

AMG Best Performing Stock of 2017, Thanks to Research

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The share price of the small-cap Advanced Metallurgical Group (AMG) performed the best on the Amsterdam Stock Exchange over the past year.



One year ago, the American metals company with a Dutch stock market listing sold for about €15 a share, achieving in December a return of about 320%. "The trick is to predict which metals will become important before they are scarce," says CEO Heinz Schimmelbusch about the success of the best performing Euronext share from 2017.

How is it that you perform so well as a company?

"We do more than that. We mine lithium, graphite and tantalum. But our value is the upgrade of these raw materials. That is the determining factor for our success. Now, 50% of our sales go to the aviation sector, for the production of jet engines. Our raw materials are also used for the batteries in electric cars."



What makes you different from your competitors?

"We improve the materials. In Brazil, we have large reserves of lithium. The costs of our production are low, because the lithium has already been mined. In fact, we are a combination of a mining company and a chemical company. Now we are big in the auto and aviation sectors, but we do not focus on a specific industry. We focus on a broad portfolio for emerging trends."

How do you know which trends are coming, and which raw materials are needed?

"Through a lot of research. And you start very early with that. For the current trend towards light aircraft to conserve fuel, we were already doing research in 2000. And in 1999, we even made an initial acquisition in that direction."

Are you worried about a shortage of raw materials for the increasingly popular electric cars?

"There is the risk of a shortage of lithium from mid-2020. We are very aware of that. But in the aviation sector, very different metals are used. Graphite is the key for even more energy-efficient insulation in buildings. We are in a lot of niches. That requires some luck, but as I said: the key is to start researching trends early."



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