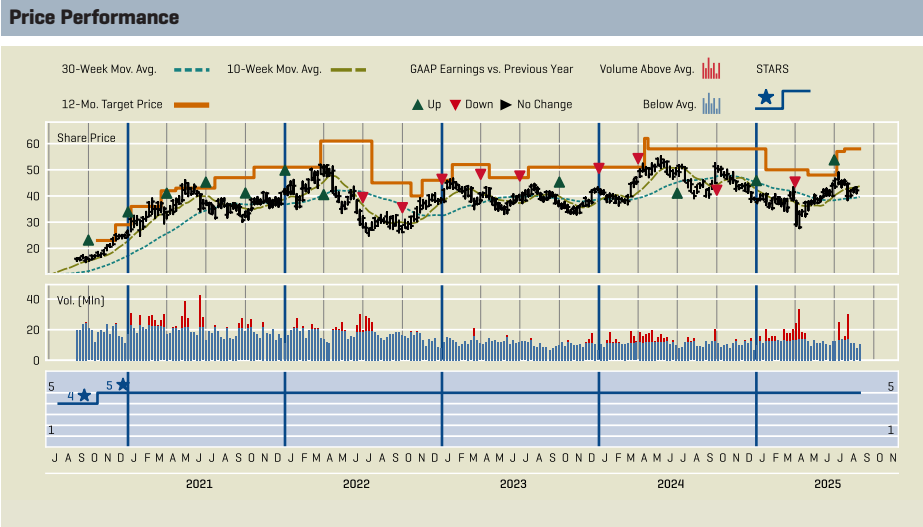
Recommendation **STRONG BUY** ★ ★ ★ ★ ★

Price USD 44.40 [as of market close Aug 29, 2025] 12-Mo. Target Price USD 58.00 Report Currency USD Investment Style Large-Cap Value

Equity Analyst **Matthew Miller, CFA**

GICS Sector Materials Sub-Industry Copper Summary FCX is a major natural resource company with interests in copper, gold, and molybdenum. It is one of the world's largest publicly traded copper producers.

Key Stock Statistics [Source: CFRA, S&P Global Market Intelligence (SPGMI), Company Reports]					
52-Wk Range	USD 52.61 - 27.66	Oper.EPS2025E	USD 1.92	Market Capitalization[B]	USD 63.71
Trailing 12-Month EPS	USD 1.47	Oper.EPS2026E	USD 2.76	Yield [%]	1.35
Trailing 12-Month P/E	30.2	P/E on Oper.EPS2025E	23.12	Dividend Rate/Share	USD 0.6
USD 10K Invested 5 Yrs Ago	30,205.0	Common Shares Outstg.[M]	1,435.00	Trailing 12-Month Dividend	USD 0.6
				Beta	1.63
				3-yr Proj. EPS CAGR[%]	25
				SPGMI's Quality Ranking	B
				Institutional Ownership [%]	87.0



Source: CFRA, S&P Global Market Intelligence  
 Past performance is not an indication of future performance and should not be relied upon as such.  
 Analysis prepared by **Matthew Miller, CFA** on Jul 25, 2025 08:55 AM ET, when the stock traded at **USD 44.58**.

Highlights

- We see 12%-14% revenue growth in 2025 on higher commodity prices. Copper sales -1.5% to 4.0B lbs., gold sales -28% to 1.3M oz., and moly sales +5% to 82M lbs. Gold volume is depressed due to mine sequencing at Grasberg. In 2026, we see copper sales of 4.3B lbs., gold sales of 1.6M oz., and moly sales of 95M lbs. Our outlook for stable copper production at 4.0B-4.3B lbs. annually through 2027 is supported by FCX's top-tier, geographically diverse reserves.
- We expect adj. EBITDA to +26% in 2025 to \$11.5B. In 2024, adj. EBITDA +10% to \$9.1B. Net cash cost for copper production improves to \$1.50 in 2025 vs. \$1.56 in 2024. A key driver is the new U.S. copper tariff. President Trump announced a 50% tariff on copper imports under Section 232, creating a price premium for domestic sales and contributing to 2025 operating cash flow forecast of \$7.9B.
- Net debt excluding Indonesian smelter financing fell to \$1.5B as of June 2025, from \$6.1B at end-2020. FCX's balance sheet has pre-funded growth projects at Bagdad, Lone Star, and Kucing Liar. Since June 2021, FCX returned \$5.2B to shareholders: 33% base dividend, 29% variable dividend, 38% repurchases. Our EPS estimates are \$1.92 for 2025 and \$2.76 for 2026.

