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Mar 10, 2020

Molson Coors Beverage(TAP)

$43.01 (As of 03/09/20)

Price Target (6-12 Months): **$45.00**

Long Term: 6-12 Months | **Zacks Recommendation:** Neutral
(Since: 09/30/19)
Prior Recommendation: Underperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **3-Hold**
Zacks Style Scores: VGM:A
Value: A | Growth: B | Momentum: B

Summary

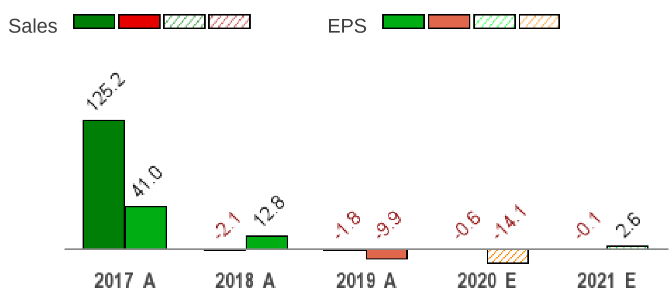
Molson Coors has outperformed the industry year to date driven by progress on its revitalization plan. The plan is aimed at achieving sustainable sales growth by improving efficiency and unlocking resources to reinvest in business opportunities. Further, its premiumization efforts, robust innovation pipeline and cost-saving efforts appear encouraging. Moreover, the company delivered earnings beat for the second straight quarter in fourth-quarter 2019. The bottom line benefited from positive global net pricing, cost savings, a non-recurring gain from the resolution of a vendor dispute in the United States, lower marketing, general and administrative expenses, and timing of marketing investments. However, soft brand volumes across most segments remain a concern. Further, the company is witnessing input cost inflation for a while now.

Price, Consensus & Surprise

Data Overview

52 Week High-Low	**$64.32 - $41.81**
20 Day Average Volume (sh)	**2,385,762**
Market Cap	**$9.3 B**
YTD Price Change	**-20.2%**
Beta	**0.84**
Dividend / Div Yld	**$2.28 / 5.3%**
Industry	**Beverages - Alcohol**
Zacks Industry Rank	**Bottom 26% (187 out of 253)**
Last EPS Surprise	**34.2%**
Last Sales Surprise	**-0.6%**
EPS F1 Est- 4 week change	**-1.8%**
Expected Report Date	**05/06/2020**
Earnings ESP	**0.0%**
P/E TTM	**9.5**
P/E F1	**11.0**
PEG F1	**2.5**
P/S TTM	**0.7**

Sales and EPS Growth Rates (Y/Y %)



Sales Estimates (millions of $)

	Q1	Q2	Q3	Q4	Annual*
2021	2,303 E	2,988 E	2,884 E	2,469 E	10,512 E
2020	2,261 E	2,958 E	2,850 E	2,459 E	10,519 E
2019	2,303 A	2,948 A	2,842 A	2,486 A	10,579 A

EPS Estimates

	Q1	Q2	Q3	Q4	Annual*
2021	$0.42 E	$1.30 E	$1.50 E	$0.84 E	$4.00 E
2020	$0.35 E	$1.26 E	$1.45 E	$0.84 E	$3.90 E
2019	$0.52 A	$1.52 A	$1.48 A	$1.02 A	$4.54 A

*Quarterly figures may not add up to annual.

The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 03/09/2020. The reports text is as of 03/10/2020.

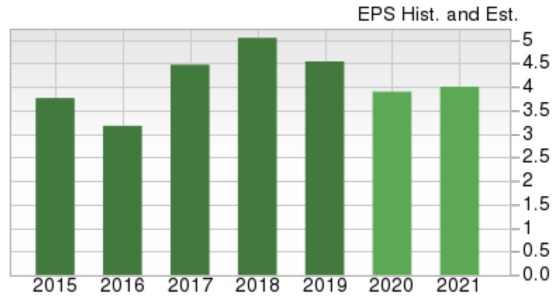
Overview

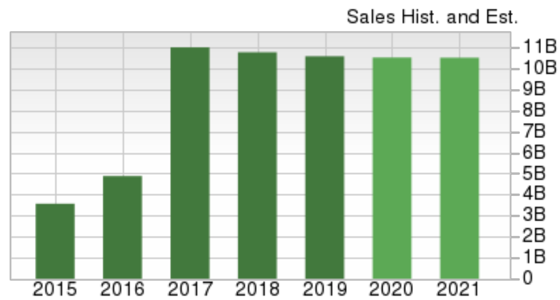
Molson Coors Beverage Company, previously known as Molson Coors Brewing Company, was formed by the merger of Molson Inc. and Adolph Coors Co. in February 2005. This global manufacturer and seller of beer and other beverage products has an impressive diverse portfolio of owned and partner brands.

