

# Metals & Mining | Pulp & Paper

## Iron Ore and Gold Prices Suggesting Vale, CMIN and Aura as Highlights 3Q25E Preview

We expect mixed 3Q25 results for Metals & Mining and Pulp & Paper stocks (*Vale, CMIN and Aura as highlights*).

For (i) Vale and CMIN, we anticipate improving results supported by higher iron ore 62% Fe reference prices, better premiums, rising volumes, and controlled costs, driving a solid quarterly performance. For (ii) Suzano, we expect weaker results due to lower pulp prices, a stronger BRL, and reduced pulp volumes (from its 12-month production cut strategy), though the announced price hikes may support better figures in 4Q25E. For (iii) Gerdau, we expect another relatively solid quarter, led by North America's BD, while Brazil's BD may face pricing pressure, partially offset by lower costs. For (iv) Usiminas, we expect an impaired steel performance amid Brazil's challenging steel market, partially offset by improving mining results. Finally, (v) Aura should benefit from higher gold prices and increased volumes, following the ramp-up of *Borborema* project.

**Metals & Mining:** for miners, with higher iron ore 62% Fe reference prices (up US\$4/t QoQ), we expect **Vale** and **CMIN** to post improving QoQ results, coupled with seasonally higher sales volumes, better premiums, and controlled costs. For steelmakers, **Gerdau** is expected to post another solid quarter, driven by North America's BD with higher prices and controlled costs to boost EBITDA margins, while Brazil's BD may face pressure from lower prices, partially offset by cost reductions. **Usiminas** should show QoQ improvement, though still under pressure, with lower steel prices partially offset by cost savings and higher iron ore prices. Finally, **Aura** is set to benefit from stronger gold prices and volume growth, due to the start-up of *Borborema* project.

**Pulp & Paper:** lower pulp prices and a stronger BRL should weigh on pulp-exposed companies, while packaging players may show relative resilience. For **Suzano**, we forecast lower QoQ pulp volumes (due to its production cut strategy), weaker realized prices, and lower costs, leading to reduced EBITDA and margins in 3Q25. On the other hand, **Klabin** is expected to deliver resilient results, with weaker pulp performance offset by stronger paper & packaging demand and pricing, reflected in higher corrugated boxes volumes, with a decent performance in cardboard.

**What to watch?** (i) Potential impacts of "Trump tariffs" on global trade; (ii) steel quotas and anti-dumping measures in Brazil; (iii) supply-side dynamics affecting near-term pulp prices; and (iv) implications of Chinese steel output reforms through the "anti-involution" campaign.

[Company details in pages 3 onwards.](#)

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## Metals & Mining and Pulp & Paper Coverage

Company	Ticker	Current Price	Target Price	Upside	Rec.	EBITDA (million)		Mkt. Cap (R\$ mn)
						2025E	2026E	
Vale	VALE3	R\$ 58.59	R\$ 66.00	13%	Neutral	US\$14,123	US\$14,126	R\$ 266,440
Bradespar	BRAP4	R\$ 17.16	R\$ 20.80	21%	Neutral	n.a.	n.a.	R\$ 6,551
Gerdau	GGBR4	R\$ 17.50	R\$ 23.00	31%	Buy	R\$ 10,201	R\$ 11,644	R\$ 33,069
Metalurgica Gerdau	GOAU4	R\$ 10.01	R\$ 12.80	28%	Buy	n.a.	n.a.	R\$ 9,795
CSN	CSNA3	R\$ 8.20	R\$ 20.00	144%	Neutral	R\$ 11,693	R\$ 11,543	R\$ 10,821
CSN Mineração	CMIN3	R\$ 5.58	R\$ 6.00	8%	Neutral	R\$ 5,116	R\$ 4,355	R\$ 30,389
Usiminas	USIM5	R\$ 4.43	R\$ 5.00	13%	Neutral	R\$ 1,977	R\$ 2,105	R\$ 5,511
Aura Minerals	AURA33	R\$ 64.25	R\$ 68.00	6%	Buy	US\$459	US\$581	R\$ 16,329
CBA	CBAV3	R\$ 3.64	R\$ 9.00	147%	Buy	R\$ 2,231	R\$ 2,458	R\$ 2,337
Suzano	SUZB3	R\$ 50.70	R\$ 92.00	81%	Buy	R\$ 29,978	R\$ 32,323	R\$ 63,332
Klabin	KLBN11	R\$ 18.25	R\$ 29.00	59%	Buy	R\$ 8,776	R\$ 9,622	R\$ 22,393
Irani	RANI3	R\$ 8.79	R\$ 8.80	0%	Buy	R\$ 573	R\$ 637	R\$ 2,033