Investment Rationale/Risk

- Our 5-STARs (Strong Buy) opinion is based on FCX's solid execution, top-tier geographically diverse copper reserves, and outlook for stable copper production at 4.0B-4.3B lbs. annually through 2027, combined with bullish copper fundamentals. We expect extended structural supply deficits, due to strong demand from electrification, grid modernization, AI data centers, and insufficient new mining projects. FCX has significant leverage to copper prices: each \$0.10/lb copper increase adds \$425M to annual EBITDA.
- Risks include reversal of U.S. trade policy, operational challenges in Indonesia, and global economic downturn. Change in the U.S. tariff structure would remove a key pillar of our cash flow forecast. Operational disruptions at Grasberg from geopolitical events, labor issues, or technical challenges could materially impact production. Severe recession could temporarily reduce demand and pressure prices.
- Our 12-month target price is \$58, based on EV/ EBITDA of 7.1x our 2026 EBITDA estimate, in line with FCX's three-year average and discount to peers at 7.8x. Our DCF model calculates intrinsic value at \$59, assuming WACC of 9.8%, stage-two growth of 12%, 6% in stage three and 2.5% terminal growth.

Analyst's Risk Assessment

LOW	MEDIUM	HIGH
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Our risk assessment reflects the company's exposure to cyclical demand for copper, gold, and molybdenum, which are traded on liquid spot markets. Market prices can be volatile, and thus result in significant volatility in earnings.

Revenue/Earnings Data

Revenue (Million USD)					
	1Q	2Q	3Q	4Q	Year
2026	E 7,803	E 8,231	E 8,466	E 8,814	E 33,314
2025	5,728	7,582	E 7,585	E 7,825	E 28,720
2024	6,321	6,624	6,790	5,720	25,455
2023	5,389	5,737	5,824	5,905	22,855
2022	6,603	5,416	5,003	5,758	22,780
2021	4,850	5,748	6,083	6,164	22,845

Earnings Per Share (USD)

	1Q	2Q	3Q	4Q	Year
2026	E 0.66	E 0.68	E 0.70	E 0.72	E 2.76
2025	0.24	0.54	E 0.54	E 0.60	E 1.92
2024	0.32	0.46	0.38	0.31	1.48
2023	0.52	0.35	0.39	0.27	1.54
2022	1.07	0.58	0.26	0.52	2.43
2021	0.51	0.77	0.89	0.96	3.13

Fiscal Year ended Dec 31. EPS Estimates based on CFRA's Operating Earnings; historical earnings are adjusted. In periods where a different currency has been reported, this has been adjusted to match the current quoted currency.

Dividend Data

Amount [ USD ]	Date Decl.	Ex-Div. Date	Stk. of Record	Payment Date
0.0750	Jun 25	Jul 15	Jul 15	Aug 01 '25
0.0750	Mar 26	Apr 15	Apr 15	May 01 '25
0.0750	--	Apr 15	Apr 15	May 01 '25
0.0750	Dec 18	Jan 15	Jan 15	Feb 03 '25

Dividends have been paid since 1995 . Source: Company reports  
**Past performance is not an indication of future performance and should not be relied as such.**  
 Forecasts are not a reliable indicator of future performance.  
 Dividends paid in currencies other than the Trading currency have been accordingly converted for display purposes.

**Freeport-McMoRan Inc.**

**Business Summary** Jul 25, 2025

Corporate Overview. Freeport-McMoRan [FCX] is one of the world’s largest copper producers and a major producer of gold and molybdenum. FCX’s portfolio of assets includes the Grasberg minerals district in Indonesia, one of the world’s largest copper and gold deposits, and significant mining operations in the Americas, including the large-scale Morenci minerals district in North America and the Cerro Verde operation in South America. In North America, FCX operates seven copper mines [Morenci, Bagdad, Safford, Sierrita, and Miami in Arizona, and Chino and Tyrone in New Mexico] and two molybdenum mines [Henderson and Climax in Colorado]. In addition to copper, certain of FCX’s North American copper mines also produce molybdenum concentrate, gold, and silver. In South America, FCX operates two copper mines [Cerro Verde in Peru and El Abra in Chile]. In addition to copper, the Cerro Verde mine also produces molybdenum concentrate and silver. In Indonesia, FCX’s subsidiary, PT Freeport Indonesia [PT-FI], operates the mines in the Grasberg minerals district. In addition to copper, the Grasberg minerals district also produces gold and silver.

Market Dynamics. In general, demand for copper reflects the rate of underlying world economic growth, particularly in industrial production and construction. According to Wood Mackenzie, a widely followed independent metals market consultant, copper’s end-use markets [and their estimated shares of total consumption] are construction [29%], electrical applications [27%], consumer products [22%], transportation [11%], and industrial machinery [11%]. CFRA thinks copper will continue to be essential in these basic uses and contribute significantly to new technologies for energy efficiencies, advancing communications, and enhancing public health. Examples of areas that will likely require additional copper in the future include: [i] high-efficiency motors, which consume up to 75% more copper than a standard motor; [ii] electric vehicles, which consume up to four times the amount of copper in terms of weight compared to vehicles of similar size with an internal combustion engine, and require copper-intensive charging station infrastructure to refuel; and [iii] renewable energy such as wind and solar, which consume four to five times the amount of copper compared to traditional fossil fuel-generated power.

Gold is used for jewelry, coinage, and bullion, as well as various industrial and electronic applications. Molybdenum is a key alloying element in steel and the raw material for several chemical-grade products used in catalysts, lubrication, smoke suppression, corrosion inhibition, and pigmentation. As a high-purity metal, molybdenum is also used in electronics such as flat-panel displays and in superalloys used in aerospace.

