

# ModernGraham Valuation

Company Name:

S&P Global Inc

Company Ticker SPGI

Date of Analysis

3/8/2019



## 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	\$48,772,834,606	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.37	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	211.84%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	26.10	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	72.20	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	1.37	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	3.76	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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$7.52
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$289.39</b>
MG Value based on 3% Growth	\$108.99
MG Value based on 0% Growth	\$63.89
Market Implied Growth Rate	8.80%

### MG Opinion

Current Price	\$196.20
% of Intrinsic Value	67.80%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

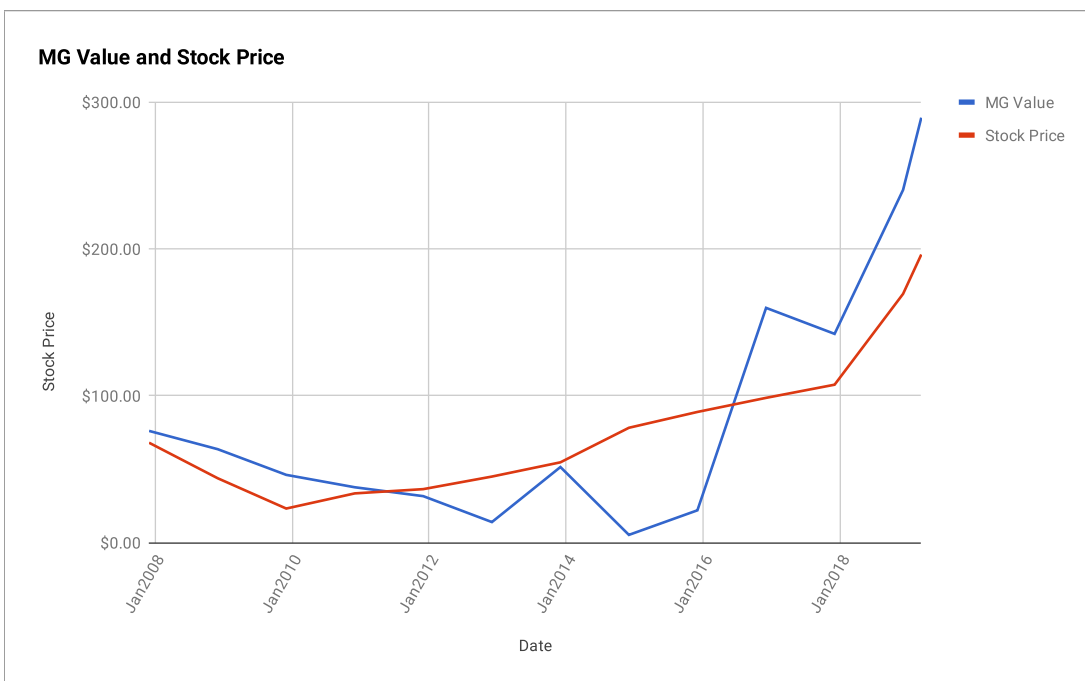
Net Current Asset Value (NCAV)	-\$20.54
Graham Number	\$22.47
PEmg	26.10
Current Ratio	1.37
PB Ratio	72.20
Current Dividend	\$2.00
Dividend Yield	1.02%
Number of Consecutive Years of Dividend Growth	20

