

ModernGraham Valuation

Company Name:

S&P Global Inc

Company Ticker SPGI

Date of Analysis

2/8/2017



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	\$33,390,549,353	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.21	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	40.23%	Pass
6. Moderate PEmg Ratio	PEmg < 20	30.19	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	72.26	Fail

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	1.21	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	5.46	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.17
MG Growth Estimate	11.98%
MG Value	\$135.28
MG Value based on 3% Growth	\$60.45
MG Value based on 0% Growth	\$35.43
Market Implied Growth Rate	10.84%

MG Opinion

Current Price	\$125.84
% of Intrinsic Value	93.02%
Opinion	Fairly Valued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$17.00
Graham Number	\$16.90
PEmg	30.19
Current Ratio	1.21
PB Ratio	72.26
Current Dividend	\$1.41
Dividend Yield	1.12%
Number of Consecutive Years of Dividend Growth	20

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	\$7.12	Next Fiscal Year Estimate	\$4.17
Dec2015	\$4.21	Dec2015	\$2.68
Dec2014	-\$0.42	Dec2014	\$2.05
Dec2013	\$4.91	Dec2013	\$3.15
Dec2012	\$1.53	Dec2012	\$2.32
Dec2011	\$3.00	Dec2011	\$2.70
Dec2010	\$2.65	Dec2010	\$2.56
Dec2009	\$2.33	Dec2009	\$2.50
Dec2008	\$2.51	Dec2008	\$2.53
Dec2007	\$2.94	Dec2007	\$2.44
Dec2006	\$2.40	Dec2006	\$2.12
Dec2005	\$2.21	Dec2005	\$1.88
Dec2004	\$1.96	Dec2004	\$1.62
Dec2003	\$1.79	Dec2003	\$1.39
Dec2002	\$1.48	Dec2002	\$1.15
Dec2001	\$0.96	Dec2001	\$0.97
Dec2000	\$1.03	Dec2000	\$0.97
Dec1999	\$1.07	Balance Sheet Information	9/1/2016
Dec1998	\$0.83	Total Current Assets	\$3,704,000,000
Dec1997	\$0.73	Total Current Liabilities	\$3,051,000,000
Dec1996	\$1.24	Long-Term Debt	\$3,563,000,000
		Total Assets	\$8,676,000,000
		Intangible Assets	\$4,476,000,000
		Total Liabilities	\$8,214,000,000
		Shares Outstanding (Diluted Average)	265,300,000





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:

Other
ModernGraham
posts about the
company

#N/A

Other
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posts about related
companies

- [CME Group Inc Valuation – February 2017 \\$CME](#)
- [Equifax Inc Valuation – February 2017 \\$EFX](#)
- [Janus Capital Group Inc Valuation – Initial Coverage \\$JNS](#)
- [Jones Lang LaSalle Inc Valuation – Initial Coverage \\$JLL](#)
- [Sun Life Financial Inc Valuation – Initial Coverage \\$TSE:SLF](#)
- [Capstead Mortgage Corporation Valuation – Initial Coverage \\$CMO](#)
- [Affiliated Managers Group Inc Valuation – January 2017 \\$AMG](#)
- [Investment Technology Group Valuation – Initial Coverage \\$ITG](#)
- [Calamos Asset Management Inc Valuation – Initial Coverage \\$CLMS](#)
- [Corelogic Inc Valuation – Initial Coverage \\$CLGX](#)