# Metals & Mining and Pulp & Paper 3Q'25E Preview

Figure 1: Metals & Mining and Pulp & Paper 3Q25E - Net Revenues and EBITDA

3Q'25 Preview	Net Revenues			EBITDA		
	XPe	YoY	QoQ	XPe	YoY	QoQ
Vale (US\$ mn)	10,219	7%	16%	4,222	11%	23%
Gerdau (R\$ mn)	17,376	0%	-1%	2,659	-12%	4%
CSN (R\$ mn)	11,498	4%	8%	3,060	34%	16%
CSN Mineração (R\$ mn)	3,911	32%	15%	1,734	52%	37%
Usiminas (R\$ mn)	6,446	-5%	-3%	441	3%	8%
CBA (R\$ mn)	2,196	3%	10%	250	-39%	32%
Aura (US\$ mn)	232	48%	22%	140	79%	31%
Suzano (R\$ mn)	11,731	-4%	-12%	4,759	-27%	-17%
Klabin (R\$ mn)	5,370	7%	2%	2,000	11%	-2%
Irani (R\$ mn)	433	5%	5%	140	11%	10%

Figures 2-5: Metals & Mining and Pulp & Paper 3Q25E - YoY and QoQ Changes for Net Revenues and EBITDA



## Metals & Mining



**VALE3, Neutral, TP R\$66.00**

Release Date: 30-Oct (Aft Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	10,219	9,553	7%	8,804	16%
EBITDA	4,222	3,805	11%	3,424	23%
EBITDA mg	41.3%	39.8%	1 p.p.	38.9%	2 p.p.
Net Income	1,946	2,412	-19%	2,117	-8%

We expect Vale to post stronger 3Q25 results, with top-line of US\$ 10.2 billion +7% YoY and +16% QoQ, reflecting a combination of: (i) higher iron ore realized prices (+US\$ 7/t QoQ), driven by higher iron ore 62% Fe reference prices and better premiums/lower discounts; and (ii) higher YoY iron ore production volumes at ~94Mt (+3Mt YoY, +10Mt QoQ), reflecting a better seasonality and the ramp up of Vargem Grande and Capanema (*also reflected in higher QoQ sales volumes*). On the EBITDA-line, we forecast US\$ 3.9 billion for iron ore solutions (+31% QoQ, +5% YoY), with C1 costs down QoQ to US\$21.0/t (flat YoY) along with flattish QoQ freight expenses (despite higher Tubarão-Qingdao freight reference). We expect EBITDA for Base Metals to reach US\$ 0.6 billion (+55% YoY), reflecting higher YoY copper and nickel sales volumes, along with improving QoQ copper realized prices, also better results from streaming operations



**GGBR4, Buy, TP R\$23.00**

Release Date: 30-Oct (Aft Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	17,376	17,378	0%	17,526	-1%
EBITDA	2,659	3,016	-12%	2,561	4%
EBITDA mg	15.3%	17.4%	-2 p.p.	14.6%	1 p.p.
Net Income	1,023	1,432	-29%	864	18%

We expect Gerdau to report better 3Q25 results, with a top-line of R\$ 17.4 billion -1% QoQ (flat YoY) and EBITDA of ~R\$ 2.7 billion +4% QoQ (-12% YoY). We expect: (i) stronger sales volumes (+9% QoQ), with higher exports and lower realized prices (-9% QoQ) in Brazil's BD, with a better cost performance (cash cost/ton -9% QoQ), implying on a EBITDA margin of ~10-11%; (ii) an improving performance in North America's division, reflecting improving prices (+US\$35/ton), slightly lower QoQ costs (in USD), with EBITDA margins back to ~19-20%, due to the price increases announced during the quarter; and (iii) a decent quarter for South America's BD, reflecting seasonally better volumes and higher realized prices.