Regulatory Matters. In December 2018, FCX announced its long-awaited agreement with the Indonesian state-owned enterprise [Inalum] and PT-FI joint venture [JV] partner Rio Tinto. Inalum acquired, for a cash consideration of \$3.85 billion, all of Rio Tinto’s interests associated with the JV with PT-FI and a 9.36% interest in PT-FI from FCX. Rio Tinto received \$3.5 billion, and FCX received \$350 million in cash proceeds from Inalum. FCX will continue to manage the operations of PT-FI. Under the terms of the agreement, PT-FI has been granted an extension of mining rights through 2031, with rights to extend mining rights through 2041. Following the transaction, FCX has a 48.79% ownership in PT-FI, and the remaining 51.24% is owned by Inalum; however, the deal was structured so that FCX retained an 81% economic ownership interest through 2022.

Financial Trends. In February 2021, the Board adopted a financial policy for the allocation of cash flows with its strategic objectives of maintaining a strong balance sheet and increasing cash returns to shareholders while advancing opportunities for future growth. Following achievement of the company’s net debt target in the range of \$3.0 billion to \$4.0 billion [excluding debt for additional smelting capacity in Indonesia], FCX announced in November 2021 the implementation of a performance-based payout framework, including the commencement of a new \$3.0 billion share repurchase program and expected base and variable dividends totaling \$0.60 per share for 2022. Dividends remained constant in 2023 and 2024, at \$0.60 per share for the year.

Consolidated revenues totaled \$25.5 billion in 2024, up from \$22.9 billion in 2023, and operating cash flow was \$7.2 billion, up from \$5.3 billion in 2023. The year-over-year increase in operating cash flow was primarily a result of higher copper and gold prices.

In 2023, capital expenditures totaled \$4.8 billion [including \$1.8 billion for major mining projects and \$1.7 billion for the Indonesia smelter projects]. In 2024, capex was \$4.8 billion [including \$2.1 billion for major mining projects and \$1.2 billion for the Indonesia smelter projects].

As of December 31, 2024, FCX’s consolidated recoverable proven and probable mineral reserves totaled 97.0 billion pounds of copper, 23.0 million ounces of gold, and 3.16 billion pounds of molybdenum.

As of December 31, 2024, FCX had \$3.9 billion in cash [\$4.7 billion including \$0.7 billion in restricted cash associated with PT-FI’s export proceeds required to be temporarily deposited in Indonesian banks] and \$3.0 billion available under its revolving credit facility. In addition, PT-FI and Cerro Verde have \$1.5 billion and \$350 million, respectively, of availability under their respective revolvers.

During H1 2025, revenues totaled \$13.3 billion, and operating cash flow was \$3.3 billion. The strong results stemmed from higher realized prices for gold and U.S. copper, the latter benefiting from a significant premium over the LME benchmark following the announcement of U.S. tariffs. Capital expenditures for the period were \$2.4 billion, which included \$1.2 billion for major mining projects and \$0.5 billion for the Indonesia smelter projects. During the first six months, the company returned cash to shareholders via \$0.30 per share in dividends and \$107 million in share repurchases.

As of June 30, 2025, net debt, excluding smelter financing, stood at \$1.5 billion.

**Corporate information**

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N/A

**Website**  
fcx.com

<b>Officers</b>	
<b>Chairman</b> R. C. Adkerson	<b>CEO, President &amp; Director</b> K. L. Quirk
<b>Executive VP &amp; CFO</b> M. E. Robertson	<b>VP &amp; Chief Accounting Officer</b> E. L. Mikes
<b>Executive VP &amp; General Counsel</b> D. N. Currault	

<b>Board Members</b>	
D. E. McCoy	L. H. Kennard
D. P. Abney	M. E. Donadio
F. F. Townsend	R. C. Adkerson
H. Grant	R. M. Lance
J. J. Stephens	R. W. Dudley
J. S. Roy	S. G. Lewis
K. L. Quirk	

<b>Domicile</b> Delaware	<b>Auditor</b> Ernst & Young LLP
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**Founded**  
1987

**Employees**  
28,500

**Stockholders**  
N/A



**Freeport-McMoRan Inc.**

Quantitative Evaluations					
Fair Value Rank	1	2	3	4	5
	LOWEST		HIGHEST		
	Based on CFRA's proprietary quantitative model, stocks are ranked from most overvalued (1) to most undervalued (5).				
Fair Value Calculation	USD 27.93	Analysis of the stock's current worth, based on CFRA's proprietary quantitative model suggests that FCX is overvalued by USD 16.47 or 37.09%			
Volatility	LOW	AVERAGE		HIGH	
Technical Evaluation	NEUTRAL	Since April, 2025, the technical indicators for FCX have been NEUTRAL "			
Insider Activity	UNFAVORABLE	NEUTRAL	FAVORABLE		