These brands include global priority brands such as Blue Moon, Miller Lite, CoorsBanquet, Coors Light, Miller Genuine Draft and Staropramen; as well as regional champion brands like Carling, Molson Canadian. The company also boasts some other major country-specific brands, along with craft and specialty beers, namely, Creemore Springs, Henry's Hard, Cobra, Doom Bar and Leinenkugel's.

Molson Coors crafts high-quality, innovative products with an aim of delighting the world's beer drinkers, thus targeting to become the first choice for its consumers. The company's brands are designed to resonate well with consumer tastes and preferences, styles and prices. Its largest markets are the United States, Canada and Europe.

Impressively, Molson Coors remains well on track with its First Choice plan. This strategy aims at solidifying and preimmunizing portfolio, enhancing customer relations and generating significant profits from international businesses via enhanced capability, productivity and continued cost savings.





Furthermore, Molson Coors operates through MillerCoors LLC (U.S. segment), operating in the United States ("U.S."); Molson Coors Canada (Canada segment), operating in Canada; Molson Coors Europe (Europe segment), operating in Bulgaria, Croatia, Czech Republic, Hungary, Montenegro, the Republic of Ireland, Romania, Serbia, the United Kingdom and other European countries; and Molson Coors International (International segment), operating in various other countries.

Segment Performance

Canada: The segment contributed nearly 12.4% to the company's net sales in 2019.

United States: The segment contributed nearly 68.4% to its net sales in 2019.

Europe: The segment contributed nearly 18.2% to the company's net sales in 2019.

International: The segment contributed nearly 2.1% to its net sales in 2019.

Reasons To Buy:

> Through the revitalization plan, Molson Coors expects to achieve sustainable top-line growth by improving efficiency and unlocking resources to reinvest in business opportunities.

- **Solid Q4 Earnings:** Molson Coors delivered bottom line beat for the second straight quarter in fourth-quarter 2019. Moreover, adjusted earnings and sales increased on a year-over-year basis. The bottom line benefited from positive global net pricing, cost savings, a non-recurring gain from the resolution of a vendor dispute in the United States, lower marketing, general and administrative expenses, and timing of marketing investments. Though the top line missed estimates, it improved year-over-year driven by rise in net sales per hectoliter and higher financial volume. On a constant-currency basis, net sales increased 3%. The aforementioned factors also led to an increase in the company's underlying EBITDA, which moved up 15.5% year over year. Further, underlying EBITDA increased 15.8% year over year in constant currency. Shares of Molson Coors have witnessed a decline of 20.2% year to date it fared better than the industry's 25.7% slump.

- **Revitalization Plan:** Molson Coors announced a revitalization plan to achieve sustainable top-line growth by improving efficiency and unlocking resources to reinvest in business opportunities. To do this, the company intends to invest in iconic brands and growth opportunities in the above-premium beer space; expand in adjacencies and beyond beer, without hampering the support for its existing large brands; and creating digital competencies for commercial functions, supply-chain-related system capabilities and employees. To facilitate these investments, it plans to generate savings of nearly $150 million by simplifying structure. It plans to streamline its business units into two segments — North America and Europe. Currently, the company has a corporate center and four business units, including MillerCoors in the United States, Molson Coors Canada, Molson Coors Europe and Molson Coors International. The North America business unit will include operations in the United States, Canada and corporate center. The Europe unit will operate as a stand-alone segment. The existing Molson Coors International segment will be split, with Latin America operations reporting under the North America business unit, and Africa and the Asia Pacific reporting under the European business unit. The company expects these changes in its operating structure to be effective January 2020, which will be reflected in operating results, starting from the first quarter of 2020.

