

ModernGraham Valuation

Company Name:

NVIDIA Corporation

Company Ticker NVDA

Date of Analysis

1/7/2019



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	\$87,473,996,276	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	7.08	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	1039.20%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	33.34	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	9.46	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	7.08	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.20	Pass
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	\$4.30
MG Growth Estimate	15.00%
MG Value	\$165.60
MG Value based on 3% Growth	\$62.37
MG Value based on 0% Growth	\$36.56
Market Implied Growth Rate	12.42%

MG Opinion

Current Price	\$143.40
% of Intrinsic Value	86.59%
Opinion	Fairly Valued
MG Grade	C

Stage 3: Information for Further Research

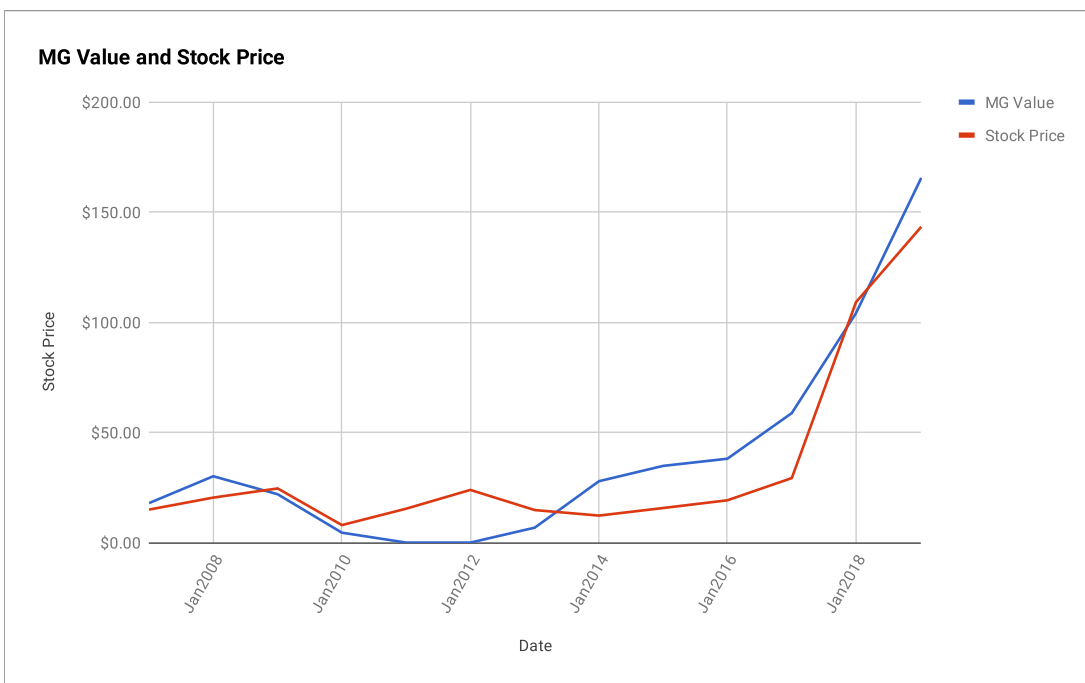
Net Current Asset Value (NCAV)	\$11.53
Graham Number	\$43.59
PEmg	33.34
Current Ratio	7.08
PB Ratio	9.46
Current Dividend	\$0.57
Dividend Yield	0.40%
Number of Consecutive Years of Dividend Growth	6

