

# ModernGraham Valuation

Company Name:

FMC Corp

Company Ticker

FMC

Date of Analysis

7/6/2016



## 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	\$5,732,069,592	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.04	Pass
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	92.09%	Pass
5. Earnings Growth	PEmg < 20	15.93	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.03	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	2.04	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.32	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

<b>Defensive</b>	<b>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.77
MG Growth Estimate	3.41%
<b>MG Value</b>	<b>\$42.49</b>
MG Value based on 3% Growth	\$40.19
MG Value based on 0% Growth	\$23.56
Market Implied Growth Rate	3.72%

### MG Opinion

Current Price	\$44.16
% of Intrinsic Value	103.93%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>B-</b>

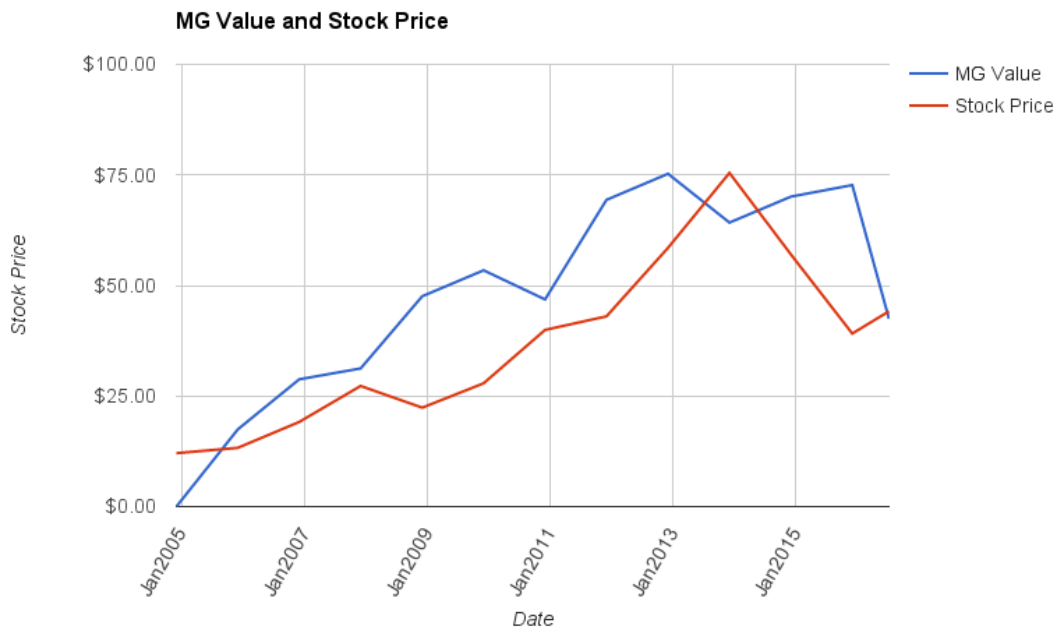
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$10.98
Graham Number	\$29.00
PEmg	15.93
Current Ratio	2.04
PB Ratio	3.03
Current Dividend	\$0.66
Dividend Yield	1.49%
Number of Consecutive Years of Dividend Growth	6

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.55	Next Fiscal Year Estimate	\$2.77
Dec2015	\$3.66	Dec2015	\$2.83
Dec2014	\$2.29	Dec2014	\$2.36
Dec2013	\$2.16	Dec2013	\$2.29
Dec2012	\$3.00	Dec2012	\$2.26
Dec2011	\$2.55	Dec2011	\$1.80
Dec2010	\$1.18	Dec2010	\$1.38
Dec2009	\$1.56	Dec2009	\$1.39
Dec2008	\$2.01	Dec2008	\$1.24
Dec2007	\$0.86	Dec2007	\$0.81
Dec2006	\$0.84	Dec2006	\$0.75
Dec2005	\$0.74	Dec2005	\$0.45
Dec2004	\$1.07	Dec2004	\$0.20
Dec2003	\$0.19	Dec2003	-\$0.13
Dec2002	\$0.48	Dec2002	-\$0.12
Dec2001	-\$2.72	Dec2001	-\$0.17
Dec2000	\$0.88	Dec2000	\$1.03
Dec1999	\$1.64	<b>Balance Sheet Information 3/1/2016</b>	
Dec1998	\$0.76	Total Current Assets	\$2,955,200,000
Dec1997	\$1.10	Total Current Liabilities	\$1,451,300,000
Dec1996	-\$0.05	Long-Term Debt	\$1,986,200,000
		Total Assets	\$6,390,400,000
		Intangible Assets	\$1,670,500,000
		Total Liabilities	\$4,430,200,000
		Shares Outstanding (Diluted Average)	134,304,000





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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company

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[10 Low PE Stocks for the Defensive Investor – February 2016](#)  
[18 Best Stocks For Value Investors This Week – 1/30/16](#)  
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[Praxair Inc Valuation – June 2016 \\$PX](#)  
[Albemarle Corp Valuation – February 2016 \\$ALB](#)  
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[Air Products & Chemicals Inc Valuation – February 2016 \\$APD](#)  
[FMC Corporation Valuation – January 2016 Update \\$FMC](#)  
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