- **Reducing Office Space & Headcount:** As part of the revitalization plan, Molson Coors also intends to reduce its office footprint to drive efficiency and enable growth. For this, it will close the Denver office and designate the Chicago office as the headquarters of the North America business unit. Further, it will consolidate functional support roles from various offices across the country to its Milwaukee, WI-based office. Consequently, the company expects to reduce headcounts by nearly 400-500, primarily in the existing United States, Canada and International segments as well as Corporate operations. It expects these consolidations to be completed by the end of 2021. These actions are likely to attract cash and non-cash charges of about $120-$180 million, which will be spread across the balance of this year as well as 2020 and 2021.

- **Focus on Premiumization & Innovation:** Molson Coors is one of the largest brewers in the world and boasts a strong portfolio of well-established brands. The company's focus on premiumization and cost savings has been aiding its bottom line performance. In fact, it remains committed to growing its market share through innovation and premiumization. With a view to accelerate portfolio premiumization, the company has made significant additions to its above-premium brands portfolio in the past few years. Consequently, nearly 30% and 20% of the company's portfolio in Europe and Canada, respectively, is now in above-premium brands. Further, the company is now focused on increasing investments in the above-premium category in the United States. Going forward, the company is encouraged by its innovation pipeline and launch of various innovative brands across regions. Molson Coors remains on track to witness continued segment share gains in premium brands; increased volumes in above-premium brands and bring stability to its below-premium brands' volumes and market share. Additionally, the company's innovation plans are focused on expanding in the flavored malt beverage category, particularly hard seltzers. In March, the company launched Vizzy in the United States, a hard seltzer that offers differentiated ingredients. This will help the company carve a solid position in the fast-growing seltzer category. Moreover, the company has announced the national launch of Coors Seltzer in July, which has four flavors – black cherry, lemon lime, mango and grapefruit. The new product will join Vizzy, Molson Coors' antioxidant-infused hard seltzer, on store shelves.

- **Cost Savings and Restructuring Initiatives:** Molson Coors has undertaken restructuring initiatives to reduce overhead costs and boost profitability. The initiatives included closure of underperforming breweries, improving efficiencies in finance, administration and human resources and reducing labor and general overhead costs. In addition, the company has been focusing on initiatives to improve its supply-chain network and build on efficiencies across the business to generate additional resources to invest in brand building and innovation. During 2019, Molson Coors delivered cost savings of nearly $230 million, resulting in a total savings of $725 million under the 2017-2019 program. The three-year savings were ahead of the company's latest guidance of $700 million and initial guidance of $550 million. As part of the savings program, it incurred total one-time costs of $31 million in 2019 and nearly $208 million for the 2017-2019 period. Going forward, the company remains committed to delivering more cost savings under its next-generation cost-saving program, which began in 2020. It expects the current program to generate cost savings of $600 million over the three years ending 2022. These cost savings include $150 million related to the revitalization plan. Further, it expects to incur one-time costs of $120-$180 million for generating savings from the revitalization plan.

- **Financial Strength:** Molson Coors is committed to maintaining its balance sheet strength, by efficiently deleveraging debt levels and investing in its business using improved cash flows and cost savings. The company ended 2019 with cash and cash equivalents of $523.4 million, and total debt of $9,038 million, resulting in net debt of $8,514 million. Further, it generated net cash provided in operating activities of $1,897.3 million in 2019, with underlying free cash flow of $1,369.8 million. In 2020, it expects to generate underlying free cash flow of $1.1 billion (plus or minus 10%). Capital spending is expected to be roughly $700 million (plus or minus 10%).

Reasons To Sell:

Soft 2020 View: Driven by the execution of the revitalization plan, Molson Coors expects 2020 to be a transition year. Management reiterated its initial sales view for 2020. However, it revised underlying EBITDA guidance for 2020. The company expects flat to low-single-digit decline in net sales on a constant currency basis. Underlying EBITDA is expected to decline in high-single digits year over year in constant currency. Earlier, the company had anticipated a mid-single-digit decline in underlying EBITDA in constant currency. Underlying tax rate for 2020 and beyond is likely to be 20-24%. Additionally, net interest expenses are projected to be $280 million (plus or minus 5%).

Molson Coors continues to battle input cost inflation for a while now. Underlying COGS per hectoliter rose 1.7% on a constant-currency basis in the fourth quarter, driven by inflation and mix.

