

ModernGraham Valuation

Company Name:

Xcel Energy Inc

Company Ticker

XEL

Date of Analysis

9/23/2015



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$17,204,609,997	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.86	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	34.05%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	18.49	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.68	Pass

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.86	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-24.36	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.83
MG Growth Estimate	2.35%
MG Value	\$24.22
MG Value based on 3% Growth	\$26.60
MG Value based on 0% Growth	\$15.59
Market Implied Growth Rate	4.99%

MG Opinion

Current Price	\$33.92
% of Intrinsic Value	140.02%
Opinion	Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$47.14
Graham Number	\$27.43
PEmg	18.49
Current Ratio	0.86
PB Ratio	1.68
Dividend Yield	3.66%
Number of Consecutive Years of Dividend Growth	12

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.65	Next Fiscal Year Estimate	\$1.83
Dec14	\$2.03	Dec14	\$1.89
Dec13	\$1.91	Dec13	\$1.79
Dec12	\$1.85	Dec12	\$1.69
Dec11	\$1.72	Dec11	\$1.59
Dec10	\$1.62	Dec10	\$1.50
Dec09	\$1.48	Dec09	\$1.42
Dec08	\$1.46	Dec08	\$1.34
Dec07	\$1.35	Dec07	\$1.27
Dec06	\$1.36	Dec06	\$0.77
Dec05	\$1.23	Dec05	\$0.32
Dec04	\$0.87	Dec04	-\$0.06
Dec03	\$1.50	Dec03	-\$0.29
Dec02	-\$5.82	Dec02	-\$0.71
Dec01	\$2.30	Dec01	\$1.82
Dec00	\$1.54	Dec00	\$1.60
Dec99	\$1.43	Dec99	\$1.67
Dec98	\$1.84	Balance Sheet Information Jun15	
Dec97	\$1.61	Total Current Assets	\$3,048,922,000
Dec96	\$1.91	Total Current Liabilities	\$3,537,251,000
Dec95	\$1.96	Long-Term Debt	\$11,896,130,000
		Total Assets	\$37,268,810,000
		Intangible Assets	\$0
		Total Liabilities	\$26,999,740,000
		Shares Outstanding (Diluted Average)	508,074,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

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[Xcel Energy Analysis – June 2015 Update \\$XEL](#)
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[Xcel Energy Inc. Quarterly Valuation – March 2015 \\$XEL](#)
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[Public Service Enterprise Group Inc. Analysis – 2015 Update \\$PEG](#)
[Xcel Energy Analysis – June 2015 Update \\$XEL](#)
[Consolidated Edison Analysis – 2015 Update \\$ED](#)
[Ameren Corporation Analysis – 2015 Update \\$AEE](#)
[NextEra Energy Inc. Quarterly Valuation – May 2015 \\$NEE](#)
[FirstEnergy Corporation Annual Valuation – 2015 \\$FE](#)
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