Expanded Ratio Analysis				
	2024	2023	2022	2021
Price/Sales	2.16	2.69	2.42	2.71
Price/EBITDA	5.77	7.21	5.95	5.83
Price/Pretax Income	7.95	10.20	8.17	8.07
P/E Ratio	25.73	27.64	15.57	13.33
Avg. Diluted Shares Outstg. [M]	1,445.00	1,443.00	1,451.00	1,482.00
Figures based on fiscal year-end price				
Key Growth Rates and Averages				
Past Growth Rate [%]		1 Year	3 Years	5 Years
Net Income		2.22	NM	51.21
Sales		11.38	3.67	12.06
Ratio Analysis [Annual Avg.]				
Net Margin [%]		7.42	10.24	10.76
% LT Debt to Capitalization		23.13	24.39	26.94
Return on Equity [%]		15.69	16.26	15.86

**Freeport-McMoRan Inc.**

**Sub-Industry Outlook**

We have a positive fundamental outlook for the Copper sub-industry, as we forecast strong secular growth in copper demand, driven by decarbonization. The production of the average electric vehicle (EV) consumes 2x-3x as much copper as a vehicle with an internal combustion engine. Meanwhile, wind and solar energy projects require 4x-6x as much copper per megawatt, relative to legacy carbon-intensive energy. Demand has been resilient despite heightened risks over the macroeconomic outlook and negative sentiment concerning a slowdown in China's manufacturing and housing markets, as well as significant uncertainty regarding global trade wars.

After the price of copper bottomed in late March 2020 at around \$2.11/pound, it more than doubled in price in only 13 months. In May 2024, the copper price set a new record-high closing price of \$5.11/pound, which eclipsed the previous record-high price of \$4.75/pound in May 2021. During 2023, the average copper price was \$3.86/pound, down 3.6% versus the average in 2022 of \$4.00/pound (down 5.6% from the record-high average annual price of \$4.24/pound in 2021). Copper rebounded in 2024, with an average price of \$4.22/pound, up 9.5% Y/Y.

In 2023, one of the world's largest copper mines, Cobre Panama, was forced to stop production. Cobre Panama is a new mine and was responsible for much of the global production growth in 2023. It broke into the top 10 mines by production in 2023 with total production of around 331,000 tonnes, and was expected to produce 400,000 tonnes in 2024, which would have made it the seventh largest mine by production. Yet, faced with public protests, the Supreme Court in Panama declared FM's mining license unconstitutional. FM was forced to shut down the mine in December 2023. Meanwhile, significant operational issues forced Anglo American (one of the world's largest miners) to slash its copper production forecast for 2024 by around 200,000 tonnes. Losing a total of 600,000 tonnes (from just Cobre Panama and Anglo American) equates

to nearly 3% of global supply.

CFRA thinks we have hit a positive inflection point for demand tied to decarbonization, and the secular growth we expect from this theme drives our bullish outlook for copper in the medium to long term. CRU, a commodity research firm, forecasts EV share (as a percentage of total light duty vehicle sales) to increase from around 19% in 2024 to nearly 33% by 2027. With this EV market assumption, combined with other assumptions concerning renewable energy, power grids, and energy storage, we forecast refined copper consumed for decarbonization end markets growing from 1.2 million metric tons (mt) in 2021, or 5% of global demand, to around 2.6 million mt in 2025 (10%) and reaching 6.0 million mt by 2027 (20%).

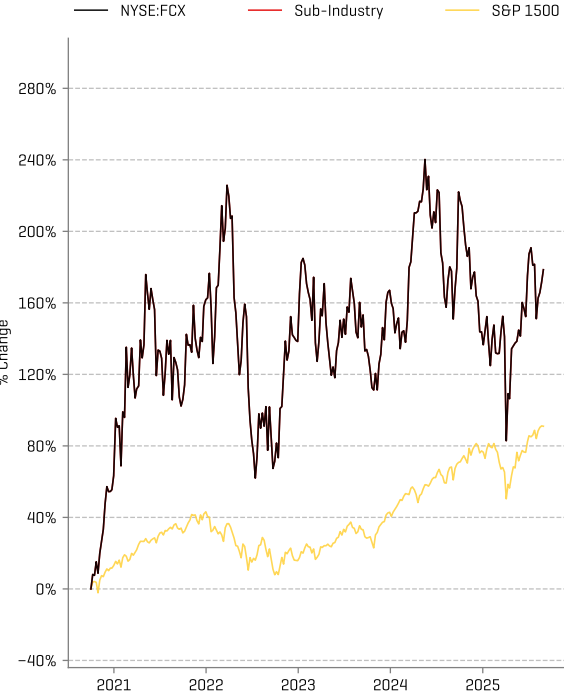
As of February 28, 2025, the year-to-date decline for the S&P 1500 Copper Index was 3.1%, versus the S&P Composite 1500 Index, up 1.0%. In 2024, the S&P 1500 Copper Index declined 10.5%, versus the S&P Composite 1500 Index increase of 22.2%. As of February 28, 2025, the five-year compound annual growth rate (CAGR) for the S&P 1500 Copper Index was 30.0% versus the S&P Composite 1500 Index CAGR of 14.7%.