Soft Volume & Cost Inflation Hurt Canada Business: Molson Coors witnessed softness across its Canada business segment in fourth-quarter 2019. Molson Coors Canada net sales declined 4.6% to $307.1 million on a reported basis and 4.8% in constant currency, driven by a decline in volume and net sales per hectoliter. Notably, net sales per hectoliter (brand volume basis), in constant currency, declined 0.7% on higher unfavorable mix. Canada brand volume fell 6.9% and financial volume decreased 4%, owing to soft brand performance and industry declines. However, financial volume partly benefited from cycling lower customer inventory levels in the prior year. Underlying EBITDA was flat with last year at $64.7 million, with a constant-currency decline of 0.9%.

Decline in Worldwide Brand Volume: Molson Coors' worldwide brand volume declined 1% to 21.8 million hectoliters in fourth-quarter 2019. The decline in worldwide brand volume was mainly attributed to lower economy volumes in the United States and soft performance in Canada and Europe, partly compensated by strength in International. Notably, U.S. brand volume declined 1.7%, owing to declines in the economy segment, offset by rise in the premium light and above premium portfolio trends. As already stated, Canada brand volume fell 6.9% owing to soft brand performance and industry declines. Additionally, Europe brand volume declined 0.4% due to lower brand performance.

Higher Input Costs: Molson Coors continues to battle input cost inflation, which has been a hindrance for a while now, particularly due to higher aluminum and freight costs. Underlying COGS per hectoliter rose 1.7% on a constant-currency basis in the fourth quarter, driven by inflation and mix partially offset by cost savings. For 2019, Underlying COGS per hectoliter increased 4.9% in constant currency owing to inflation, volume deleverage, and negative mix, partially offset by cost savings and foreign currency movements.

Last Earnings Report

Molson Coors Q4 Earnings Beat Estimates

Quarter Ending	12/2019
Report Date	Feb 12, 2020
Sales Surprise	-0.55%
EPS Surprise	34.21%
Quarterly EPS	1.02
Annual EPS (TTM)	4.54

Molson Coors reported mixed fourth-quarter 2019 results, wherein the top line missed estimates but the bottom line beat the same. However, adjusted earnings and sales increased on a year-over-year basis. This marked the second straight earnings beat and the fifth consecutive negative sales surprise.

Delving Deeper

Molson Coors' underlying adjusted earnings of $1.02 per share improved 21.4% year over year and beat the Zacks Consensus Estimate of 76 cents. The bottom line benefited from positive global net pricing, cost savings, a non-recurring gain from the resolution of a vendor dispute in the United States, lower marketing, general and administrative expenses, and timing of marketing investments.

The aforementioned factors also led to an increase in the company's underlying EBITDA, which moved up 15.5% to $563.1 million year over year. Further, underlying EBITDA increased 15.8% year over year in constant currency.

Net sales rose 2.8% to $2,486.2 million but missed the Zacks Consensus Estimate of $2,506 million. The year-over-year improvement was driven by rise in net sales per hectoliter and higher financial volume. On a constant-currency basis, net sales increased 3%.

Notably, net sales per hectoliter improved 1.8% on a reported financial-volume basis. Moreover, net sales per hectoliter on a brand volume basis increased 1.1% in constant currency, owing to favorable pricing and global mix due to the company's focus on portfolio premiumization.

However, Molson Coors' worldwide brand volume declined 1% to 21.8 million hectoliters and financial volume moved up 1% to 21.8 million hectoliters. The decline in worldwide brand volume was mainly attributed to lower economy volumes in the United States and soft performance in Canada, partly compensated by strength in International. Meanwhile, financial volume benefited from the quarterly timing of distributor inventory levels in the United States and growth in International, partly negated by volume declines in Canada and Europe. Nevertheless, global priority brand volume was up 1.6%.

Segmental Details

The company operates through the following geographical segments.

Canada: Molson Coors' Canada net sales declined 4.6% to $307.1 million on a reported basis and 4.8% in constant currency, driven by a decline in volume and 0.7% fall in net sales per hectoliter (brand volume basis), in constant currency, driven by higher unfavorable mix. Canada brand volume fell 6.9% and financial volume decreased 4%, owing to soft brand performance and industry declines. However, financial volume partly benefited from cycling lower customer inventory levels in the prior year. Underlying EBITDA was flat with last year at $64.7 million, with a constant-currency decline of 0.9%.

