

ModernGraham Valuation

Company Name:

FMC Corp

Company Ticker FMC

Date of Analysis

1/8/2019



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	\$10,651,447,594	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.54	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	95.65%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	21.87	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.50	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	1.54	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.13	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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.62
MG Growth Estimate	8.01%
MG Value	\$88.66
MG Value based on 3% Growth	\$52.44
MG Value based on 0% Growth	\$30.74
Market Implied Growth Rate	6.69%

MG Opinion

Current Price	\$79.10
% of Intrinsic Value	89.22%
Opinion	Fairly Valued
MG Grade	C

Stage 3: Information for Further Research

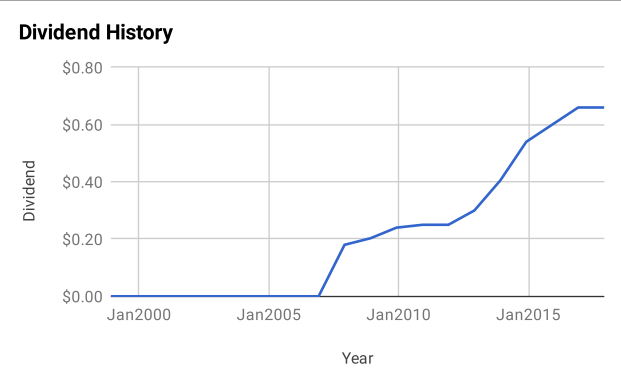
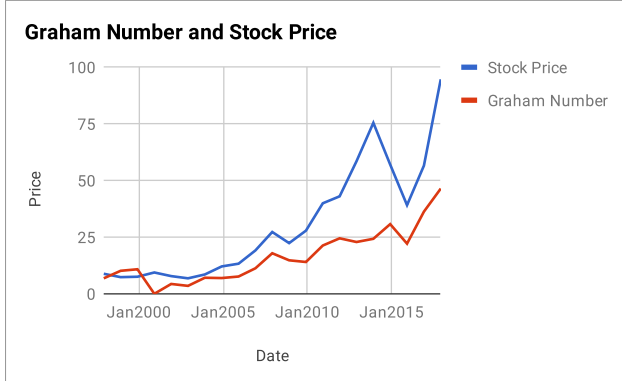
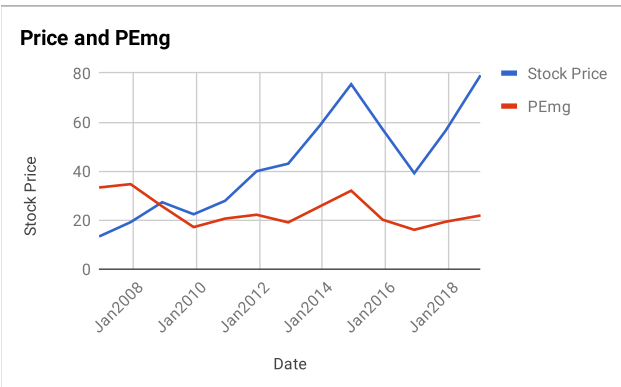
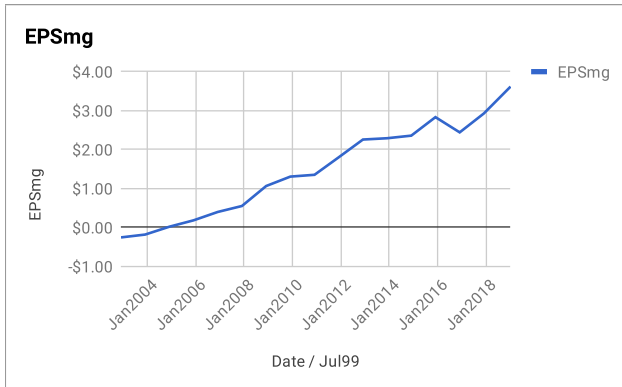
Net Current Asset Value (NCAV)	-\$20.81
Graham Number	\$46.43
PEmg	21.87
Current Ratio	1.54
PB Ratio	3.50
Current Dividend	\$0.66
Dividend Yield	0.83%
Number of Consecutive Years of Dividend Growth	0

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	\$4.80	Next Fiscal Year Estimate	\$3.62
Dec2017	\$3.99	Dec2017	\$2.93
Dec2016	\$1.56	Dec2016	\$2.44
Dec2015	\$3.66	Dec2015	\$2.83
Dec2014	\$2.29	Dec2014	\$2.36
Dec2013	\$2.16	Dec2013	\$2.29
Dec2012	\$3.00	Dec2012	\$2.26
Dec2011	\$2.55	Dec2011	\$1.80
Dec2010	\$1.18	Dec2010	\$1.35
Dec2009	\$1.56	Dec2009	\$1.31
Dec2008	\$2.01	Dec2008	\$1.07
Dec2007	\$0.86	Dec2007	\$0.55
Dec2006	\$0.42	Dec2006	\$0.40
Dec2005	\$0.36	Dec2005	\$0.18
Dec2004	\$0.54	Dec2004	\$0.02
Dec2003	\$0.19	Dec2003	-\$0.18
Dec2002	\$0.48	Dec2002	-\$0.25
Dec2001	-\$2.72	Balance Sheet Information	
Dec2000	\$0.88	Total Current Assets	\$3,491,200,000
Dec1999	\$0.82	Total Current Liabilities	\$2,271,500,000
Dec1998	\$0.38	Long-Term Debt	\$2,593,300,000
		Total Assets	\$9,406,900,000
		Intangible Assets	\$4,206,300,000
		Total Liabilities	\$6,328,600,000
		Shares Outstanding (Diluted Average)	136,357,000





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**
- [5 Great Stocks This Week – 3/12/18](#)
 - [FMC Corp Valuation – March 2018 \\$FMC](#)
 - [9 Best Stocks For Value Investors This Week – 7/8/16](#)
 - [FMC Corporation Valuation – July 2016 \\$FMC](#)
 - [10 Most Undervalued Companies for the Defensive Investor – May 2016](#)

- Other ModernGraham posts about related companies**
- [LyondellBasell Industries NV Valuation – January 2019 \\$LYB](#)
 - [Eastman Chemical Co Valuation – January 2019 \\$EMN](#)
 - [DowDuPont Inc Valuation – November 2018 \\$DWDP](#)
 - [Chemtrade Logistics Income Fund Valuation – July 2018 \\$TSE:CHE.UN](#)
 - [PPG Industries Inc Valuation – May 2018 \\$PPG](#)
 - [Innospec Inc Valuation – April 2018 \\$IOSP](#)
 - [Innophos Holdings Inc Valuation – March 2018 \\$IPHS](#)
 - [Olin Corp Valuation – March 2018 \\$OLN](#)
 - [A Schulman Inc Valuation – March 2018 \\$SHLM](#)
 - [FMC Corp Valuation – March 2018 \\$FMC](#)