

ModernGraham Valuation

Company Name:

Nasdaq Inc

Company Ticker NDAQ

Date of Analysis

2/2/2019



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	\$14,326,562,209	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.97	Fail
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	97.70%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	24.88	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.64	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	0.97	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-14.78	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	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.51
MG Growth Estimate	7.56%
MG Value	\$82.94
MG Value based on 3% Growth	\$50.93
MG Value based on 0% Growth	\$29.86
Market Implied Growth Rate	8.19%

MG Opinion

Current Price	\$87.38
% of Intrinsic Value	105.36%
Opinion	Fairly Valued
MG Grade	D

Stage 3: Information for Further Research

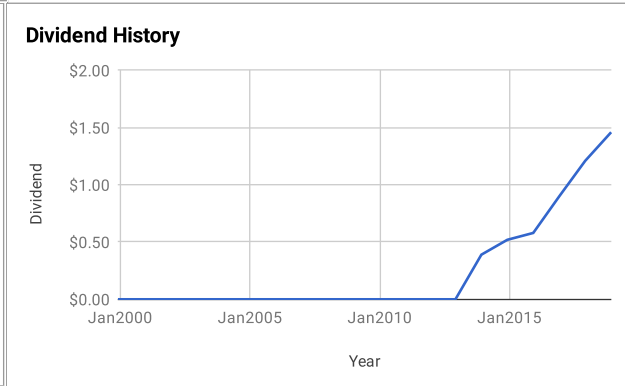
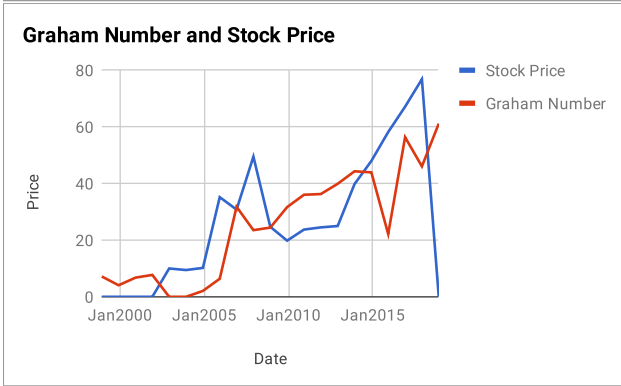
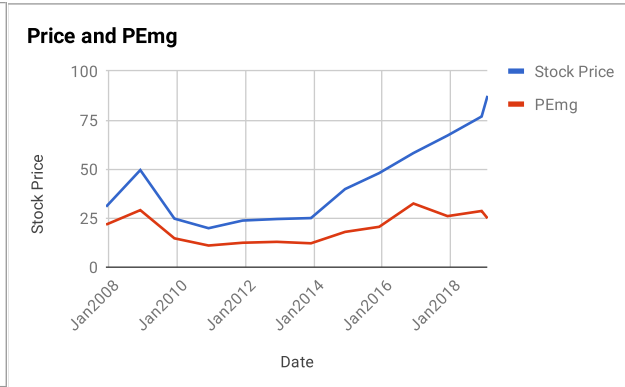
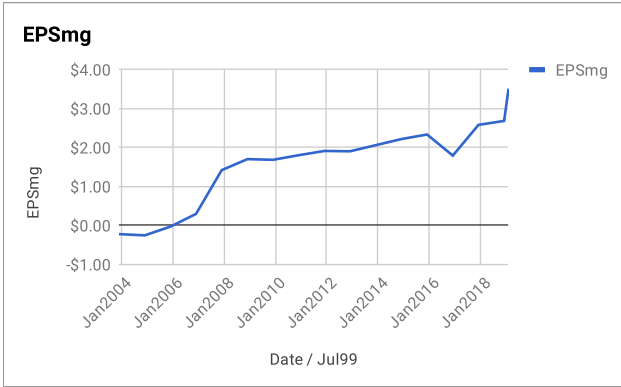
Net Current Asset Value (NCAV)	-\$23.59
Graham Number	\$61.15
PEmg	24.88
Current Ratio	0.97
PB Ratio	2.64
Current Dividend	\$1.70
Dividend Yield	1.95%
Number of Consecutive Years of Dividend Growth	7

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	\$5.00	Next Fiscal Year Estimate	\$3.51
Dec2018	\$2.73	Dec2018	\$2.69
Dec2017	\$4.33	Dec2017	\$2.58
Dec2016	\$0.64	Dec2016	\$1.79
Dec2015	\$2.50	Dec2015	\$2.34
Dec2014	\$2.39	Dec2014	\$2.22
Dec2013	\$2.25	Dec2013	\$2.06
Dec2012	\$2.04	Dec2012	\$1.91
Dec2011	\$2.15	Dec2011	\$1.91
Dec2010	\$1.91	Dec2010	\$1.80
Dec2009	\$1.25	Dec2009	\$1.69
Dec2008	\$1.55	Dec2008	\$1.70
Dec2007	\$3.46	Dec2007	\$1.42
Dec2006	\$0.95	Dec2006	\$0.30
Dec2005	\$0.57	Dec2005	-\$0.03
Dec2004	-\$0.02	Dec2004	-\$0.25
Dec2003	-\$1.45	Dec2003	-\$0.22
Dec2002	\$0.40	Balance Sheet Information 12/1/2018	
Dec2001	\$0.35	Total Current Assets	\$6,370,000,000
Dec2000	\$0.21	Total Current Liabilities	\$6,570,000,000
Dec1999	\$0.86	Long-Term Debt	\$2,956,000,000
		Total Assets	\$15,700,000,000
		Intangible Assets	\$8,663,000,000
		Total Liabilities	\$10,251,000,000
		Shares Outstanding (Diluted Average)	164,500,000





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

- [Nasdaq Inc Valuation – April 2018 \\$NDAQ](#)
- [Nasdaq Inc Valuation – July 2016 \\$NDAQ](#)
- [24 Companies in the Spotlight This Week – 3/28/15](#)
- [Nasdaq OMX Group Inc. Annual Valuation – 2015 \\$NDAQ](#)
- [17 Companies in the Spotlight This Week – 3/29/14](#)

Other ModernGraham posts about related companies

- [E*Trade Financial Corp Valuation – January 2019 \\$ETFC](#)
- [Marsh & McLennan Companies Inc Valuation – January 2019 \\$MMC](#)
- [Intercontinental Exchange Inc Valuation – January 2019 \\$ICE](#)
- [H&R Block Inc Valuation – January 2019 \\$HRB](#)
- [State Street Corp Valuation – January 2019 \\$STT](#)
- [Morgan Stanley Valuation – January 2019 \\$MS](#)
- [MSCI Inc Valuation – January 2019 \\$MSCI](#)
- [BlackRock Inc Valuation – January 2019 \\$BLK](#)
- [Ameriprise Financial Inc Valuation – January 2019 \\$AMP](#)
- [Invesco Ltd Valuation – January 2019 \\$IVZ](#)