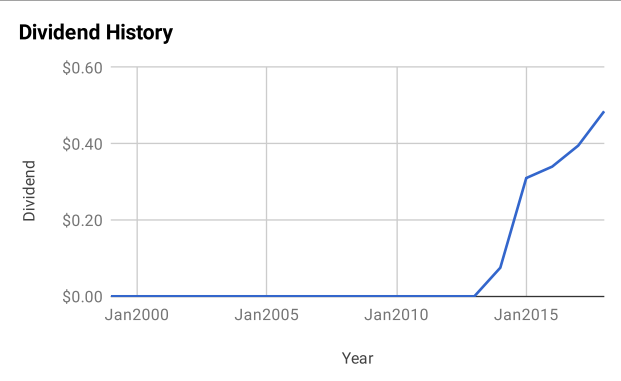
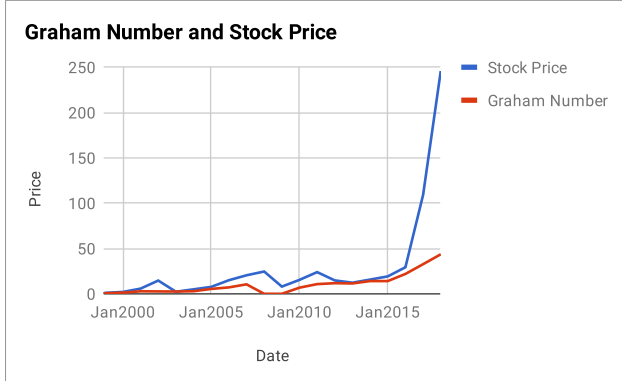
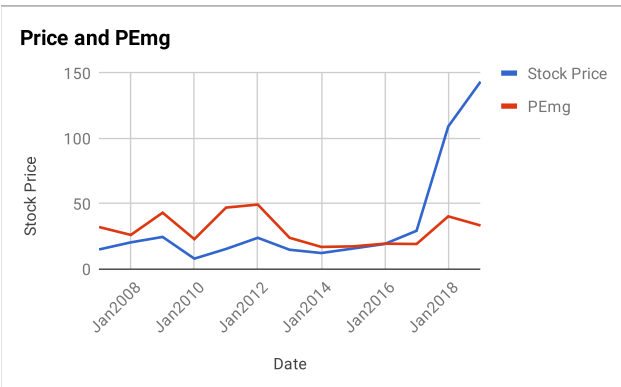
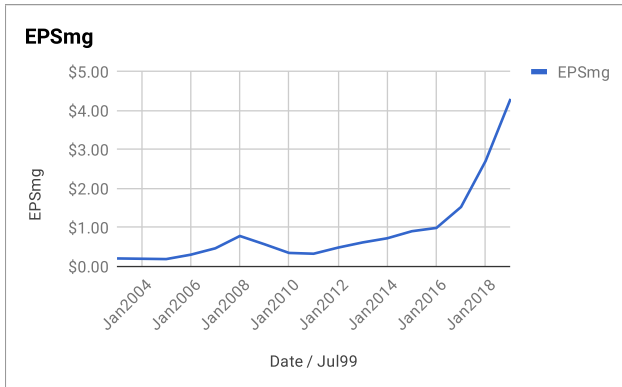
Useful Links:

[ModernGraham tagged articles](#)
[Google Finance](#)
[Yahoo Finance](#)
[GuruFocus](#)

[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$6.85	Next Fiscal Year Estimate	\$4.30
Jan2018	\$4.82	Jan2018	\$2.71
Jan2017	\$2.57	Jan2017	\$1.53
Jan2016	\$1.08	Jan2016	\$0.99
Jan2015	\$1.12	Jan2015	\$0.90
Jan2014	\$0.74	Jan2014	\$0.72
Jan2013	\$0.90	Jan2013	\$0.62
Jan2012	\$0.94	Jan2012	\$0.48
Jan2011	\$0.43	Jan2011	\$0.33
Jan2010	-\$0.12	Jan2010	\$0.35
Jan2009	-\$0.05	Jan2009	\$0.57
Jan2008	\$1.31	Jan2008	\$0.78
Jan2007	\$0.77	Jan2007	\$0.47
Jan2006	\$0.55	Jan2006	\$0.30
Jan2005	\$0.17	Jan2005	\$0.19
Jan2004	\$0.14	Jan2004	\$0.20
Jan2003	\$0.18	Jan2003	\$0.21
Jan2002	\$0.34	Balance Sheet Information 10/1/2018	
Jan2001	\$0.21	Total Current Assets	\$11,386,000,000
Jan2000	\$0.09	Total Current Liabilities	\$1,608,000,000
Jan1999	\$0.01	Long-Term Debt	\$1,987,000,000
		Total Assets	\$13,657,000,000
		Intangible Assets	\$667,000,000
		Total Liabilities	\$4,182,000,000
		Shares Outstanding (Diluted Average)	625,000,000





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**
- [NVIDIA Corp Valuation – March 2018 \\$NVDA](#)
 - [Nvidia Corporation Valuation – June 2016 \\$NVDA](#)
 - [NVIDIA Corporation Valuation – November 2015 Update \\$NVDA](#)
 - [The Best Stocks of the IT Hardware Industry – September 2015](#)
 - [The 20 Best Stocks For Value Investors This Week – 8/15/15](#)

- Other ModernGraham posts about related companies**
- [Seagate Technology PLC Valuation – January 2019 \\$STX](#)
 - [Corning Inc Valuation – January 2019 \\$GLW](#)
 - [HP Inc Valuation – December 2018 \\$HPQ](#)
 - [Intel Corp Valuation – November 2018 \\$INTC](#)
 - [Apple Inc Valuation – November 2018 \\$AAPL](#)
 - [Littelfuse Inc Valuation – September 2018 \\$LFUS](#)
 - [CTS Corporation Valuation – August 2018 \\$CTS](#)
 - [Kopin Corp Valuation – August 2018 \\$KOPN](#)
 - [Knowles Corp Valuation – August 2018 \\$KN](#)
 - [Cree Inc Valuation – August 2018 \\$CREE](#)