

UNITED STEEL CORP.

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ABSTRACT

This analysis covers United Steel Corp. (X), involving in the steel production (tubular and flat roles). As one of the biggest beta in the US due to its high leverage to industrial production, it might be a good opportunity to fully benefit a probable rally of the market.

OVERVIEW

PRICE:	SIENA	Target	Price:	S&P500:	DJIA:	S&P"Industry":
\$23.47	\$27.49		815.94	7,776.18	18.65	

Location: Pittsburg, PA

Industry: Metal production

Description: US Steel is a producer of flat role and tubular steel in Europe and North America. According to its sales it is the tenth producer in the world.

Company Website: www.ussteel.com

Market Data

Market Cap	\$2,727.17M	1 Yr Price App.	-81.03%
Price to book	0.56	Country	USA
Beta	2.81	Industry	Metal Production
Dividend yield	5.11%	Industry Price	\$21.56
Shares O/S	116 M	Industry Beta	1.6
Current price	\$23.47	Country Risk Premium	8.96%
52 week range	\$16.66 - \$196	Risk Free Rate	2.89%

Valuation	Current	2009E	2010E
EPS	\$18.11	\$-0.07	\$4.71
P/E	1.36	1.30	33.06
CFPS	\$23.70	\$1.35	\$6.45
P/CFPS	.99	17	3.64

RECOMMENDATION

The company is not the one with the best efficiency of the sector, but is most likely that the critical issue of liquidity management may be fulfilled. US steel has proven to pass several downturns and have profit of the past year to increase its profitability, asset and vertical integration.

Being one of the highest beta in a market historically low, I recommend a risky buy to profit a maximum from a market rally if one except that the steel demand will grow again in 2010.

COMPANY DESCRIPTION

Founded in 1901, the company is implanted in North America and Europe. It has a capability of 31.7 million tons a year for 49,000 employees (29,000 in US and 20,000 in Europe). Us Steel produces flat role, one of the based component for many steel based products (from car to loan moaner or boats), tubular products that are mostly used in the oil and gas sector. Us Steel is also involving in other minor business such as railroad companies that count for less than 1% of their income.

Strategy

Us Steel is focused on the return of shareholders and to generate competitive return on capital. They want to be a world leader in safety and environmental protection. This last goals might be a good thing in case on environmental import taxes, countries may use this argument to protect their local companies and fight against low labors cost coming from China and India, their factories being known for toxic gas emission.

In the short term they are focus on the crisis management, reducing significantly their production, freeze the salary increase, reduce their capital expenditure, and put on standby some plants. Their objective is to maintain liquidity and they do think to be well positioned when the market will recover.

On the long term they plan to increase the quality of steel, probably to differentiate themselves from low cost countries and be able to supply high quality industries.

The European segment is focus on the supply to the fast demand increase in the Eastern Europe.

Customers

Customers for flat role are essentially coming from the automotive industry and have been highly affected by the current markets. US Steel believes that they may encounter difficulties to find credit and pay the company, although US steel increase only slightly their doubtful account.

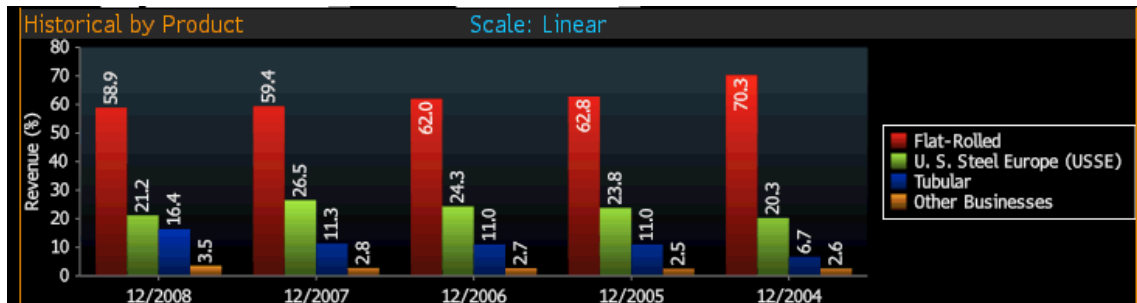
Suppliers

They declared to be able to be self efficient in 2009, in iron ore, the base product for their flat role and tubular segment. The company is developing the mine in order to be able to extract more raw materials for the future. In the case they were not able to develop it sufficiently, they would purchase iron ore on the market. In Europe US Steel is receiving Iron ore from mostly Us, but also Ukraine and Russia. The company thinks that they get it at competitive price and that it should continue in the future.

Coal is required to make steel, their suppliers are located in north America and eastern Europe. There is no significant threat from this product as it is cheap, relatively stable, and with good production capacity.

