ModernGraham Valuation

Company Name:

Company Ticker MNST Date of Analysis

Monster Beverage Corporation



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

4/4/2018

Defensive Investor; r	nust pass 6 out of the following 7 tests.		
	1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$31,565,625,100 Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.72 Pass
	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	241.02% Pass
	6. Moderate PEmg Ratio	PEmg < 20	41.60 Fail
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	8.38 Fail
	7. Moderate Frice to Assets	T B Ratio < 2.5 OKT B T Ling < 50	0.50 Tan
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	3.72 Pass
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00 Pass
	3. Earnings Stability	Positive EPS for 5 years prior	Pass
	4. Dividend Record	Currently Pays Dividend	Fail
	5. Earnings Growth	EPSmg greater than 5 years ago	Pass
		Score	
Suitability			
	Defensive	No	
	Berenerve		
	Enterprising	Yes	
Stage 2: Dete			
Stage 2: Dete	Enterprising		
Stage 2: Dete	Enterprising rmination of Intrinsic Value	Yes	
Stage 2: Dete	Enterprising rmination of Intrinsic Value EPSmg	Yes \$1.36	
Stage 2: Dete	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate	Yes \$1.36 14.35%	
Stage 2: Dete	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value	Yes \$1.36 14.35% \$50.78	
Stage 2: Dete	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth	Yes \$1.36 14.35% \$50.78 \$19.79	
Stage 2: Dete	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60	
-	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60	
-	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60 16.55%	
-	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60 16.55% \$56.77	
-	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60 16.55% \$56.77 111.80%	
MG Opinion	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value Opinion MG Grade	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60 16.55% \$56.77 111.80% Overvalued	
MG Opinion	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value Opinion MG Grade	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60 16.55% \$56.77 111.80% Overvalued C-	
MG Opinion	Enterprising Frmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value Opinion MG Grade Frmation for Further Research Net Current Asset Value (NCAV)	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60 16.55% \$56.77 111.80% Overvalued C- \$2.07	
MG Opinion	Enterprising rmination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value Opinion MG Grade	Yes \$1.36 14.35% \$50.78 \$19.79 \$11.60 16.55% \$56.77 111.80% Overvalued C-	

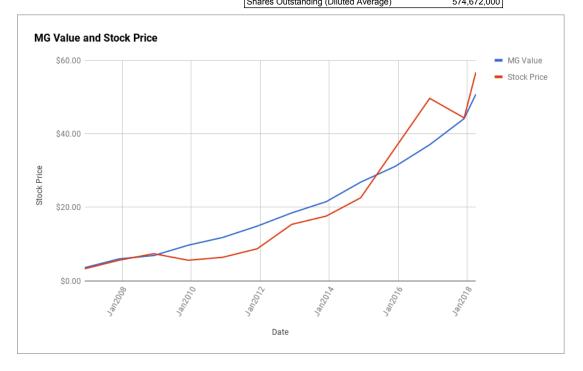
PEmg	41.60
Current Ratio	3.72
PB Ratio	8.38
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

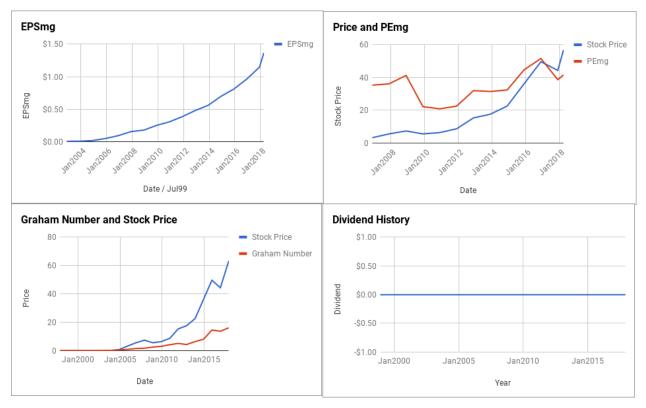
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Morningstar MSN Money Seeking Alpha SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	\$1.68	Next Fiscal Year Estimate	\$1.36
Dec2017	\$1.42	Dec2017	\$1.15
Dec2016	\$1.19	Dec2016	\$0.96
Dec2015	\$0.95	Dec2015	\$0.8
Dec2014	\$0.92	Dec2014	\$0.70
Dec2013	\$0.65	Dec2013	\$0.56
Dec2012	\$0.62	Dec2012	\$0.48
Dec2011	\$0.51	Dec2011	\$0.39
Dec2010	\$0.38	Dec2010	\$0.3
Dec2009	\$0.37	Dec2009	\$0.2
Dec2008	\$0.19	Dec2008	\$0.1
Dec2007	\$0.25	Dec2007	\$0.16
Dec2006	\$0.17	Dec2006	\$0.09
Dec2005	\$0.11	Dec2005	\$0.0
Dec2004	\$0.04	Dec2004	\$0.0
Dec2003	\$0.01	Dec2003	\$0.0
Dec2002	\$0.01	Dec2002	\$0.0
Dec2001	\$0.01	Balance Sheet Information	12/1/201
Dec2000	\$0.01	Total Current Assets	\$2,086,377,000
Dec1999	\$0.01	Total Current Liabilities	\$560,351,000
Dec1998	\$0.01	Long-Term Debt	\$0
		Total Assets	\$4,791,012,000
		Intangible Assets	\$2,365,728,000
		Total Liabilities	\$895,800,000
		Shares Outstanding (Diluted Average)	574,672,000





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	Monster Beverage Corp Valuation – July 2016 \$MNST	
ModernGraham posts about the	Monster Beverage Corp Valuation – January 2016 Update \$MNST	
company	Monster Beverage Corporation Analysis – October 2015 Update \$MNST	
	Monster Beverage Analysis – July 2015 Update \$MNST	
	24 Companies in the Spotlight This Week – 3/28/15	
Other	Campbell Soup Co Valuation – March 2018 \$CPB	
ModernGraham posts about related	Kellogg Company Valuation – March 2018 \$K	
companies	Hershey Co Valuation – March 2018 \$HSY	
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