

ModernGraham Valuation

World Fuel Services
Corp



Company Name:

Company Ticker INT

Date of Analysis

7/26/2018

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	\$1,496,629,367	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.41	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	-81.95%	Fail
6. Moderate PEmg Ratio	PEmg < 20	25.28	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.86	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	1.41	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.73	Pass
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 Score		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.88
MG Growth Estimate	-4.25%
MG Value	\$1.03
MG Value based on 3% Growth	\$12.83
MG Value based on 0% Growth	\$7.52
Market Implied Growth Rate	8.39%

MG Opinion

Current Price	\$22.36
% of Intrinsic Value	2181.39%
Opinion	Overvalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$1.03
Graham Number	\$33.41
PEmg	25.28
Current Ratio	1.41
PB Ratio	0.86
Current Dividend	\$0.24
Dividend Yield	1.07%
Number of Consecutive Years of Dividend Growth	0

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	\$1.95	Next Fiscal Year Estimate	\$0.88
Dec2017	-\$2.50	Dec2017	\$0.75
Dec2016	\$1.81	Dec2016	\$2.45
Dec2015	\$2.47	Dec2015	\$2.76
Dec2014	\$3.15	Dec2014	\$2.85
Dec2013	\$2.83	Dec2013	\$2.63
Dec2012	\$2.64	Dec2012	\$2.45
Dec2011	\$2.71	Dec2011	\$2.23
Dec2010	\$2.31	Dec2010	\$1.88
Dec2009	\$1.96	Dec2009	\$1.56
Dec2008	\$1.80	Dec2008	\$1.26
Dec2007	\$1.12	Dec2007	\$0.94
Dec2006	\$1.11	Dec2006	\$0.79
Dec2005	\$0.79	Dec2005	\$0.59
Dec2004	\$0.61	Dec2004	\$0.46
Dec2003	\$0.50	Dec2003	\$0.37
Mar2002	\$0.40	Mar2002	\$0.30
Mar2001	\$0.25	Balance Sheet Information 3/1/2018	
Mar2000	\$0.20	Total Current Assets	\$3,770,700,000
Mar1999	\$0.30	Total Current Liabilities	\$2,670,100,000
Mar1998	\$0.32	Long-Term Debt	\$800,800,000
		Total Assets	\$5,472,100,000
		Intangible Assets	\$1,366,100,000
		Total Liabilities	\$3,701,100,000
		Shares Outstanding (Diluted Average)	67,900,000





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 [World Fuel Services Corp Valuation – Initial Coverage \\$INT](#)

Other ModernGraham posts about related companies [Imperial Oil Ltd Valuation – July 2018 \\$IMO](#)
[CES Energy Solutions Corp – July 2018 \\$TSE-CEU](#)
[WPX Energy Inc Valuation – July 2018 \\$WPX](#)
[Magellan Midstream Partners LP Valuation – July 2018 \\$MMP](#)
[EnSCO PLC Valuation – July 2018 \\$ESV](#)
[Enterprise Products Partners LP Valuation – July 2018 \\$EPD](#)
[Noble Corp PLC Valuation – June 2018 \\$NE](#)
[Rowan Companies PLC Valuation – June 2018 \\$RDC](#)
[Diamond Offshore Drilling Inc Valuation – June 2018 \\$DO](#)
[Transocean Ltd Valuation – June 2018 \\$RIG](#)