

ModernGraham Valuation

Company Name:

Xcel Energy Inc

Company Ticker XEL

Date of Analysis

2/27/2018



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	\$22,189,239,554	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.73	Fail
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	42.32%	Pass
5. Earnings Growth	PEmg < 20	19.54	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.95	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	0.73	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-13.02	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 Score		Pass

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.24
MG Growth Estimate	2.71%
MG Value	\$31.15
MG Value based on 3% Growth	\$32.42
MG Value based on 0% Growth	\$19.01
Market Implied Growth Rate	5.52%

MG Opinion

Current Price	\$43.70
% of Intrinsic Value	140.30%
Opinion	Overvalued
MG Grade	B-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$56.02
Graham Number	\$34.90
PEmg	19.54
Current Ratio	0.73
PB Ratio	1.95
Current Dividend	\$1.44
Dividend Yield	3.30%
Number of Consecutive Years of Dividend Growth	14

Useful Links:

[ModernGraham tagged articles](#)
[Google Finance](#)
[Yahoo Finance](#)
[GuruFocus](#)

[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	\$2.24
Dec2017	\$2.40	Dec2017	\$2.13
Dec2016	\$2.25	Dec2016	\$2.04
Dec2015	\$2.21	Dec2015	\$1.93
Dec2014	\$1.94	Dec2014	\$1.89
Dec2013	\$2.03	Dec2013	\$1.79
Dec2012	\$1.91	Dec2012	\$1.69
Dec2011	\$1.85	Dec2011	\$1.59
Dec2010	\$1.72	Dec2010	\$1.50
Dec2009	\$1.62	Dec2009	\$1.42
Dec2008	\$1.48	Dec2008	\$1.34
Dec2007	\$1.46	Dec2007	\$1.27
Dec2006	\$1.35	Dec2006	\$0.77
Dec2005	\$1.36	Dec2005	\$0.32
Dec2004	\$1.23	Dec2004	-\$0.06
Dec2003	\$0.87	Dec2003	-\$0.27
Dec2002	\$1.50	Dec2002	-\$0.66
Dec2001	-\$5.82	Balance Sheet Information 12/1/2017 Total Current Assets \$2,973,000,000 Total Current Liabilities \$4,088,000,000 Long-Term Debt \$14,520,000,000 Total Assets \$43,030,000,000 Intangible Assets \$0 Total Liabilities \$31,575,000,000 Shares Outstanding (Diluted Average) 510,596,000	
Dec2000	\$2.30		
Dec1999	\$1.54		
Dec1998	\$1.70		
	\$1.91		





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

[Xcel Energy Inc Valuation – May 2016 \\$XEL](#)
[Xcel Energy Inc. Analysis – September 2015 Update \\$XEL](#)
[The 10 Best Stocks For Value Investors This Week – 6/20/15](#)
[Xcel Energy Analysis – June 2015 Update \\$XEL](#)
[18 Companies in the Spotlight This Week – 3/21/15](#)

Other
ModernGraham
posts about related
companies

[Atmos Energy Corp Valuation – Initial Coverage \\$ATO](#)
[PNM Resources Inc Valuation – Initial Coverage \\$PNM](#)
[Public Service Enterprise Group Inc Valuation – July 2017 \\$PEG](#)
[Eversource Energy Valuation – July 2017 \\$ES](#)
[PPL Corp Valuation – June 2017 \\$PPL](#)
[Entergy Corp Valuation – April 2017 \\$ETR](#)
[California Water Service Group Valuation – Initial Coverage \\$CWT](#)
[TransAlta Corporation – Initial Coverage \\$TSE:TA](#)
[Pinnacle West Corp Valuation – March 2017 \\$PNW](#)
[NiSource Inc Valuation – March 2017 \\$NI](#)