**CSNA3, Neutral, TP R\$20.00**

Release Date: 12-Nov (Aft Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	11,498	11,067	4%	10,693	8%
EBITDA	3,060	2,284	34%	2,643	16%
EBITDA mg	26.6%	20.6%	6 p.p.	24.7%	2 p.p.
Net Income	-1,028	-840	22%	-166	519%

We expect CSN to post improving 3Q25 results, with top-line of R\$ 11.5 billion +8% QoQ and +4% YoY and EBITDA of R\$3.1 billion +34% YoY and +16% QoQ. We note: (i) CSN's mining operations to positively impact CSN's results, driven by higher iron ore realized prices and volumes ([see more details in CSN Mineração's section in the next page](#)); (ii) weaker performance in CSN's steel division, driven by lower realized prices, slightly higher QoQ sales volumes and lower cash cost per ton (EBITDA margin of 8.1% in 3Q25 vs. 10.8% in 2Q25). In addition, we expect CSN's other divisions to post improving results, with total EBITDA (ex-Mining and Steel) of R\$ 940 million.


**CMIN3, Neutral, TP R\$6.00**

Release Date: 12-Nov (Aft Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	3,911	2,973	32%	3,406	15%
EBITDA	1,734	1,139	52%	1,268	37%
EBITDA mg	44.3%	38.3%	6 p.p.	37.2%	7 p.p.
Net Income	819	446	84%	116	607%

We expect CSN Mineração to report improving 3Q25 results, with EBITDA of R\$1.7 billion +37% QoQ (+52% YoY). We forecast higher iron ore realized prices (+US\$8/t QoQ), due to higher iron ore 62% Fe reference prices, and a positive impact from provisional prices. Moreover, we forecast higher YoY iron ore sales volumes, at 11.9Mt (+0.1Mt QoQ, flat YoY) when including 3<sup>rd</sup> party purchases. Moreover, we expect C1 cash costs at US\$21.5/t, slightly above 2Q25 figures driven by the appreciated BRL, along with slightly higher freight expenses.


**USIM5, Neutral, TP R\$5.00**

Release Date: 24-Oct (Before Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	6,446	6,817	-5%	6,626	-3%
EBITDA	441	426	3%	408	8%
EBITDA mg	6.8%	6.3%	1 p.p.	6.2%	1 p.p.
Net Income	49	164	-70%	95	-49%

We expect Usiminas to post improving, but still impaired 3Q25 results, with EBITDA of R\$441 million +8% QoQ (+3% YoY). For steel, we expect: (i) flattish steel volumes at 1.1Mt; (ii) lower steel realized prices (-3% QoQ); (iii) lower cash cost per ton (-3% QoQ), with EBITDA reaching R\$300 million in 3Q25. However, we expect improving figures for its mining operations, reflecting higher iron ore realized prices (+US\$3/t QoQ), although with slightly weaker iron ore sales volumes (-0.1Mt QoQ), with EBITDA reaching ~R\$135 million.


