

ModernGraham Valuation

Company Name:

Ford Motor Company

Company Ticker F

Date of Analysis

1/7/2016



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	\$51,622,743,564	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.15	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-128.15%	Fail
6. Moderate PEmg Ratio	PEmg < 20	7.95	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.85	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	3.15	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.00	Pass
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	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.60
MG Growth Estimate	3.42%
MG Value	\$24.52
MG Value based on 3% Growth	\$23.19
MG Value based on 0% Growth	\$13.59
Market Implied Growth Rate	-0.27%

MG Opinion

Current Price	\$12.72
% of Intrinsic Value	51.87%
Opinion	Undervalued

Stage 3: Information for Further Research

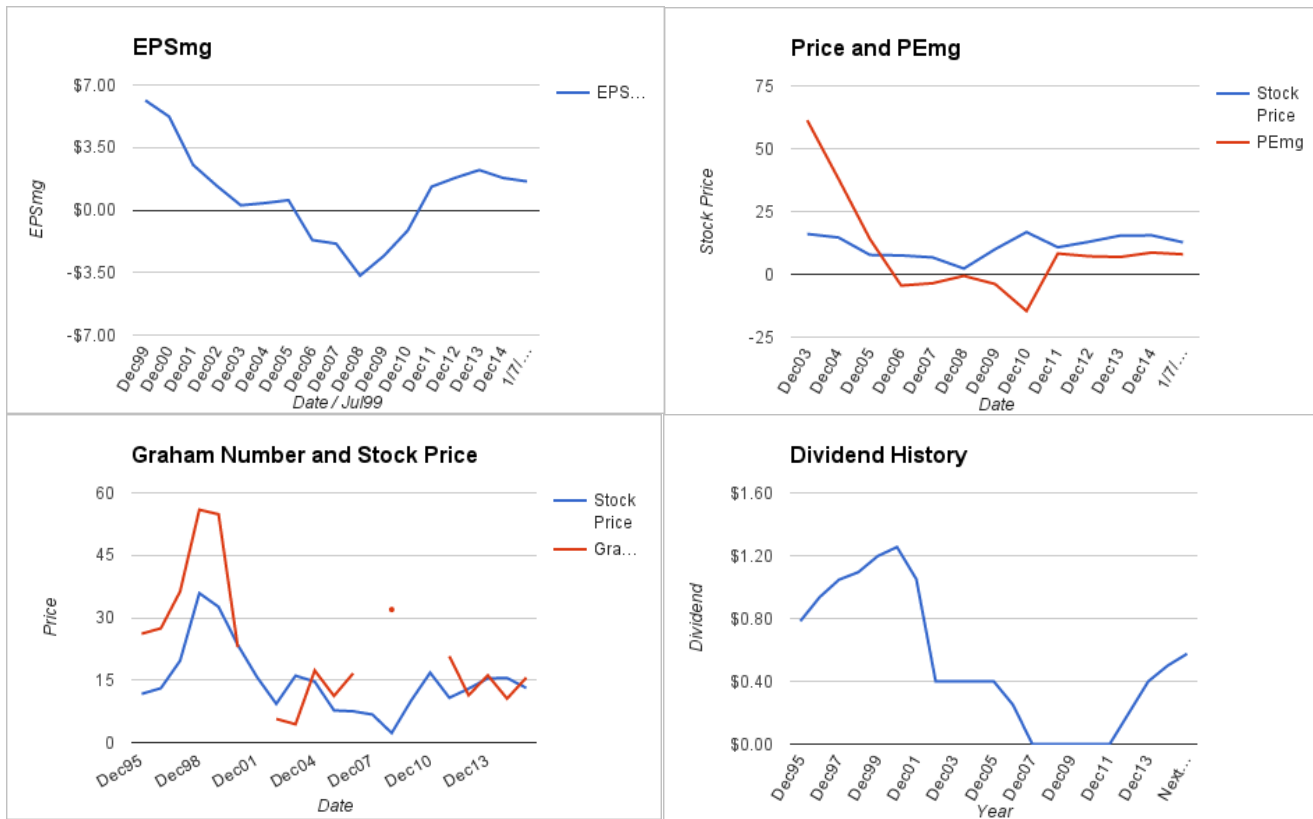
Net Current Asset Value (NCAV)	-\$6.29
Graham Number	\$15.60
PEmg	7.95
Current Ratio	3.15
PB Ratio	1.85
Dividend Yield	4.52%
Number of Consecutive Years of Dividend Growth	4

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	\$1.54	Next Fiscal Year Estimate	\$1.60
Dec14	\$0.80	Dec14	\$1.79
Dec13	\$1.77	Dec13	\$2.24
Dec12	\$1.42	Dec12	\$1.80
Dec11	\$4.94	Dec11	\$1.30
Dec10	\$1.66	Dec10	-\$1.15
Dec09	\$0.86	Dec09	-\$2.57
Dec08	-\$6.50	Dec08	-\$3.67
Dec07	-\$1.38	Dec07	-\$1.89
Dec06	-\$6.72	Dec06	-\$1.68
Dec05	\$0.77	Dec05	\$0.55
Dec04	\$1.52	Dec04	\$0.39
Dec03	\$0.13	Dec03	\$0.26
Dec02	\$0.47	Dec02	\$1.35
Dec01	-\$3.02	Dec01	\$2.52
Dec00	\$2.30	Dec00	\$5.22
Dec99	\$5.86	Dec99	\$6.13
Dec98	\$11.31	Balance Sheet Information Sep15	
Dec97	\$3.58	Total Current Assets	\$166,831,000,000
Dec96	\$2.32	Total Current Liabilities	\$52,986,000,000
Dec95	\$2.12	Long-Term Debt	\$113,334,000,000
		Total Assets	\$219,431,000,000
		Intangible Assets	\$0
		Total Liabilities	\$191,966,000,000
		Shares Outstanding (Diluted Average)	3,999,000,000





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:

Other ModernGraham posts about the company

- [10 Low PE Stocks for the Enterprising Investor – January 2016](#)
- [10 Undervalued Companies for Enterprising Dividend Investors – November 2015](#)
- [10 Low PE Stocks for the Enterprising Investor – November 2015](#)
- [10 Companies Benjamin Graham Would Invest In Today – November 2015](#)
- [10 Undervalued Companies for the Enterprising Dividend Stock Investor – October 2015](#)

Other ModernGraham posts about related companies

- [Harley-Davidson Inc Valuation – January 2016 Update \\$HOG](#)
- [AutoNation Inc Valuation – November 2015 Update \\$AN](#)
- [BorgWarner Inc. Valuation – November 2015 Update \\$BWA](#)
- [The Best Companies of the Auto Industry – October 2015](#)
- [Harley-Davidson Inc. Analysis – October 2015 Update \\$HOG](#)
- [Harman International Industries Analysis – September 2015 Update \\$HAR](#)
- [Genuine Parts Company Analysis – September 2015 Update \\$GPC](#)
- [Ford Motor Company Analysis – August 2015 Update \\$F](#)
- [Advance Auto Parts Inc. Analysis – Initial Coverage \\$AAP](#)
- [General Motors Company Analysis – 2015 Update \\$GM](#)