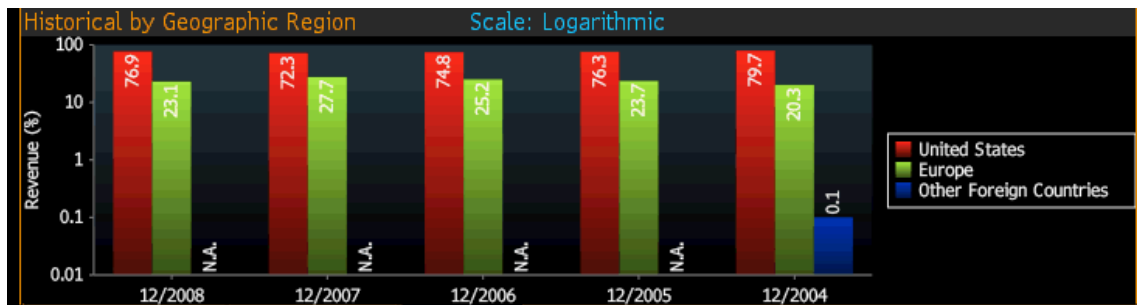
According to them, other supplies such as natural gas, zinc or other materials fulfill the requirement at competitive market prices.

Products



Flat role is the biggest revenue even if the company tends to diversify more and more. It is a good thing for the future that the company try to increase the tubular segment as it seems the most promising segment since as said earlier, it is linked to gas and oil industry.

Geographic and Market Segmentation



The company has a significant part of its income coming from Europe. A significant part of the asset is located in Slovakia which allows the company to benefit from cheap labor in a relative stable country. Moreover it can take benefit from the growing market in Eastern Europe and is able to supply in steel industrial country like Germany with high quality steel.

Latest Developments

The company has taken benefit from the high price of steel to double its capacity of steel production, buying competitors and becoming more integrated. Us Steel has acquired National Steel and USSS in 2003, and Lone Star and USSC in 2007. Those acquisitions have increased their capacity of production of the tubular segment.

The company is building new plant that will create electricity from the steel production, reducing the environmental impact and saving energy cost.

Us Steel is working on centralizing and standardizing the business through software package, increasing productivity.

The company has bought back for \$1B of shares and increased their dividend from \$0.2 to \$1.2 since 2001.

INDUSTRIAL ANALYSIS

Overview

The metal production had had a trend to concentrate those past years. China is leading the market supported by the government and a fast growing demand. The leader of the market is ArcelorMittal that has recently acquired the French company Arcelor.

Critical Issues

Products are not clearly differentiable; therefore the lowest cost of production is the biggest issue. Low labor cost in China is a threat for the entire industry, and successive government has tended to pass law protecting occidental factories. It is for example prohibited to sell steel at a lower cost than in its own country. US Steel is regularly suing competitors that do not respect those principles.

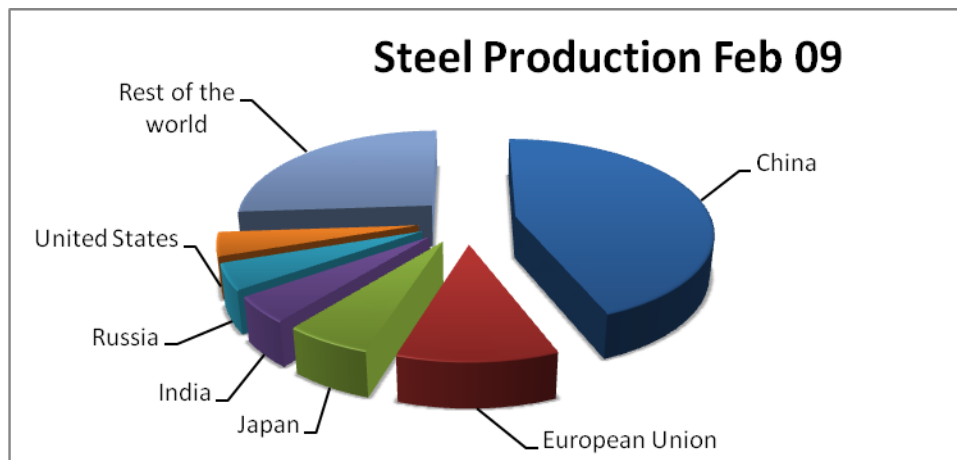
Barriers to entry are very high, and as said earlier, the industry tends to concentrate. Operating cost are very high due to infrastructure and the hazard of the type of production. Weak companies are bought back, and strong companies increase their asset dramatically as did US Steel or Arcelor Mittal.

Drivers of Profitability

The main driver of profitability is the overall growth demand in steel and general demand for final goods. More final customers will ask for goods such as cars or households, more the flat role demand will increase.