United States: Molson Coors now has complete ownership rights to all the brands in the MillerCoors portfolio for the U.S. market. Net sales for the segment increased 4.7% to $1,679.9 million on reported and constant-currency basis mainly due to higher financial volume and 1.6% growth in net sales per hectoliter (brand volume basis), driven by higher net pricing.

However, U.S. brand volume declined 1.7%, owing to declines in the economy segment, offset by rise in the premium light and above premium portfolio trends. Sales-to-wholesalers (STWs) volume, excluding contract brewing, grew 2.5% on cycling lower shipments in the prior year, owing to quarterly timing of distributor inventories, partially negated by lower brand volume. The segment's underlying EBITDA rose 16.5% year over year to $431.3 million, with constant-currency growth of 16.6%.

Europe: The segment's reported net sales grew 1.1% to $469.3 million and improved 2.1% in constant currency. Net sales in constant currency benefited from a 4% increase in net sales per hectoliter (brand volume basis) in constant currency due to positive pricing and favorable sales mix, offset by lower brand volume. Europe brand and financial volume declined 0.4% and 1.4%, respectively. The decline in brand volume was attributed to lower brand performance, offset by strong momentum in the premium portfolio in the fourth quarter, which resulted in higher volume growth than the year. Underlying EBITDA increased 15.4% year over year to $93.1 million and 18% in constant currency.

International: Net sales for the segment were up 7.5% on both reported and constant currency basis. Reported net sales were $62 million. Robust sales were driven by brand volume growth, offset by 5.3% fall in net sales per hectoliter (brand volume basis) in constant currency, on unfavorable geographic mix. International brand volume increased 13.9% on strong Coors Light performance in Mexico, sustained growth in Argentina and the timing of STWs. This was partly offset by India supply chain and soft demand. The segment's underlying EBITDA was $4.1 million, reflecting year-over-year improvements of 46.4% on a reported basis and 50% on a constant currency basis.

Other Financial Updates

Molson Coors ended the year with cash and cash equivalents of $523.4 million, and total debt of $9,038 million. This resulted in net debt of $8,514 million at the end of 2019.

The company generated net cash provided in operating activities of $1,897.3 million in 2019, with underlying free cash flow of $1,369.8 million.

Cost-Saving Update

During 2019, Molson Coors delivered cost savings of nearly $230 million, resulting in a total savings of $725 million under the 2017-2019 program. The three-year savings were ahead of the company's latest guidance of $700 million and initial guidance of $550 million. As part of the savings program, it incurred total one-time costs of $31 million in 2019 and nearly $208 million for the 2017-2019 period.

Going forward, the company remains committed to delivering more cost savings under its next-generation cost-saving program, which began in 2020. It expects the current program to generate cost savings of $600 million over the three years ending 2022. These cost savings include $150 million related to the revitalization plan.

Further, it expects to incur one-time costs of $120-$180 million for generating savings from the revitalization plan.

Outlook

Management reiterated its initial sales view for 2020. However, it revised underlying EBITDA guidance for 2020.

For 2020, the company expects flat to low-single-digit decline in net sales on a constant currency basis. Underlying EBITDA is expected to decline in high-single digits year over year in constant currency. Earlier, the company had anticipated a mid-single-digit decline in underlying EBITDA in constant currency. Further, it expects to generate underlying free cash flow of $1.1 billion (plus or minus 10%).

Capital spending is expected to be roughly $700 million (plus or minus 10%). Underlying tax rate for 2020 and beyond is likely to be 20-24%. Additionally, net interest expenses are projected to be $280 million (plus or minus 5%).

Recent News

Molson Coors Declares Dividend – Feb 21, 2020

Molson Coors declared quarterly cash dividend of 57 cents per share on its Class A and Class B shares. The dividend is payable on Mar 20 to shareholders with record as on Mar 9.

Molson Coors' Vizzy Hard Seltzer Launch Challenged – Feb 10, 2020

Molson Coors' latest move to get a better share of the growing hard seltzer market by launching Vizzy later this year has been challenged by Austin-based competitor Future Proof Brands LLC that sells Brizzy hard seltzer. The latter filed litigation against Molson Coors Beverage Company and its MillerCoors LLC subsidiary on Feb 6 in an Austin federal court for infringing on Brizzy's federally registered trademark and creating market confusion.

Future Proof states that many wholesalers and retailers are concerned regarding consumers' confusion with Vizzy and Brizzy as the names sound similar. Moreover, the Austin-based company quotes that the products are also similar, with resembling packaging and usually wholesalers for both companies are also the same. The litigation, therefore, demands to prevent MillerCoors from using the Vizzy name along with some monetary relief.