**CBAV3, Buy, TP R\$9.00**

Release Date: 05-Nov (Aft Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	2,196	2,135	3%	2,005	10%
EBITDA	250	409	-39%	189	32%
EBITDA mg	11.4%	19.2%	-8 p.p.	9.4%	2 p.p.
Net Income	-25	58	-144%	-95	-73%

We expect CBA to report improving 3Q25 results, with EBITDA of R\$250 million +32% QoQ, -39% YoY. For aluminum, we expect: (i) higher QoQ sales volumes, given higher expected sales of primary products; (ii) higher LME prices (considering the 1-month lag effect), although the sales mix and an appreciated BRL may impact the company's pricing performance (prices flat QoQ in BRL). That said, we expect EBITDA of R\$270 million (though still at weak levels). Additionally, we expect a negative EBITDA of R\$13 million for CBA's energy, while for nickel we anticipate a negative EBITDA of R\$7 million.


**AURA33, Buy, TP R\$68.00**

Release Date: 04-Nov (Aft Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	232	156	48%	190	22%
EBITDA	140	78	79%	106	31%
EBITDA mg	60.2%	50.0%	10 p.p.	55.8%	4 p.p.
Net Income	98	37	165%	37	167%

We expect Aura to post strong 3Q25 results, with EBITDA of US\$ 140 million +31% QoQ (+79% YoY), mostly explained by higher gold prices (up ~US\$200/oz QoQ), and improved sales performance (mostly driven by the ramp up of Borborema). We note: (i) improving sales volumes, and lower cash costs for Almas to drive another strong quarter performance, with EBITDA reaching US\$ 29 million; (ii) another resilient quarter at San Andres' operations, driven by a stabilized performance; (iii) although copper conversion should impact the overall performance in Aranzazu; and (iv) Borborema's first sales volumes, which we expect at ~10koz.

## Pulp & Paper



**SUZB3, Buy, TP R\$92.00**

Release Date: 06-Nov (Aft Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	11,731	12,274	-4%	13,296	-12%
EBITDA	4,759	6,523	-27%	5,714	-17%
EBITDA mg	40.6%	53.1%	-13 p.p.	43.0%	-2 p.p.
Net Income	2,301	3,237	-29%	5,012	-54%

We expect Suzano to post weaker 3Q25 results, with EBITDA of R\$ 4.8 billion down -17% QoQ (-27% YoY). We note: (i) weaker QoQ pulp sales volumes (-80kt QoQ), driven by the announced production cut of ~3.5% for the next 12 months; (ii) lower pulp realized prices, which we expect at ~USD 500/t (down by ~US\$55/t QoQ), with a stronger BRL (USD/BRL -3% QoQ); (iii) lower pulp cash costs (ex-downtime), driven by the reduction in chemicals and the appreciated BRL; and (iv) better results in the Paper segment reflecting seasonally higher volumes, with prices relatively flat in USD (though down QoQ in BRL). For: (i) pulp, we forecast EBITDA of R\$ 4.0 billion (-26% QoQ), with margins at 45.9% (down by -6 p.p. QoQ); and (ii) for paper, we expect EBITDA of R\$ 0.8 billion (+9% QoQ), with margins at 25.4%.



**KLBN11, Buy, TP R\$29.00**

Release Date: 04-Nov (Before Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	5,370	4,999	7%	5,247	2%
EBITDA	2,000	1,805	11%	2,041	-2%
EBITDA mg	37.2%	36.1%	1 p.p.	38.9%	-2 p.p.
Net Income	283	719	-61%	572	-51%

We expect Klabin to post resilient 3Q25 results, with EBITDA of ~R\$2.0 billion (-2% QoQ, +11% YoY), and margins at 37.0% (vs. 38.9% in 2Q25). We note that 3Q25 figures should be supported by: (i) flattish pulp volumes; (ii) lower QoQ pulp prices in USD (with a negative impact from the stronger BRL); while (iii) costs slightly lower QoQ. For paper & packaging, we expect: (i) higher cardboard volumes, with flattish realized prices; (ii) higher corrugated boxes volumes, with slightly higher QoQ prices; (iii) higher kraftliner sales volumes, with lower realized prices; and (iv) slightly lower QoQ cash costs. We expect EBITDA for pulp of R\$650 million, while for paper and packaging of R\$1,350 million.