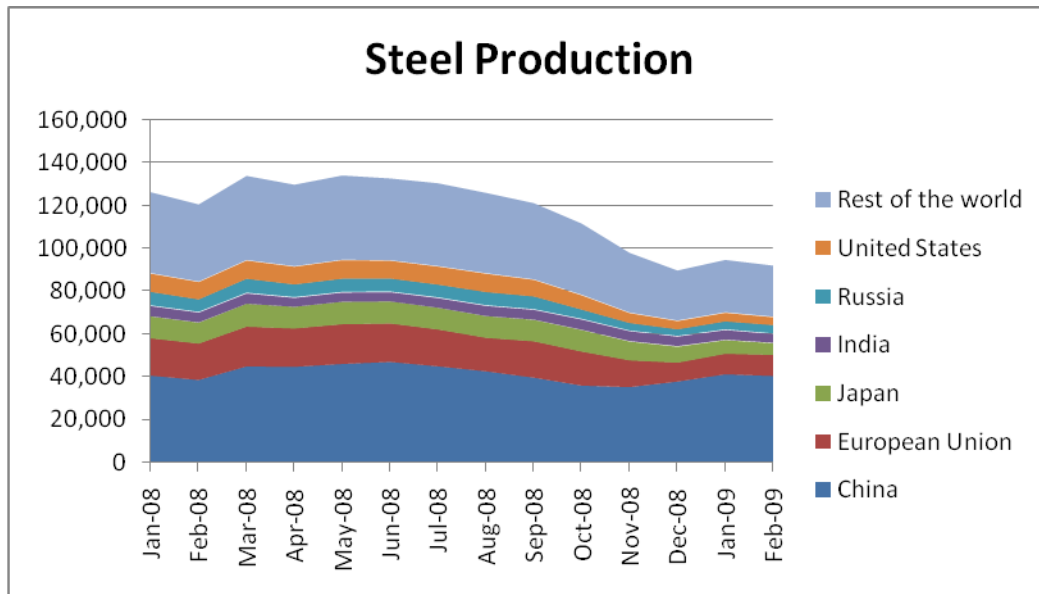
The price of oil may also have an impact on the demand for tubular. The growing demand for hydrocarbon increase the research for new fields and equipment to exploit them, therefore oil companies will need more steel products.

Steel Production



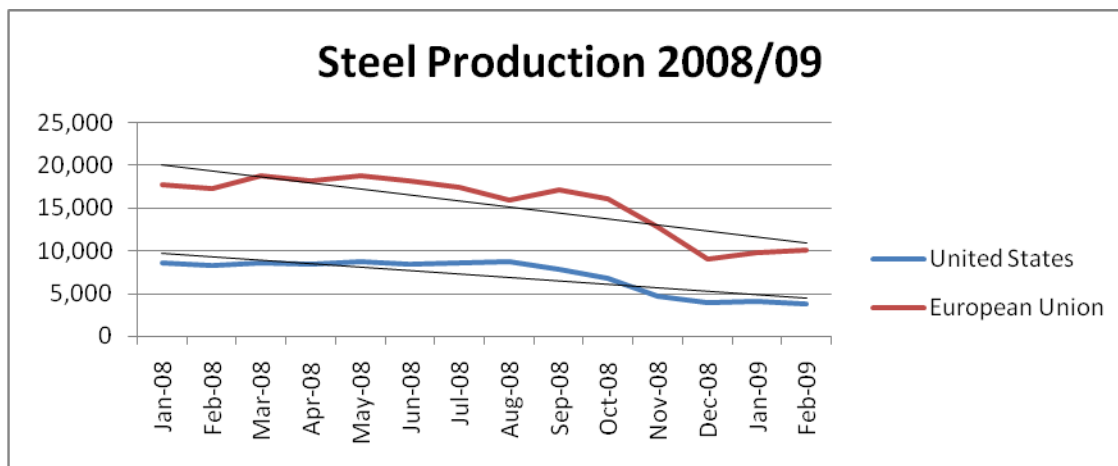
China has the biggest part of the production, as it has for the demand. The growing economy is an excellent market for Chinese companies. Although there is an overproduction in China, and it is expected to see many companies going bankrupt in the coming years.

Steel Production Evolution



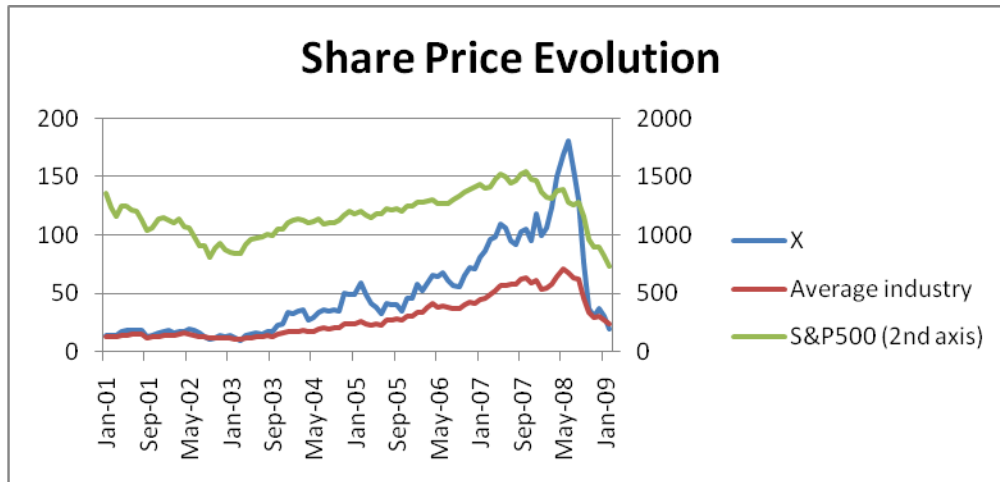
The overall steel production is decreasing this year while the China, although decreasing, stay relatively steady.