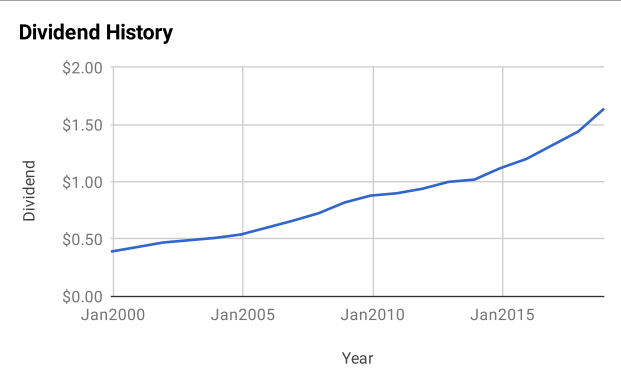
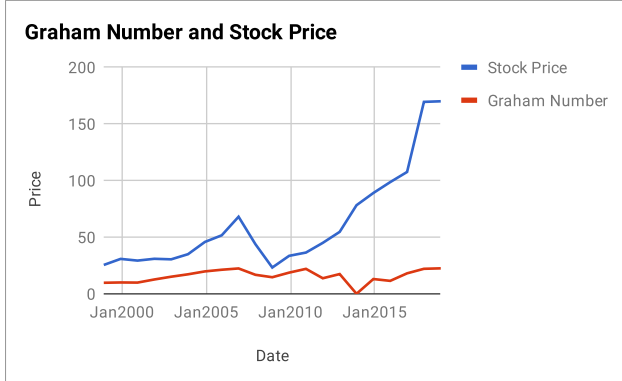
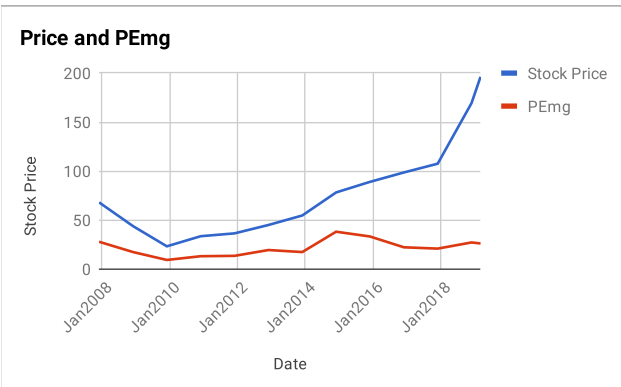
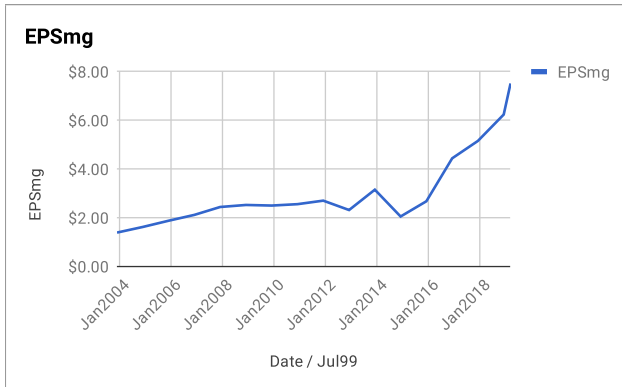
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$8.88	Next Fiscal Year Estimate	\$7.52
Dec2018	\$7.73	Dec2018	\$6.24
Dec2017	\$5.78	Dec2017	\$5.16
Dec2016	\$7.94	Dec2016	\$4.44
Dec2015	\$4.21	Dec2015	\$2.68
Dec2014	-\$0.42	Dec2014	\$2.05
Dec2013	\$4.91	Dec2013	\$3.15
Dec2012	\$1.53	Dec2012	\$2.32
Dec2011	\$3.00	Dec2011	\$2.70
Dec2010	\$2.65	Dec2010	\$2.56
Dec2009	\$2.33	Dec2009	\$2.50
Dec2008	\$2.51	Dec2008	\$2.53
Dec2007	\$2.94	Dec2007	\$2.44
Dec2006	\$2.40	Dec2006	\$2.12
Dec2005	\$2.21	Dec2005	\$1.88
Dec2004	\$1.96	Dec2004	\$1.62
Dec2003	\$1.79	Dec2003	\$1.39
Dec2002	\$1.48	<b>Balance Sheet Information 12/1/2018</b>	
Dec2001	\$0.96	Total Current Assets	\$3,604,000,000
Dec2000	\$1.03	Total Current Liabilities	\$2,629,000,000
Dec1999	\$1.07	Long-Term Debt	\$3,662,000,000
		Total Assets	\$9,458,000,000
		Intangible Assets	\$5,059,000,000
		Total Liabilities	\$8,774,000,000
		Shares Outstanding (Diluted Average)	251,700,000





**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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