

ModernGraham Valuation

Company Name:

Company Ticker GM
Date of Analysis

General Motors
Company

2/17/2019



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	\$55,096,534,325	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.92	Fail
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	-14.05%	Fail
5. Earnings Growth	PEmg < 20	9.41	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.31	Pass
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	0.92	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-10.52	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.16
MG Growth Estimate	2.41%
MG Value	\$55.33
MG Value based on 3% Growth	\$60.25
MG Value based on 0% Growth	\$35.32
Market Implied Growth Rate	0.45%

MG Opinion

Current Price	\$39.09
% of Intrinsic Value	70.65%
Opinion	Undervalued
MG Grade	B-

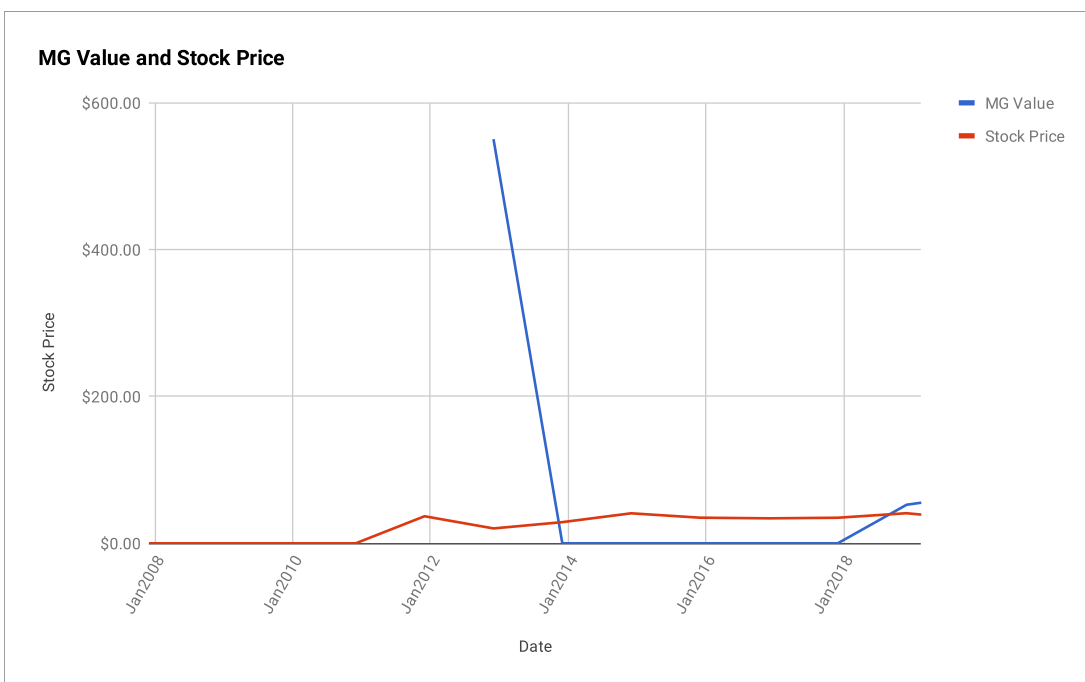
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$76.36
Graham Number	\$61.47
PEmg	9.41
Current Ratio	0.92
PB Ratio	1.31
Current Dividend	\$1.52
Dividend Yield	3.89%
Number of Consecutive Years of Dividend Growth	0

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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	\$6.05		\$4.16
Dec2018	\$5.53	Dec2018	\$3.23
Dec2017	-\$2.65	Dec2017	\$2.28
Dec2016	\$6.00	Dec2016	\$4.42
Dec2015	\$5.91	Dec2015	\$3.58
Dec2014	\$1.65	Dec2014	\$2.57
Dec2013	\$2.38	Dec2013	\$10.42
Dec2012	\$2.92	Dec2012	\$14.30
Dec2011	\$4.58	Dec2011	\$17.80
Dec2010	\$2.89	Dec2010	\$20.45
Dec2009	\$113.18	Dec2009	\$23.47
Dec2008	-\$53.47	Dec2008	-\$17.82
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Balance Sheet Information 12/1/2018	
Dec2001	\$0.00	Total Current Assets	\$75,293,000,000
Dec2000	\$0.00	Total Current Liabilities	\$82,237,000,000
Dec1999	\$0.00	Long-Term Debt	\$73,060,000,000
		Total Assets	\$227,339,000,000
		Intangible Assets	\$5,579,000,000
		Total Liabilities	\$184,562,000,000
		Shares Outstanding (Diluted Average)	1,431,000,000





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.

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[AutoNation Inc Valuation – September 2018 \\$AN](#)
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