**/ Matthew Miller, CFA**

**Industry Performance**

**GICS Sector: Materials  
Sub-Industry: Copper**

Based on S&P 1500 Indexes  
Five-Year market price performance through Aug 30, 2025



NOTE: A sector chart appears when the sub-industry does not have sufficient historical index data.  
All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS).  
Past performance is not an indication of future performance and should not be relied upon as such.  
**Source: CFRA, S&P Global Market Intelligence**

**Sub-Industry: Copper Peer Group\*: Copper**

Peer Group	Stock Symbol	Exchange	Currency	Recent Stock Price	Stk. Mkt. Cap. [M]	30-Day Price Chg. [%]	1-Year Price Chg. [%]	P/E Ratio	Fair Value Calc.	Yield [%]	Return on Equity [%]	LTD to Cap [%]
<b>Freeport-McMoRan Inc.</b>	<b>FCX</b>	<b>NYSE</b>	<b>USD</b>	<b>44.37</b>	<b>63,705.0</b>	<b>2.6</b>	<b>1.1</b>	<b>30.0</b>	<b>27.93</b>	<b>1.4</b>	<b>14.6</b>	<b>22.7</b>
First Quantum Minerals Ltd.	FM	TSX	CAD	23.51	19,470.0	0.4	38.7	85.0	12.62	N/A	1.3	36.8
MAC Copper Limited	MTAL	NYSE	USD	12.14	1,002.0	0.6	5.8	NM	N/A	N/A	-12.3	38.0
Southern Copper Corporation	SCCO	NYSE	USD	96.72	78,555.0	1.1	-0.8	22.0	70.24	3.3	38.9	38.6

\*For Peer Groups with more than 10 companies or stocks, selection of issues is based on market capitalization.  
NA- Not Available; NM- Not Meaningful.  
Note: Peers are selected based on Global Industry Classification Standards and market capitalization. The peer group list includes companies with similar characteristics, but may not include all the companies within the same industry and/or that engage in the same line of business.

**Freeport-McMoRan Inc.****Analyst Research Notes and other Company News****July 25, 2025**

08:55 AM ET... CFRA Reiterates Strong Buy Opinion on Shares of Freeport-McMoRan [FCX 44.84\*\*\*\*\*]:

We raise our target price by \$1 to \$58, using an EV/EBITDA of 7.1x our 2026 EBITDA estimate, in line with FCX's three-year avg. forward EV/EBITDA and a discount to peers, which are trading at an avg. forward EV/EBITDA of 7.8x. We raise our 2025 EPS estimate by \$0.11 to \$1.92 and our 2026 EPS forecast by \$0.46 to \$2.76. FCX posted Q2 adj. EPS of \$0.54 vs. \$0.46, \$0.09 above consensus, on a top-line beat of 5.4%. The new 50% U.S. copper tariff creates a significant price premium for FCX's domestic production. This policy acts as a powerful, direct catalyst for margin expansion and cash flow, projected to approach \$8 billion in 2025 and \$9.5 billion in 2026. We think FCX has a fortress balance sheet, and this financial strength fully funds a pipeline of high-return organic growth projects and underpins a robust shareholder return program that has already delivered over \$5.2 billion since mid-2021. We remain bullish on copper prices, and FCX offers top-tier leverage to copper prices. / Matthew Miller, CFA

**July 23, 2025**

10:06 AM ET... Freeport-McMoRan Delivers Strong Q2 on Higher Prices and Sales Volume [FCX 45.39\*\*\*\*\*]:

FCX posted Q2 adj. EPS of \$0.54 vs. \$0.46, up 17% Y/Y and beating consensus of \$0.45; Q2 sales rose 14.4% Y/Y to \$7.6 billion, beating consensus by 5.4%. Despite copper production declining 7.1% Y/Y to 963 million pounds and gold production falling 28.4% Y/Y to 317 thousand ounces, sales volumes increased, particularly gold which rose 44.6% Y/Y to 522 thousand ounces, reflecting effective inventory management. We maintain our Strong Buy rating as FCX is positioned for strong growth with clear path to increased production and operational excellence. FCX expects full production capacity at Indonesian downstream facilities by year-end 2025, boosting output and margins. Unit net cash costs fell 34.7% Y/Y to \$1.13/lb., contributing to operating income rising 18.7% to \$2.43 billion. We believe FCX is well positioned to capitalize on structural copper demand growth driven by global electrification, with projected operating cash flows of \$7.5 billion-\$8.0 billion for 2025 supporting its \$4.9 billion capex program. / Matthew Miller, CFA

**July 07, 2025**

01:07 AM ET... CFRA Maintains Strong Buy View on Shares of Freeport-McMoRan [FCX 45.80\*\*\*\*\*]:

We increase our 12-month target price by \$9 to \$57, as we assume an EV/EBITDA of 7.5x our 2026 EBITDA estimate, a premium to FCX's three-year avg. forward EV/EBITDA of 7.0x but a discount to peers' avg. forward EV/EBITDA of 9.6x. We raise our 2025 adj. EPS estimate by \$0.25 to \$1.81 and our 2026 EPS forecast by \$0.21 to \$2.30. We think FCX is at the epicenter of one of the most compelling investment themes, the global energy transition and infrastructure buildout that will drive unprecedented copper demand over the next two to three decades. FCX is well positioned to capitalize on structural copper deficits, with EVs requiring three to four times more copper than traditional cars, renewable energy infrastructure demanding large quantities of copper, and the AI boom driving additional demand for copper-intensive data centers. FCX now has a fortress-like balance sheet that allows management and the Board to return substantial cash to shareholders while simultaneously investing in high-return expansion projects. / Matthew Miller, CFA

