

# ModernGraham Valuation

Company Name:

FedEx Corporation

Company Ticker FDX

Date of Analysis

3/31/2018



## 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	\$64,161,040,154	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.43	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	305.67%	Pass
5. Earnings Growth	PEmg < 20	21.70	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.47	Fail
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	1.43	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	3.93	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

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$11.06
MG Growth Estimate	9.00%
<b>MG Value</b>	<b>\$293.07</b>
MG Value based on 3% Growth	\$160.41
MG Value based on 0% Growth	\$94.03
Market Implied Growth Rate	6.60%

### MG Opinion

Current Price	\$240.11
% of Intrinsic Value	81.93%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>D+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$71.00
Graham Number	\$153.46
PEmg	21.70
Current Ratio	1.43
PB Ratio	3.47
Current Dividend	\$1.60
Dividend Yield	0.67%
Number of Consecutive Years of Dividend Growth	7

### Useful Links:

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<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
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<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
May2017	\$11.07	May2017	\$7.72
May2016	\$6.51	May2016	\$6.21
May2015	\$3.65	May2015	\$6.08
May2014	\$7.48	May2014	\$6.92
May2013	\$8.55	May2013	\$6.00
May2012	\$6.41	May2012	\$4.39
May2011	\$4.57	May2011	\$3.50
May2010	\$3.76	May2010	\$3.31
May2009	\$0.31	May2009	\$3.45
May2008	\$3.60	May2008	\$4.91
May2007	\$6.48	May2007	\$5.21
May2006	\$5.83	May2006	\$4.28
May2005	\$4.72	May2005	\$3.30
May2004	\$2.76	May2004	\$2.54
May2003	\$2.74	May2003	\$2.38
May2002	\$2.34	May2002	\$2.17
May2001	\$1.99	<b>Balance Sheet Information</b>	
May2000	\$2.32	<b>2/1/2018</b>	
May1999	\$2.10	Total Current Assets	\$13,575,000,000
May1998	\$1.69	Total Current Liabilities	\$9,503,000,000
		Long-Term Debt	\$16,017,000,000
		Total Assets	\$51,851,000,000
		Intangible Assets	\$7,464,000,000
		Total Liabilities	\$32,957,000,000
		Shares Outstanding (Diluted Average)	273,000,000





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:

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posts about the  
company

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[FedEx Corp Valuation – November 2015 Update \\$FDX](#)  
[19 Best Stocks For Value Investors This Week – 8/29/15](#)  
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[TFI International Inc Valuation – Initial Coverage \\$TSE:TFI](#)  
[Landstar System Inc Valuation – Initial Coverage \\$LSTR](#)  
[Kirby Corporation Valuation – Initial Coverage \\$KEX](#)  
[Knight Transportation Valuation – Initial Coverage \\$KNX](#)  
[United Parcel Service Inc Valuation – February 2017 \\$UPS](#)  
[SPS Commerce Inc Valuation – Initial Coverage \\$SPSC](#)  
[J B Hunt Transport Services Inc Valuation – Initial Coverage \\$JBHT](#)  
[Celadon Group Inc Valuation – Initial Coverage \\$CGI](#)  
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