

Anglo may come to regret a Gold Fields-style unbundling

The excitement that followed Gold Fields' decision to reduce its exposure to South Africa's mining upheavals has got people talking over how Anglo American will go about its own restructuring, BDLive's Ron Derby says. Since Gold Fields' Nick Holland made the announcement last week, Anglo's shares have gained for three consecutive days.

'The Australian' columnist Barry Fitzgerald pointed to chatter in the industry about the 95-year-old Anglo being split along geographic lines into three new listed companies. A possible break-up would see rivals such as Rio, BHP Billiton and soon to be merged Glencore-Xstrata interested in any vulnerable pieces of the diversified mining giant. Bloomberg data says that Anglo's South African platinum, iron ore, coal and diamonds businesses make up 49% of the company's revenue.

Anglo's platinum unit recorded operating profit of \$2,697bn in the 2008 annual results. This was 30% of the company's total operating profit. While Anglo's Kumba Iron Ore unit may be in for a couple of turbulent reporting periods because of low commodity prices, it too has proved one of its more successful units in times past. No matter the problems in South Africa's platinum sector, Anglo may come to regret a decision to unbundle the company's operation into a separate vehicle next year, under another CEO, should they opt to do it, BDLive reports.

Read the [full article](#) on www.bdlive.co.za.

For more, visit: <https://www.bizcommunity.com>