Steel Production in US Steel Region



As for the primary market of US Steel, assuming that production reflect the demand (note that there is a gap with supply that create overproduction), it is most likely that steel price will continue to decrease in the coming year.

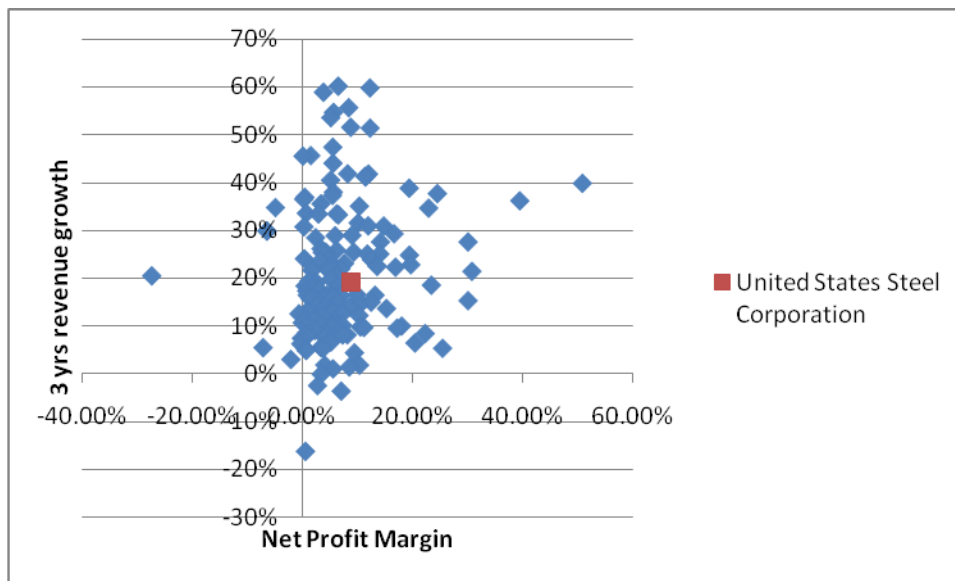
Share Price Industry vs. US Steel Price



The graph shows the high beta of US Steel, due to its high leverage the company suffers and benefit widely from the increase in steel demand or decrease.

The pick in steel price happened after the beginning of the crisis. Mainly edge funds were edging the decrease of the stock market by investing in commodities assuming that the demand will continue to grow. Metal industry benefited from it, but companies that were not aware of the bubble could have made to high expenditure and issue too much debts.

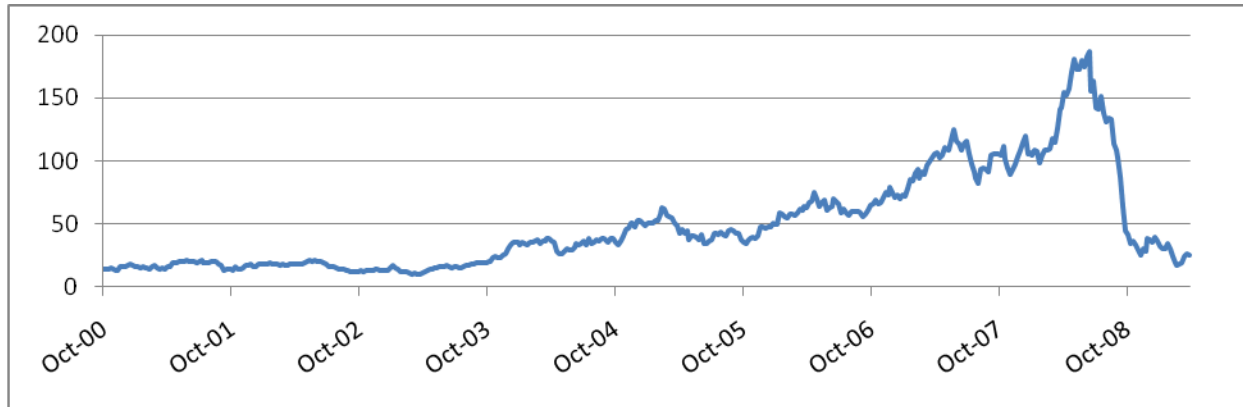
Profitability and Growth of the Industry



US Steel is in the average of the industry according to the last 3 years growth rate and the net profit margin. Nevertheless, the company might have a higher fix cost than the competitors as it will be show later, and a decrease in steel price will have a higher leverage. US Steel shown to have clearly take advantage of the last 3 year increase in commodities price. Most of the company with high revenue growth and low profit margin are government aided, mostly in China. The overcapacity, and therefore the high fixed cost implied by the growth and bad management should threat a significant amount of those companies.

