

ModernGraham Valuation

Company Name:

Mosaic Co

Company Ticker

MOS

Date of Analysis

10/14/2015



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	\$12,031,457,709	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.71	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	93.74%	Pass
5. Earnings Growth	PEmg < 20	9.52	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.23	Pass
7. Moderate Price to Assets			

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	2.71	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.17	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		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.60
MG Growth Estimate	-1.85%
MG Value	\$17.25
MG Value based on 3% Growth	\$52.19
MG Value based on 0% Growth	\$30.59
Market Implied Growth Rate	0.51%

MG Opinion

Current Price	\$34.28
% of Intrinsic Value	198.67%
Opinion	Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$6.99
Graham Number	\$44.59
PEmg	9.52
Current Ratio	2.71
PB Ratio	1.23
Dividend Yield	2.99%
Number of Consecutive Years of Dividend Growth	1

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	\$3.11	Next Fiscal Year Estimate	\$3.60
Dec14	\$2.68	Dec14	\$3.83
May13	\$4.42	May13	\$4.37
May12	\$4.42	May12	\$4.36
May11	\$5.62	May11	\$4.11
May10	\$1.85	May10	\$3.06
May09	\$5.27	May09	\$3.18
May08	\$4.67	May08	\$1.72
May07	\$0.95	May07	\$0.09
May06	-\$0.35	May06	-\$0.41
May05	\$0.46	May05	-\$0.64
Dec03	-\$1.22	Dec03	-\$1.63
Dec02	-\$0.97	Dec02	-\$1.98
Dec01	-\$0.57	Dec01	-\$2.22
Dec00	-\$3.00	Dec00	-\$2.44
Dec99	-\$6.75	Dec99	-\$1.66
Dec98	-\$0.08	Dec98	\$0.83
Jun97	\$2.03	Balance Sheet Information Jun15	
Jun96	\$1.56	Total Current Assets	\$5,100,100,000
Jun95	\$0.00	Total Current Liabilities	\$1,883,000,000
Jun94	\$0.00	Long-Term Debt	\$3,761,800,000
		Total Assets	\$17,776,900,000
		Intangible Assets	\$1,709,600,000
		Total Liabilities	\$7,640,100,000
		Shares Outstanding (Diluted Average)	363,300,000





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.

Recommended Reading:

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ModernGraham
posts about the
company

[Mosaic Company Analysis – July 2015 Update \\$MOS](#)
[Mosaic Inc. Quarterly Valuation – April 2015 \\$MOS](#)
[34 Companies in the Spotlight This Week – 2/7/15](#)
[Mosaic Company Quarterly Valuation – January 2015 \\$MOS](#)
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[Monsanto Company Analysis – September 2015 Update \\$MON](#)
[Mosaic Company Analysis – July 2015 Update \\$MOS](#)
[CF Industries Holdings Analysis – June 2015 Update \\$CF](#)
[Mosaic Inc. Quarterly Valuation – April 2015 \\$MOS](#)
[CF Industries Holdings Inc. Quarterly Valuation – March 2015 \\$CF](#)
[Mosaic Company Quarterly Valuation – January 2015 \\$MOS](#)
[CF Industries Holdings Inc. Quarterly Valuation – December 2014 \\$CF](#)
[Mosaic Company Quarterly Stock Valuation – October 2014 \\$MOS](#)
[CF Industries Holding Company Quarterly Stock Valuation – September 2014 \\$CF](#)