

# ModernGraham Valuation

Company Name:

Walmart Inc

Company Ticker WMT

Date of Analysis

11/28/2018



## 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	\$283,384,329,093	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.81	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	-6.14%	Fail
5. Earnings Growth	PEmg < 20	23.52	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.58	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	0.81	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-2.65	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		Fail

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$4.12
MG Growth Estimate	-2.37%
<b>MG Value</b>	<b>\$15.47</b>
MG Value based on 3% Growth	\$59.69
MG Value based on 0% Growth	\$34.99
Market Implied Growth Rate	7.51%

### MG Opinion

Current Price	\$96.84
% of Intrinsic Value	625.79%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$26.41
Graham Number	\$50.28
PEmg	23.52
Current Ratio	0.81
PB Ratio	3.58
Current Dividend	\$2.04
Dividend Yield	2.11%
Number of Consecutive Years of Dividend Growth	20

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<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		Next Fiscal Year Estimate	\$4.12
Jan2018	\$4.26	Jan2018	\$4.17
Jan2017	\$3.28	Jan2017	\$4.67
Jan2016	\$4.38	Jan2016	\$4.82
Jan2015	\$4.57	Jan2015	\$4.89
Jan2014	\$5.05	Jan2014	\$4.71
Jan2013	\$4.88	Jan2013	\$4.49
Jan2012	\$5.02	Jan2012	\$4.10
Jan2011	\$4.52	Jan2011	\$3.76
Jan2010	\$4.47	Jan2010	\$3.31
Jan2009	\$3.71	Jan2009	\$3.02
Jan2008	\$3.39	Jan2008	\$2.76
Jan2007	\$3.13	Jan2007	\$2.50
Jan2006	\$2.71	Jan2006	\$2.29
Jan2005	\$2.68	Jan2005	\$2.00
Jan2004	\$2.41	Jan2004	\$1.73
Jan2003	\$2.07	Jan2003	\$1.49
Jan2002	\$1.79	<b>Balance Sheet Information 10/1/2018</b>	
Jan2001	\$1.47	Total Current Assets	\$69,446,000,000
Jan2000	\$1.40	Total Current Liabilities	\$85,751,000,000
Jan2000	\$1.19	Long-Term Debt	\$43,275,000,000
Jan1999	\$0.99	Total Assets	\$226,583,000,000
		Intangible Assets	\$31,044,000,000
		Total Liabilities	\$147,114,000,000
		Shares Outstanding (Diluted Average)	2,941,000,000





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

[Walmart Inc Valuation – February 2018 \\$WMT](#)  
[Wal-Mart Stores Inc Valuation – May 2016 \\$WMT](#)  
[Dividend Growth Stocks for Intelligent Investors – February 2016](#)  
[11 Best Stocks For Value Investors This Week – 11/21/15](#)  
[Wal-Mart Stores Inc. Valuation – November 2015 Update \\$WMT](#)

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posts about related  
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[Canadian Tire Corp Ltd Valuation – August 2018 \\$TSE:CTC.A](#)  
[McKesson Corp Valuation – June 2018 \\$MCK](#)  
[Big 5 Sporting Goods Corp Valuation – June 2018 \\$BGFV](#)  
[Amazon.com Inc Valuation – June 2018 \\$AMZN](#)  
[Fossil Group Inc Valuation – June 2018 \\$FOSL](#)  
[Costco Wholesale Corp Valuation – June 2018 \\$COST](#)  
[Lumber Liquidators Holdings Inc Valuation – June 2018 \\$LL](#)  
[CVS Health Corp Valuation – June 2018 \\$CVS](#)  
[Target Corp Valuation – June 2018 \\$TGT](#)  
[Stamps.com Inc Valuation – June 2018 \\$STMP](#)