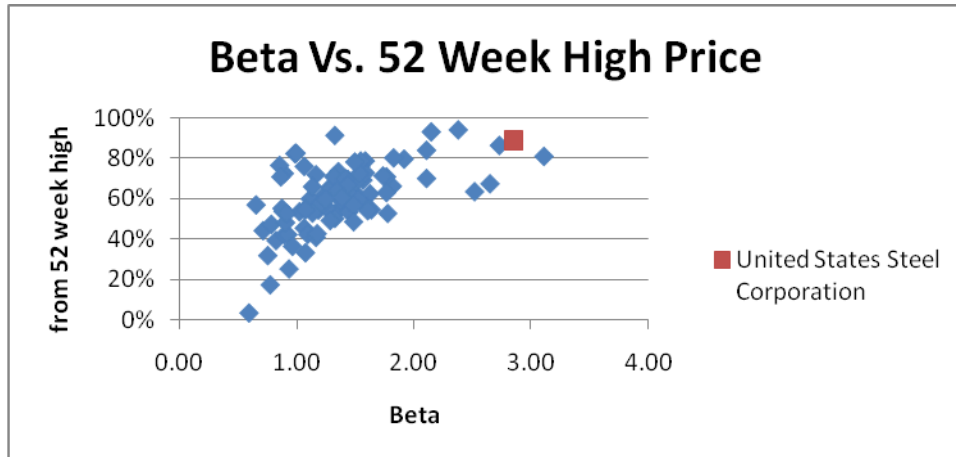
COMPANY ANALYSIS

Price Evolution



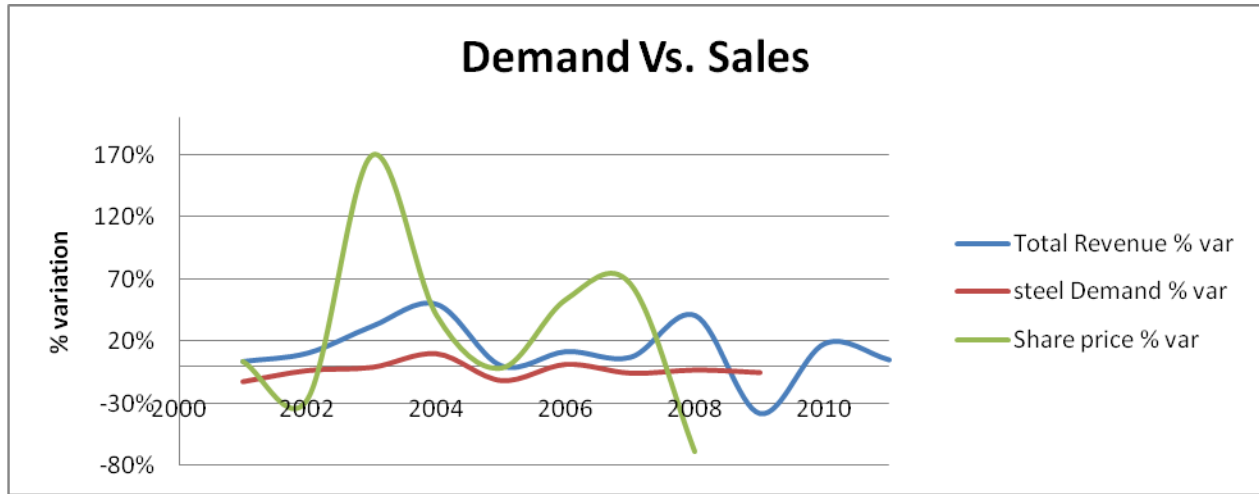
The evolution of the share price shows clearly the bubble in commodities prices and its burst. The increase being not entirely link to the bubble but also an increase in infrastructure and equipments, the demand in steel should increase rapidly as soon as the economy will recover, driving the price up faster than the increase from 03 to 07.

Beta



Above is a graph showing the position of the company compare to its competitors according to the beta and its 52 week price high. It shows how the company is volatile and reacts to the market. If one assumes that the market is oversold and a rally in the stock market will push the price of steel up again, US Steel might be the company to have in its portfolio in order to take full advantage of a rally. This graph is the main reason to choose US Steel rather than one of its competitors.