**May 01, 2025**

01:01 AM ET... CFRA Maintains Strong Buy Opinion on Shares of Freeport-McMoRan [FCX 33.37\*\*\*\*\*]:

We cut our 12-month target by \$2 to \$48, on an EV/EBITDA of 6.5x our 2026 EBITDA estimate, below FCX's three-year avg. forward EV/EBITDA of 6.9x and a discount to peers' avg. forward EV/EBITDA of 6.8x. We cut our 2025 adj. EPS estimate by \$0.21 to \$1.56 and our 2026 EPS forecast by \$0.24 to \$2.09. FCX posted Q1 adj. EPS of \$0.24 vs. \$0.32, \$0.01 above consensus; Q1 sales dropped 9.4% Y/Y but beat consensus by 4.8%. FCX is targeting a 40% increase in its leach production rate to 300 million pounds of copper annually by end-2025, with a long-term goal of 800 million pounds annually by 2030. We think this initiative, which should enhance margins and profitability, is underestimated by the market. The Indonesian smelter repair process is ahead of schedule, with startup planned for end-May. FCX guides for sales volumes of 4 billion lbs. of copper, 1.6 million oz. of gold, and 88 million lbs. of molybdenum, and estimates that proposed tariffs could increase the cost of goods it purchases in the U.S. by around 5%. / Matthew Miller, CFA

**April 24, 2025**

10:06 AM ET... Freeport-McMoRan Q1 Volumes Decline But Strong Copper Prices Cushion the Impact [FCX 36.45\*\*\*\*\*]:

Freeport-McMoRan reported Q1 2025 net income of \$352M [\$0.24 per share, \$0.01 above consensus], down from \$473M [\$0.32 per share] in Q1 2024, as copper production fell 20% to 868M lbs amid planned maintenance in Indonesia. Despite lower volumes, FCX benefited from higher realized copper prices of \$4.44/lb, up 12.7% Y/Y, though unit net cash costs increased 37.1% to \$2.07/lb due to reduced output and cost inflation. The company's new Indonesian smelter remains on track for mid-2025 start-up, which should enhance operational flexibility and value-added production capabilities. Management maintained its full-year 2025 production guidance, expecting costs to trend lower as volumes recover, particularly in Indonesia. We believe FCX's strong balance sheet, with \$4.4B in consolidated cash, provides ample flexibility to pursue growth initiatives, including potential expansions in U.S. and South American operations, while navigating market uncertainties. / Matthew Miller, CFA

**April 01, 2025**

04:02 AM ET... Freeport-McMoRan Weathers Q1 Challenges, Copper Strength Shines [FCX 38.42\*\*\*\*\*]:

Freeport-McMoRan expects to meet Q1 2025 copper sales guidance of 850M lbs, though gold sales will be approximately 100k oz below the initial guidance of 225k oz due to temporary export restrictions in Indonesia. The company anticipates strong copper pricing with an expected average realized price of \$4.40/lb for Q1, above the LME quarterly settlement price of \$4.24/lb. While consolidated unit net cash costs are projected to be 5% higher than the \$2.05/lb guidance, FCX continues to advance strategic initiatives in Indonesia, including its newly commissioned precious metals refinery and new smelter project. We remain bullish on copper and on FCX, as we think FCX provides strong leverage to copper prices, which have recently been trading near record highs above \$5.00/lb. / Matthew Miller, CFA

**January 23, 2025**

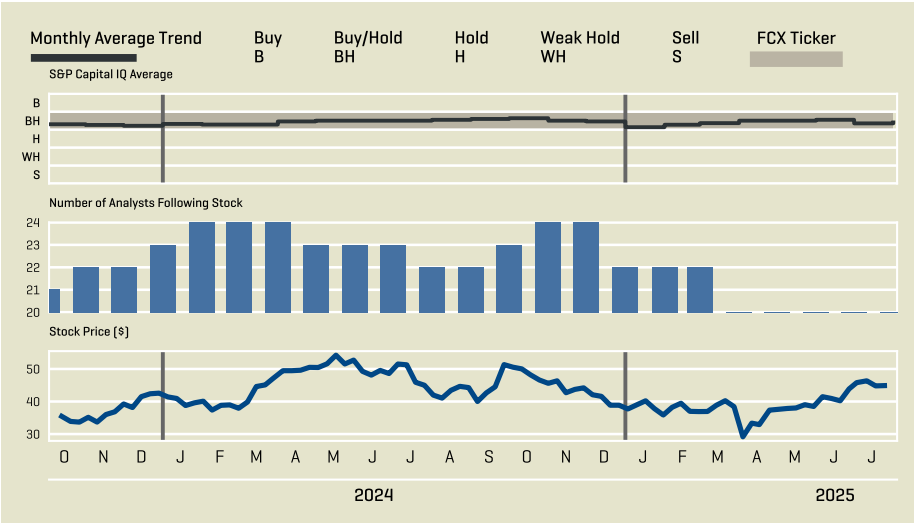
12:03 PM ET... CFRA Keeps Strong Buy Rating on Shares of Freeport-McMoRan Inc. [FCX 37.13\*\*\*\*\*]:

