

# ModernGraham Valuation

Company Name:

Msci Inc

Company Ticker MSCI

Date of Analysis

1/14/2019



## 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	\$13,531,533,038	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.75	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	267.88%	Pass
5. Earnings Growth	PEmg < 20	43.23	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	37.11	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	2.75	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.18	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		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.56
MG Growth Estimate	14.05%
<b>MG Value</b>	<b>\$130.10</b>
MG Value based on 3% Growth	\$51.55
MG Value based on 0% Growth	\$30.22
Market Implied Growth Rate	17.37%

### MG Opinion

Current Price	\$153.71
% of Intrinsic Value	118.15%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C-</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$17.19
Graham Number	\$22.60
PEmg	43.23
Current Ratio	2.75
PB Ratio	37.11
Current Dividend	\$1.32
Dividend Yield	0.86%
Number of Consecutive Years of Dividend Growth	4

### 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		Next Fiscal Year Estimate	
Dec2017	\$5.10	Dec2017	\$3.56
Dec2016	\$3.31	Dec2016	\$2.68
Dec2015	\$2.70	Dec2015	\$2.27
Dec2014	\$2.03	Dec2014	\$1.98
Dec2013	\$2.43	Dec2013	\$1.84
Dec2012	\$1.83	Dec2012	\$1.45
Dec2011	\$1.48	Dec2011	\$1.18
Nov2010	\$1.41	Dec2010	\$1.00
Nov2009	\$0.81	Nov2010	\$0.80
Nov2008	\$0.80	Nov2009	\$0.79
Nov2007	\$0.67	Nov2008	\$0.76
Nov2006	\$0.96	Nov2007	\$0.75
Nov2005	\$0.85	Nov2006	\$0.58
Nov2004	\$0.65	Nov2005	\$0.40
Nov2003	\$0.37	Nov2004	\$0.23
Nov2002	\$0.40	Nov2003	\$0.13
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	<b>Balance Sheet Information</b>	
Dec2000	\$0.00	<b>9/1/2018</b>	
Dec1999	\$0.00	Total Current Assets	\$1,857,346,000
Dec1998	\$0.00	Total Current Liabilities	\$675,050,000
		Long-Term Debt	\$2,574,616,000
		Total Assets	\$3,806,405,000
		Intangible Assets	\$1,834,447,000
		Total Liabilities	\$3,427,964,000
		Shares Outstanding (Diluted Average)	91,372,000





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

#N/A

Other  
ModernGraham  
posts about related  
companies

[Ameriprise Financial Inc Valuation – January 2019 \\$AMP](#)  
[Invesco Ltd Valuation – January 2019 \\$IVZ](#)  
[Capital One Financial Corp Valuation – January 2019 \\$COF](#)  
[Total System Services Inc Valuation – December 2018 \\$TSS](#)  
[Goldman Sachs Group Inc Valuation – November 2018 \\$GS](#)  
[KKR & Co Inc Valuation – September 2018 \\$KKR](#)  
[CorVel Corp Valuation – August 2018 \\$CRVL](#)  
[Jones Lang LaSalle Inc Valuation – August 2018 \\$JLL](#)  
[Investment Technology Group Inc Valuation – July 2018 \\$ITG](#)  
[Stifel Financial Corp Valuation – July 2018 \\$SF](#)