Relation between Demand and Sales



It is obvious that there is a correlation between the change in demand and the change in revenue (end of year) of the company as it is for the price. The multiplication change in share price is also greater than the revenue compare to demand. Nevertheless it is interesting to notice that while the demand decrease, the company still manages to increase its revenue. An increase in the demand will have a greater impact on the sales than a lower demand. It might be explained by the type of customers of US steel that will tend to have a more regular demand.

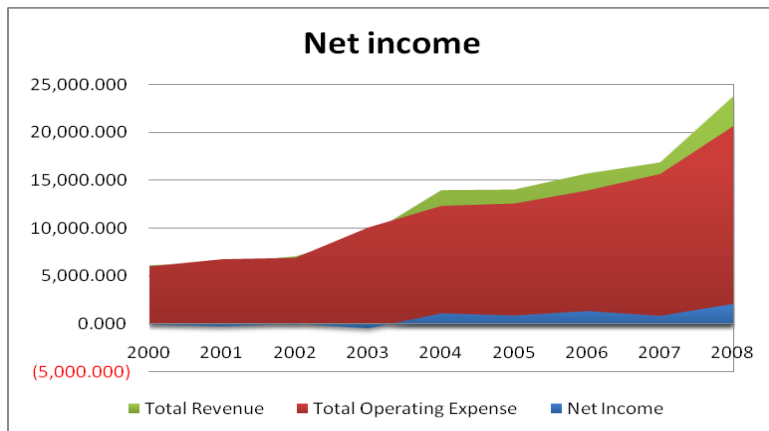
2008 shows a stop in the correlation of the sales and the value of sales of the company. It is the commodities bubble that is at the origin of the anomaly. 2009 shows the recession, and the decrease in revenue compare to the revenue is due to the high price of steel.

One may assume that as soon as the market will rebound and the steel consumption will rise again, their sales will follow if they did not suffer too much from the crisis.

The share price having an advance on the sales, it is highly likely that the share price may rise significantly in the coming year as next year is planned to increase again their sales.

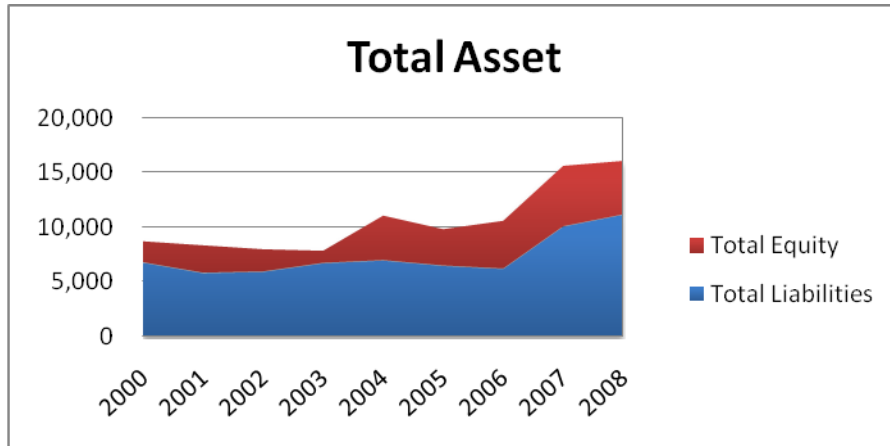
Finally, the price of the share is definitely correlated to the price of steel, and naturally precedes the revenue announcement.

Operating Expenses and Net Income



One can see on the graph a very high operating expense, mainly due to the fix cost from factories. Although the net income increased before the commodities bubble and kept growing in 2007. The company is committed to reduce their cost and be more efficient. The crisis and the fall in steel price may turn the net income negative once again.

