

ModernGraham Valuation



Company Name:

Nasdaq Inc

Company Ticker NDAQ

Date of Analysis

7/21/2016

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	\$11,029,618,512	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.07	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	35.14%	Pass
6. Moderate PEmg Ratio	PEmg < 20	24.20	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.99	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	1.07	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	8.75	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	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.78
MG Growth Estimate	6.89%
MG Value	\$62.05
MG Value based on 3% Growth	\$40.37
MG Value based on 0% Growth	\$23.66
Market Implied Growth Rate	7.85%

MG Opinion

Current Price	\$67.37
% of Intrinsic Value	108.57%
Opinion	Fairly Valued
MG Grade	D

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$19.59
Graham Number	\$53.04
PEmg	24.20
Current Ratio	1.07
PB Ratio	1.99
Current Dividend	\$1.00
Dividend Yield	1.48%
Number of Consecutive Years of Dividend Growth	5

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.61	Next Fiscal Year Estimate	\$2.78
Dec2015	\$2.50	Dec2015	\$2.34
Dec2014	\$2.39	Dec2014	\$2.22
Dec2013	\$2.25	Dec2013	\$2.06
Dec2012	\$2.04	Dec2012	\$1.91
Dec2011	\$2.15	Dec2011	\$1.92
Dec2010	\$1.91	Dec2010	\$1.81
Dec2009	\$1.25	Dec2009	\$1.69
Dec2008	\$1.58	Dec2008	\$1.72
Dec2007	\$3.46	Dec2007	\$1.44
Dec2006	\$0.95	Dec2006	\$0.33
Dec2005	\$0.57	Dec2005	\$0.01
Dec2004	\$0.12	Dec2004	-\$0.21
Dec2003	-\$1.45	Dec2003	-\$0.22
Dec2002	\$0.40	Dec2002	\$0.41
Dec2001	\$0.35	Dec2001	\$0.39
Dec2000	\$0.21	Dec2000	\$0.37
Dec1999	\$0.86	Balance Sheet Information 3/1/2016	
Dec1998	\$0.35	Total Current Assets	\$4,722,000,000
Dec1997	\$0.00	Total Current Liabilities	\$4,429,000,000
Dec1996	\$0.00	Long-Term Debt	\$2,565,000,000
		Total Assets	\$13,717,000,000
		Intangible Assets	\$7,748,000,000
		Total Liabilities	\$8,020,000,000
		Shares Outstanding (Diluted Average)	168,368,000





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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- [24 Companies in the Spotlight This Week – 3/28/15](#)
- [Nasdaq OMX Group Inc. Annual Valuation – 2015 \\$NDAQ](#)
- [17 Companies in the Spotlight This Week – 3/29/14](#)
- [Nasdaq OMX Group \(NDAQ\) Annual Valuation – 2014](#)

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