However, Molson Coors states that market confusion from the Vizzy name is unlikely. Further, Vizzy's different packaging and unique ingredients reduce the chances of any confusion on the part of the consumers. Further, the company revealed that the application for the Vizzy name was pending with the U.S. Patent and Trademark Office, which published the application for public comment on Jan 28, 2020.

Future Proof had challenged MillerCoors' application on Jan 29. Notably, Future Proof has a registered trademark for Brizzy, effective Dec 10, 2019.

Molson Coors' Craft Segment to Acquire Atwater Brewery – Jan 22, 2020

Molson Coors' U.S. craft division, Tenth and Blake Beer Company, plans to buy Detroit-based Atwater Brewery. Atwater has been a leader in the Michigan craft community for more than two decades. It is popular for traditional German-style lagers and unique ales. Additionally, Atwater produces hard seltzers and craft spirits, and also operates three unique taphouse and biergarden locations in Detroit, Grosse Pointe Park and Grand Rapids.

Molson Coors anticipates closing the transaction within the next few months. However, the terms were not revealed.

The acquisition of Atwater Brewery is likely to complement Tenth and Blake's craft portfolio, which includes the Jacob Leinenkugel Brewing Company, AC Golden Brewing Company, Saint Archer Brewing Company, Terrapin Beer Company, Hop Valley Brewing Company and Revolver Brewing. Notably, Tenth and Blake's regional crafts posted volume increase of more than 16% in 2019.

Molson Coors to Shut Irwindale Facility, Offers Pabst to Buy - Jan 6, 2020

Intending to revitalize and restructure its business, Molson Coors has decided to stop production at its Irwindale, CA-based brewery by September 2020. The move is in sync with the company's efforts to get back on growth trajectory by optimizing brewery footprint and streamlining operations for improved efficiency across its network. It notes that extra capacity across its brewery network will be sufficient to absorb the Irwindale facility's production.

Concurrent with the announcement, the company also signed an agreement with Pabst Brewing Co., which gives the latter the option to buy the Irwindale facility.

The Irwindale facility, which was set up in 1980, has a production capacity of 4.8 million barrels of beer annually. It employs about 470 people. Some of the brands produced in the facility include Miller Lite, Coors Light, Miller High Life, MGD, Steel Reserve, Miller 64 and several brands for Pabst. The company expects to transition the production of the products currently produced in the facility to other breweries in the next nine months. The breweries where it plans to shift the Irwindale facility's production are the Golden brewery in Colorado and Fort Worth facility in Texas.

Further, the company stated that the revitalization plan, announced in October 2019, is not all about ceasing production at the Irwindale facility. Moreover, it notes that the closing of the facility will also not affect its existing cost-saving target.

Valuation

Molson Coors shares are down 20.2% in the year-to-date period and nearly 28.4% over the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Consumer Staples sector are down 25.7% and 12.8%, respectively, in the year-to-date period. Over the past year, the Zacks sub-industry and the sector are down 20% and 4.1%, respectively.

The S&P 500 index is down 14.7% in the year-to-date period and 2.3% in the past year.

The stock is currently trading at 10.98X forward 12-month earnings, which compares to 19.72X for the Zacks sub-industry, 17.56X for the Zacks sector and 15.75X for the S&P 500 index.

Over the past five years, the stock has traded as high as 28.49X and as low as 10.98X, with a 5-year median of 15.4X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our $45 price target reflects 11.49X forward 12-month earnings.

The table below shows summary valuation data for TAP

Valuation Multiples - TAP

		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	10.98	19.72	17.56	15.75
	5-Year High	28.49	27.52	22.38	19.34
	5-Year Low	10.98	18.91	16.66	15.18
	5-Year Median	15.4	23.2	19.65	17.42
P/S F12M	Current	0.88	17.76	8.77	2.91
	5-Year High	5.69	20.67	11.13	3.44
	5-Year Low	0.88	14.42	8.09	2.54
	5-Year Median	1.67	17.61	9.87	3
EV/EBITDA TTM	Current	7.93	40.65	36.78	11.04
	5-Year High	18.06	55.34	45.75	12.87
	5-Year Low	7.52	34.77	31.94	8.49
	5-Year Median	12.51	44.4	39.01	10.79