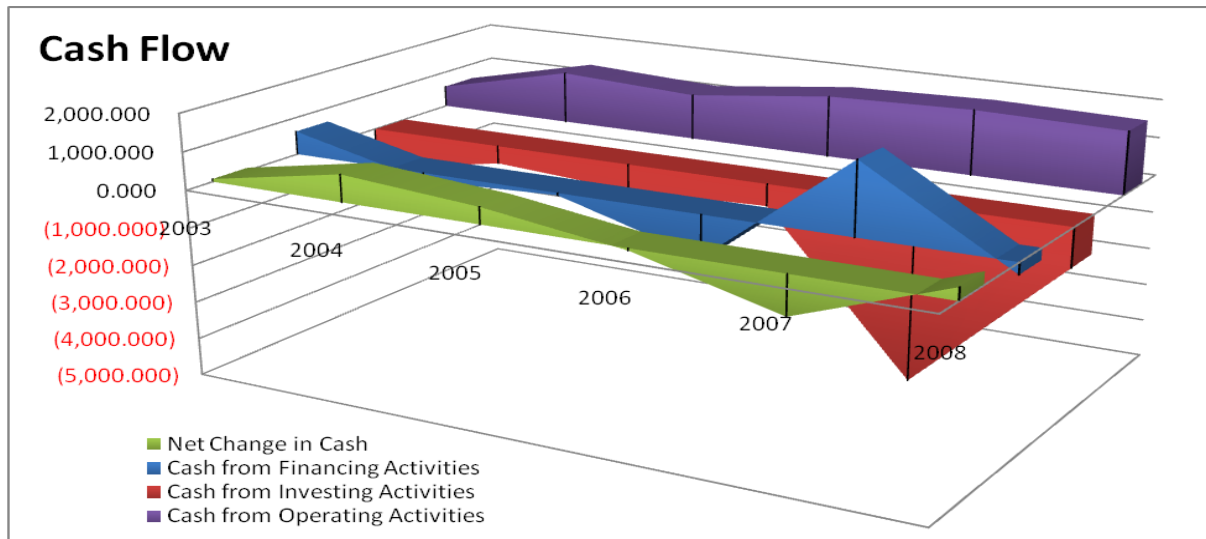
Liabilities vs. Equity



The total asset is more and more financed by debt if one compares 2008 with 2001; the company is therefore more and more leverage and may encounter some difficulties to pay interest. US steel acquired Lone star technologies and Stelco for \$2B each.

The company may encounter difficulties in the current market to find debts, especially has Lehman Brother has a commitment in a credit line, and will be unlikely to fulfill the contract.

Cash Flow



The cash flow reflects the acquisition of 4 competitors during the past 4 years. The cash from operation is relatively regular and US Steel is trying to create a maximum of liquidity to pass the crisis.

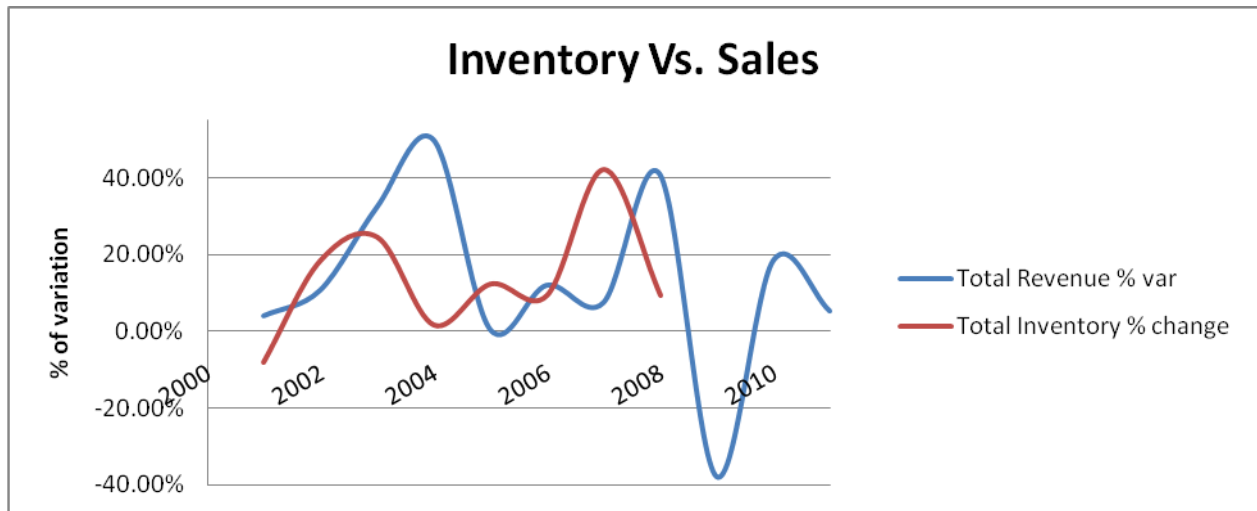
Cash Flow from Operation

In 2008 the company had for the first time a net income higher than the cash from operating operation, that is not a good sign and this is probably due to the difficulties that customers had to pay excecive high cost steel. The price of steel having sharply decreased during the past months, the problem that US steel is encountering for recovering its account receivable may declining. Although the crisis may have threatened their customers that may have difficulties to pay the supply, the company did not increase significantly their account for bad debts.

It seems that the company, as focus on the liquidity, seems to manage to keep a decent liquidity.

In case of a new commodities bubble, it should be remembered that customers may have trouble to pay the steel, and that Us steel may have therefore treasury problem.

