

# ModernGraham Valuation

Company Name:

Pfizer Inc.

Company Ticker PFE

Date of Analysis

11/20/2018



## 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	\$255,200,000,000	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	99.43%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	20.10	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.68	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	1.43	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.68	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		Pass
	Score		

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.19
MG Growth Estimate	1.87%
<b>MG Value</b>	<b>\$26.82</b>
MG Value based on 3% Growth	\$31.78
MG Value based on 0% Growth	\$18.63
Market Implied Growth Rate	5.80%

### MG Opinion

Current Price	\$44.06
% of Intrinsic Value	164.29%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

## Stage 3: Information for Further Research

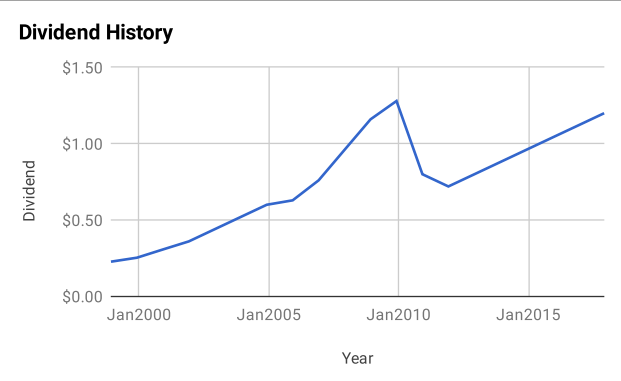
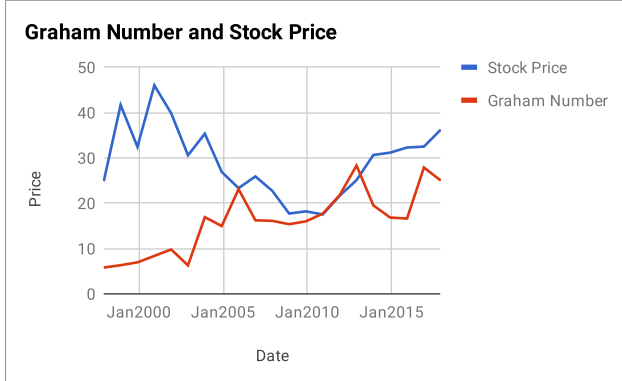
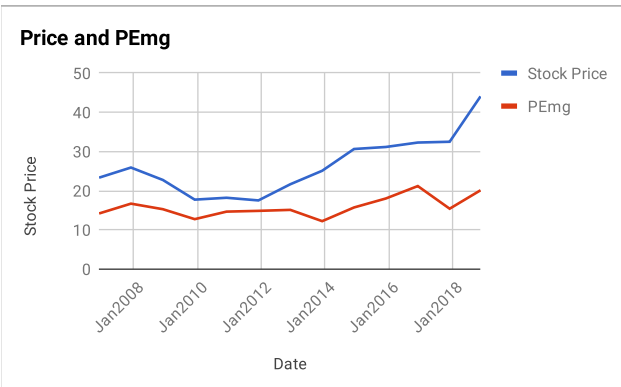
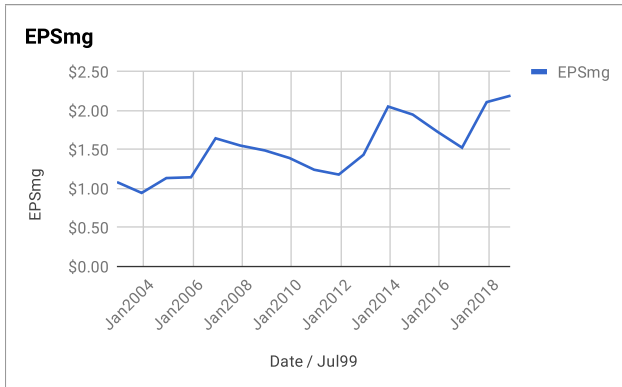
Net Current Asset Value (NCAV)	-\$9.12
Graham Number	\$25.00
PEmg	20.10
Current Ratio	1.43
PB Ratio	3.68
Current Dividend	\$1.28
Dividend Yield	2.91%
Number of Consecutive Years of Dividend Growth	7

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.33	Next Fiscal Year Estimate	\$2.19
Dec2017	\$3.52	Dec2017	\$2.11
Dec2016	\$1.17	Dec2016	\$1.52
Dec2015	\$1.11	Dec2015	\$1.73
Dec2014	\$1.42	Dec2014	\$1.95
Dec2013	\$3.19	Dec2013	\$2.05
Dec2012	\$1.94	Dec2012	\$1.43
Dec2011	\$1.27	Dec2011	\$1.18
Dec2010	\$1.02	Dec2010	\$1.24
Dec2009	\$1.23	Dec2009	\$1.39
Dec2008	\$1.20	Dec2008	\$1.49
Dec2007	\$1.17	Dec2007	\$1.55
Dec2006	\$2.66	Dec2006	\$1.64
Dec2005	\$1.09	Dec2005	\$1.14
Dec2004	\$1.49	Dec2004	\$1.13
Dec2003	\$0.54	Dec2003	\$0.94
Dec2002	\$1.46	Dec2002	\$1.08
Dec2001	\$1.22	<b>Balance Sheet Information 9/1/2018</b>	
Dec2000	\$0.59	Total Current Assets	\$41,583,000,000
Dec1999	\$0.78	Total Current Liabilities	\$29,013,000,000
Dec1998	\$0.73	Long-Term Debt	\$33,652,000,000
		Total Assets	\$167,838,000,000
		Intangible Assets	\$100,921,000,000
		Total Liabilities	\$96,174,000,000
		Shares Outstanding (Diluted Average)	5,986,000,000





**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:**

- Other ModernGraham posts about the company**
- [Pfizer Inc Valuation – February 2018 \\$PFE](#)
  - [Pfizer Inc Valuation – March 2017 \\$PFE](#)
  - [Pfizer Inc Valuation – August 2016 \\$PFE](#)
  - [Dividend Investors Should Research These 10 Stocks – July 2016](#)
  - [10 Companies for Enterprising Dividend Investors – June 2016](#)

- Other ModernGraham posts about related companies**
- [Merck & Co Inc Valuation – November 2018 \\$MRK](#)
  - [Ligand Pharmaceuticals Inc Valuation – September 2018 \\$LGND](#)
  - [Supernus Pharmaceuticals Inc Valuation – August 2018 \\$SUPN](#)
  - [Lannett Co Inc Valuation – August 2018 \\$LCI](#)
  - [Spectrum Pharmaceuticals Inc Valuation – August 2018 \\$SPPI](#)
  - [Akorn Inc Valuation – July 2018 \\$AKRX](#)
  - [Mallinckrodt PLC Valuation – July 2018 \\$MNK](#)
  - [Bristol-Myers Squibb Company Valuation – June 2018 \\$BMY](#)
  - [Biogen Inc Valuation – June 2018 \\$BIIB](#)
  - [Mylan NV Valuation – June 2018 \\$MYL](#)