As of 03/09/2020

Industry Analysis **Zacks Industry Rank:** Bottom 26% (187 out of 253)

Top Peers

The Boston Beer Company, Inc. **(SAM)**	Outperform
Brown-Forman Corporation **(BF.B)**	Neutral
Craft Brew Alliance, Inc. **(BREW)**	Neutral
Carlsberg AS **(CABGY)**	Neutral
Diageo plc **(DEO)**	Neutral
Heineken NV **(HEINY)**	Neutral
Constellation Brands Inc **(STZ)**	Neutral
Anheuser-Busch InBev SA/NV **(BUD)**	Underperform

Industry Comparison Industry: Beverages - Alcohol

Industry Peers

	TAP Neutral	X Industry	S&P 500	BUD Underperform	CABGY Neutral	HEINY Neutral
VGM Score	A	-	-	C	B	A
Market Cap	9.31 B	8.12 B	19.13 B	78.88 B	18.83 B	54.69 B
# of Analysts	7	3	13	3	2	3
Dividend Yield	5.30%	0.00%	2.26%	2.72%	1.49%	1.20%
Value Score	A	-	-	B	B	C
Cash/Price	0.05	0.03	0.05	0.09	NA	0.03
EV/EBITDA	10.34	9.02	11.99	7.57	NA	NA
PEG Ratio	2.43	2.37	1.68	1.32	NA	2.37
Price/Book (P/B)	0.68	2.33	2.64	0.93	2.48	2.99
Price/Cash Flow (P/CF)	5.01	13.71	10.70	6.19	12.61	11.25
P/E (F1)	10.87	18.79	15.44	14.25	18.23	18.17
Price/Sales (P/S)	0.72	1.49	2.05	1.49	NA	NA
Earnings Yield	9.07%	5.17%	6.47%	7.02%	5.51%	5.50%
Debt/Equity	0.59	0.42	0.70	1.15	NA	0.87
Cash Flow ($/share)	8.59	1.90	7.01	7.80	1.96	4.22
Growth Score	B	-	-	D	B	A
Hist. EPS Growth (3-5 yrs)	6.66%	7.53%	10.85%	-5.02%	NA	NA
Proj. EPS Growth (F1/F0)	-14.16%	4.82%	6.25%	-16.91%	11.07%	7.54%
Curr. Cash Flow Growth	-5.29%	4.60%	6.09%	15.28%	3.39%	12.24%
Hist. Cash Flow Growth (3-5 yrs)	11.28%	4.63%	8.52%	0.84%	-3.69%	4.17%
Current Ratio	0.59	1.41	1.24	0.83	NA	0.71
Debt/Capital	37.23%	29.41%	42.57%	53.57%	NA	46.43%
Net Margin	1.86%	7.61%	11.69%	17.29%	NA	NA
Return on Equity	7.15%	8.39%	16.74%	20.56%	NA	NA
Sales/Assets	0.44	0.51	0.54	0.45	NA	NA
Proj. Sales Growth (F1/F0)	-0.57%	0.24%	3.76%	-1.86%	1.84%	4.03%
Momentum Score	B	-	-	D	D	C
Daily Price Chg	-10.47%	-4.78%	-7.65%	-10.22%	-8.89%	-6.83%
1 Week Price Chg	-3.16%	0.00%	-0.67%	-7.83%	2.50%	2.27%
4 Week Price Chg	-25.64%	-14.29%	-19.26%	-35.25%	-15.90%	-10.97%
12 Week Price Chg	-17.26%	-15.82%	-17.26%	-39.63%	-15.82%	-10.04%
52 Week Price Chg	-28.44%	-11.22%	-6.83%	-40.22%	-0.02%	-7.25%
20 Day Average Volume	2,385,762	20,442	2,684,709	2,803,787	132,177	56,037
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	-12.25%	0.00%	0.00%
(F1) EPS Est 4 week change	-1.80%	-1.99%	-0.06%	-20.49%	-2.87%	-0.13%
(F1) EPS Est 12 week change	-2.08%	-2.13%	-0.46%	-20.92%	0.37%	0.00%
(Q1) EPS Est Mthly Chg	-26.39%	-6.67%	-0.40%	NA	NA	NA

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	A
Growth Score	B
Momentum Score	B
VGM Score	A

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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