We decrease our 12-month target by \$8 to \$50, using an EV/EBITDA of 6.5x our 2026 EBITDA estimate, a discount to FCX's three-year average forward EV/EBITDA of 6.9x and a discount to peers' average forward EV/EBITDA of 7.5x. We lower our 2025 adj. EPS view by \$0.77 to \$1.77 and set 2026's at \$2.33. FCX posted Q4 adj. EPS of \$0.31 vs. \$0.27, \$0.09 above consensus. Q4 sales declined 3.1% Y/Y and missed consensus by 4.5%. Q4 production volume [both copper and gold] declined Y/Y, as lower grades and timing of shipments in Indonesia both had negative impacts. Copper production fell 5% Y/Y during Q4 to 1.04 billion lbs, while gold production was down nearly 25% Y/Y to 432k oz. Molybdenum production bucked the trend, with an increase in production of 10% Y/Y to 22 million lbs. The average realized prices improved for all metals, with copper up 8.9% Y/Y to \$4.15/lb., gold up 29.2% Y/Y to \$2,628/oz., and molybdenum up 7.6% Y/Y to \$22.23/lb. We are bullish on copper, and FCX provides strong leverage to the copper price. / Matthew Miller, CFA

Note: Research notes reflect CFRA's published opinions and analysis on the stock at the time the note was published. The note reflects the views of the equity analyst as of the date and time indicated in the note, and may not reflect CFRA's current view on the company.

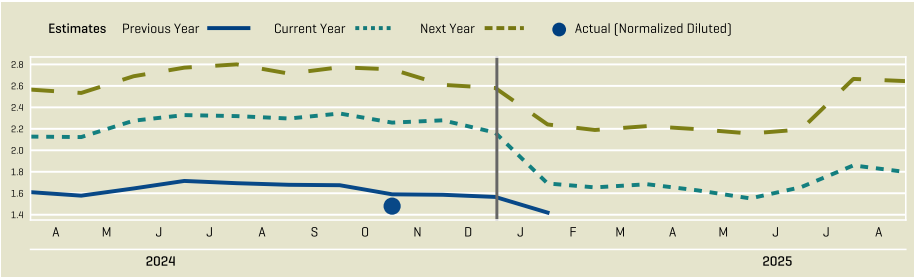


Analysts Recommendations



	No. of Recommendations	% of Total	1 Mo.Prior	3 Mos.Prior
Buy	7	35	7	8
Buy/Hold	6	30	5	5
Hold	6	30	7	6
Weak hold	0	0	0	1
Sell	1	5	1	0
No Opinion	0	0	0	0
Total	20	100	20	20

Wall Street Consensus Estimates



Fiscal Year	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2026	2.64	4.06	1.65	15	16.78
2025	1.80	2.38	1.50	13	24.68
2026 vs. 2025	▲ 47%	▲ 71%	▲ 10%	▲ 15%	▼ -32%
Q3'26	0.66	0.91	0.41	7	66.80
Q3'25	0.46	0.64	0.34	10	96.51
Q3'26 vs. Q3'25	▲ 44%	▲ 43%	▲ 21%	▼ -30%	▼ -31%

Forecasts are not reliable indicator of future performance.

Note: A company's earnings outlook plays a major part in any investment decision. S&P Global Market Intelligence organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years, as well as how those earnings estimates have changed over time. Note that the information provided in relation to consensus estimates is not intended to predict actual results and should not be taken as a reliable indicator of future performance.

**Note: For all tables, graphs and charts in this report that do not cite any reference or source, the source is S&P Global Market Intelligence.**

Wall Street Consensus Opinion

Buy/Hold

Wall Street Consensus vs. Performance

For fiscal year 2025, analysts estimate that FCX will earn USD 1.80. For fiscal year 2026, analysts estimate that FCX's earnings per share will grow by 47.08% to USD 2.64.

**Freeport-McMoRan Inc.****Glossary****STARS**

Since January 1, 1987, CFRA Equity and Fund Research Services, and its predecessor S&P Capital IQ Equity Research has ranked a universe of U.S. common stocks, ADRs [American Depositary Receipts], and ADSs [American Depositary Shares] based on a given equity's potential for future performance. Similarly, we have ranked Asian and European equities since June 30, 2002. Under proprietary STARS [Stock Appreciation Ranking System], equity analysts rank equities according to their individual forecast of an equity's future total return potential versus the expected total return of a relevant benchmark [e.g., a regional index [MSCI AC Asia Pacific Index, MSCI AC Europe Index or S&P 500® Index]], based on a 12-month time horizon. STARS was designed to help investors looking to put their investment decisions in perspective. Data used to assist in determining the STARS ranking may be the result of the analyst's own models as well as internal proprietary models resulting from dynamic data inputs.