**RANI3, Buy, TP R\$8.80**

Release Date: 31-Oct (Before Mkt)

	3Q25E	3Q24	YoY	2Q25	QoQ
Net Revenues	433	414	5%	414	5%
EBITDA	140	126	11%	128	10%
EBITDA mg	32.3%	30.5%	2 p.p.	30.8%	1 p.p.
Net Income	46	40	16%	92	-50%

We expect Irani to post decent 3Q25 results, with EBITDA of R\$ 140 million (+10% QoQ, +11% YoY), and margins at 32.3% (vs. 30.8% in 2Q25). We highlight: (i) seasonally better corrugated boxes volumes (+5% QoQ, though -4% YoY) and paper volumes (+4% QoQ, -7% YoY); (ii) flattish QoQ corrugated boxes prices and paper prices. We also anticipate lower costs, mostly affected by lower OCC prices in 3Q25, with a positive read for 4Q25E considering the carryover effect of lower OCC prices in Aug'25 and Sep'25.

## XP Estimates and Consensus

Figure 6: Metals & Mining and Pulp & Paper 3Q25E Preview (R\$ million, except Vale and Aura [US\$ million])

XP vs. Consensus	Results Release Date	3Q25			YoY		QoQ	
		XPe	Consensus Diff. (%)		3Q24	Diff. (%)	2Q25	Diff. (%)
Metals & Mining								
Vale	30-Oct-25							
Net Revenues		10,219	9,487	8%	9,553	7%	8,804	16%
EBITDA		4,222	3,751	13%	3,805	11%	3,424	23%
Net Income		1,946	1,644	18%	2,412	-19%	2,117	-8%
Gerdau	30-Oct-25							
Net Revenues		17,376	17,610	-1%	17,378	0%	17,526	-1%
EBITDA		2,659	2,771	-4%	3,016	-12%	2,561	4%
Net Income		1,023	888	15%	1,432	-29%	864	18%
CSN	12-Nov-25							
Net Revenues		11,498	11,093	4%	11,067	4%	10,693	8%
EBITDA		3,060	2,829	8%	2,284	34%	2,643	16%
Net Income		-1,028	-383	169%	-840	22%	-166	519%
CSN Mineração	12-Nov-25							
Net Revenues		3,911	3,755	4%	2,973	32%	3,406	15%
EBITDA		1,734	1,348	29%	1,139	52%	1,268	37%
Net Income		819	775	6%	446	84%	116	607%
Usiminas	24-Oct-25							
Net Revenues		6,446	6,433	0%	6,817	-5%	6,626	-3%
EBITDA		441	498	-11%	426	3%	408	8%
Net Income		49	74	-35%	164	-70%	95	-49%
CBA	5-Nov-25							
Net Revenues		2,196	2,215	-1%	2,135	3%	2,005	10%
EBITDA		250	208	20%	409	-39%	189	32%
Net Income		-25	-158	-84%	58	-144%	-95	-73%
Aura Minerals	4-Nov-25							
Net Revenues		232	237	-2%	156	48%	190	22%
EBITDA		140	140	0%	78	79%	106	31%
Net Income		98	n.a.	n.a.	37	165%	37	167%
Pulp & Paper								
Suzano	6-Nov-25							
Net Revenues		11,731	12,218	-4%	12,274	-4%	13,296	-12%
EBITDA		4,759	5,372	-11%	6,523	-27%	5,714	-17%
Net Income		2,301	181	1174%	3,237	-29%	5,012	-54%
Klabin	4-Nov-25							
Net Revenues		5,370	5,370	0%	4,999	7%	5,247	2%
EBITDA		2,000	2,064	-3%	1,805	11%	2,041	-2%
Net Income		283	-252	-212%	719	-61%	572	-51%
Irani	31-Oct-25							
Net Revenues		433	n.a.	n.a.	414	5%	414	5%
EBITDA		140	n.a.	n.a.	126	11%	128	10%
Net Income		46	n.a.	n.a.	40	16%	92	-50%





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