**S&P Global Market Intelligence's Quality Ranking**

[also known as **S&P Capital IQ Earnings & Dividend Rankings**] - Growth and S&P Capital IQ Earnings & Dividend Rankings stability of earnings and dividends are deemed key elements in establishing S&P Global Market Intelligence's earnings and dividend rankings for common stocks, which are designed to capsule the nature of this record in a single symbol. It should be noted, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+ Highest	B Below Average
A High	B- Lower
A Above	C Lowest
B+ Average	D In Reorganization
NC Not Ranked	

**EPS Estimates**

CFRA's earnings per share [EPS] estimates reflect analyst projections of future EPS from continuing operations, and generally exclude various items that are viewed as special, non-recurring, or extraordinary. Also, EPS estimates reflect either forecasts of equity analysts; or, the consensus [average] EPS estimate, which are independently compiled by S&P Global Market Intelligence, a data provider to CFRA. Among the items typically excluded from EPS estimates are asset sale gains; impairment, restructuring or merger-related charges; legal and insurance settlements; in process research and development expenses; gains or losses on the extinguishment of debt; the cumulative effect of accounting changes; and earnings related to operations that have been classified by the company as discontinued. The inclusion of some items, such as stock option expense and recurring types of other charges, may vary, and depend on such factors as industry practice, analyst judgment, and the extent to which some types of data is disclosed by companies.

**12-Month Target Price**

The equity analyst's projection of the market price a given security will command 12 months hence, based on a combination of intrinsic, relative, and private market valuation metrics.

**Abbreviations Used in Equity Research Reports**

CAGR - Compound Annual Growth Rate  
 CAPEX - Capital Expenditures  
 CY - Calendar Year  
 DCF - Discounted Cash Flow  
 DDM - Dividend Discount Model  
 EBIT - Earnings Before Interest and Taxes  
 EBITDA - Earnings Before Interest, Taxes, Depreciation & Amortization  
 EPS - Earnings Per Share  
 EV - Enterprise Value  
 FCF - Free Cash Flow  
 FFO - Funds From Operations  
 FY - Fiscal Year  
 P/E - Price/Earnings  
 P/NAV - Price to Net Asset Value  
 PEG Ratio - P/E-to-Growth Ratio  
 PV - Present Value  
 R&D - Research & Development  
 ROCE - Return on Capital Employed  
 ROE Return on Equity  
 ROI - Return on Investment  
 ROIC - Return on Invested Capital  
 ROA - Return on Assets  
 SG&A - Selling, General & Administrative Expenses  
 SOTP - Sum-of-The-Parts  
 WACC - Weighted Average Cost of Capital

**Dividends on American Depositary Receipts (ADRs) and American Depositary Shares (ADSs) are net of taxes [paid in the country of origin].**

**Qualitative Risk Assessment**

Reflects an equity analyst's view of a given company's operational risk, or the risk of a firm's ability to continue as an ongoing concern. The Qualitative Risk Assessment is a relative ranking to the U.S. STARS universe, and should be reflective of risk factors related to a company's operations, as opposed to risk and volatility measures associated with share prices. For an ETF this reflects on a capitalization-weighted basis, the average qualitative risk assessment assigned to holdings of the fund.

**STARS Ranking system and definition:****★★★★★ 5-STARS (Strong Buy):**

Total return is expected to outperform the total return of a relevant benchmark, by a notable margin over the coming 12 months, with shares rising in price on an absolute basis.

**★★★★★ 4-STARS (Buy):**

Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months.

**★★★★★ 3-STARS (Hold):**

Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months.

**★★★★★ 2-STARS (Sell):**

Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months.

**★★★★★ 1-STAR (Strong Sell):**

Total return is expected to underperform the total return of a relevant benchmark by a notable margin over the coming 12 months, with shares falling in price on an absolute basis.

**Relevant benchmarks:**

In North America, the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are the MSCI AC Europe Index and the MSCI AC Asia Pacific Index, respectively.

# Freeport-McMoRan Inc.

## Disclosures

Stocks are ranked in accordance with the following ranking methodologies:

### STARS Stock Reports:

Qualitative STARS rankings are determined and assigned by equity analysts. For reports containing STARS rankings refer to the Glossary section of the report for detailed methodology and the definition of STARS rankings.

### Quantitative Stock Reports:

Quantitative rankings are determined by ranking a universe of common stocks based on 5 measures or model categories: Valuation, Quality, Growth, Street Sentiment, and Price Momentum. In the U.S., a sixth sub-category for Financial Health will also be displayed. Percentile scores are used to compare each company to all other companies in the same universe for each model category. The five (six) model category scores are then weighted and rolled up into a single percentile ranking for that company. For reports containing quantitative rankings refer to the Glossary section of the report for detailed methodology and the definition of Quantitative rankings.

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### STARS Stock Reports:

Global STARS Distribution as of June 30, 2025

Ranking	North America	Europe	Asia	Global
Buy	42.6%	38.7%	44.4%	42.2%
Hold	45.2%	48.0%	47.6%	46.3%
Sell	12.2%	13.3%	8.0%	11.5%
Total	100.0%	100.0%	100.0%	100.0%

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## Freeport-McMoRan Inc.

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