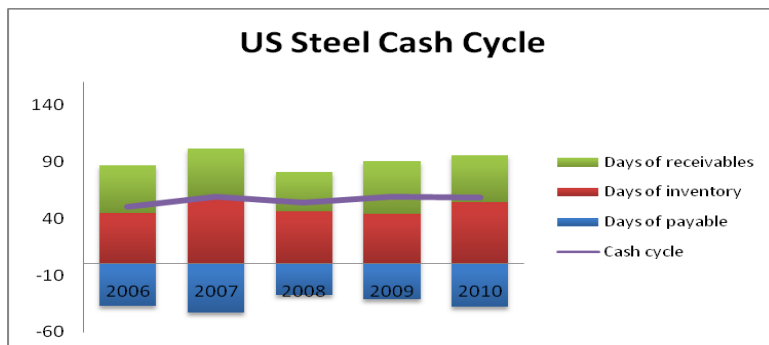
Inventory Management

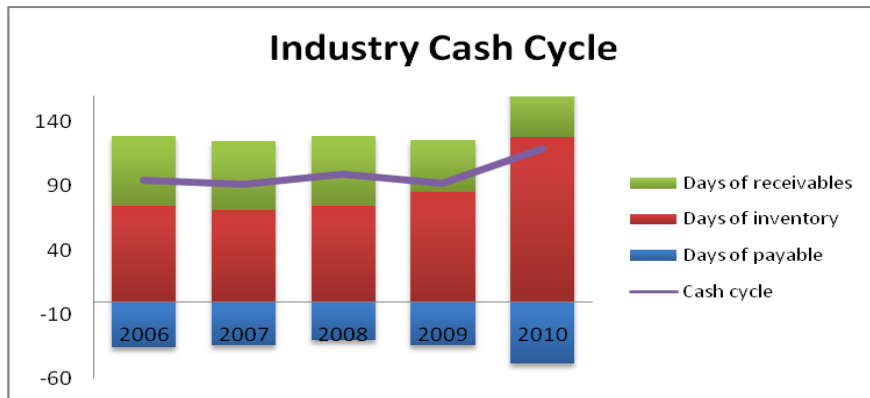


The graph of variation of inventory Vs. Sales shows clearly a positive correlation. That firstly means that the inventory is relatively well managed. Secondly, one can notice that the move in inventory precedes the sales. For example, in 2005 inventory increase by about 10%, while the sales increased in 2006.

The inventory does not follow the trend for 2009 due to the crisis, and the fact that the inventory remaining is relatively expensive as acquiered during the commodity bubble. If they did not planned the burst of the bubble, it may means that they will have trouble because of their inventory, increasing cost, therefore reducing drastically the margin. In the other hand, 2009 being an estimation of analysts, the company may forecast.

Cash Cycle

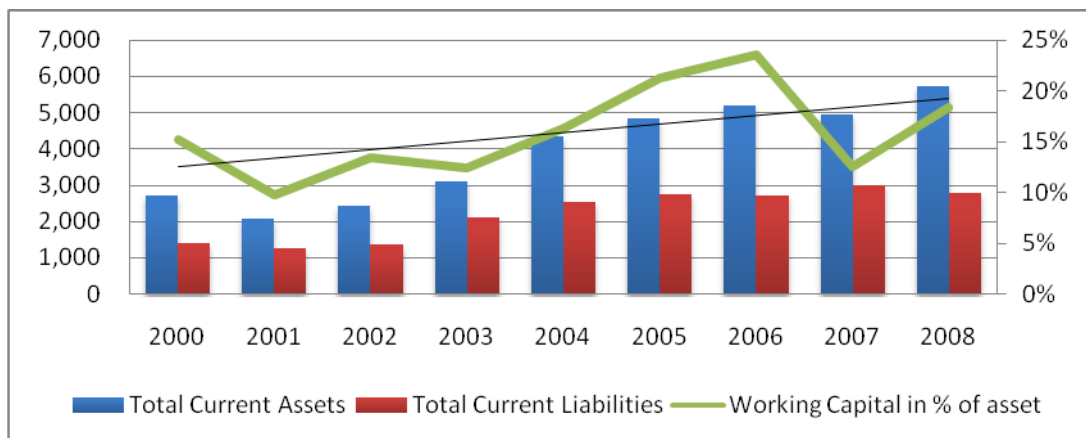




Inventory for 2009 are computed according to the historical percentage of balance sheet. Due to the crisis it is unlikely that those graphs reflect the reality. It is most likely that day of inventory will increase significantly for 2009. The price of the inventory was acquired at a high cost and will reduce the margin of the company.

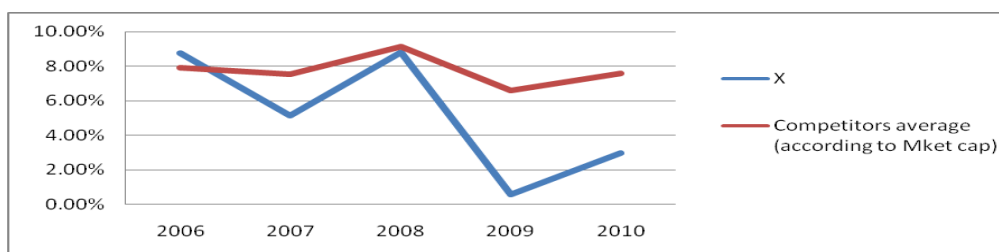
Nevertheless, one can notice that the company has a better efficiency in their cash cycle management compare to their direct competitors. Moreover, their cash cycle has been relatively stable over the past year despite several acquisitions of other companies.

Working Capital



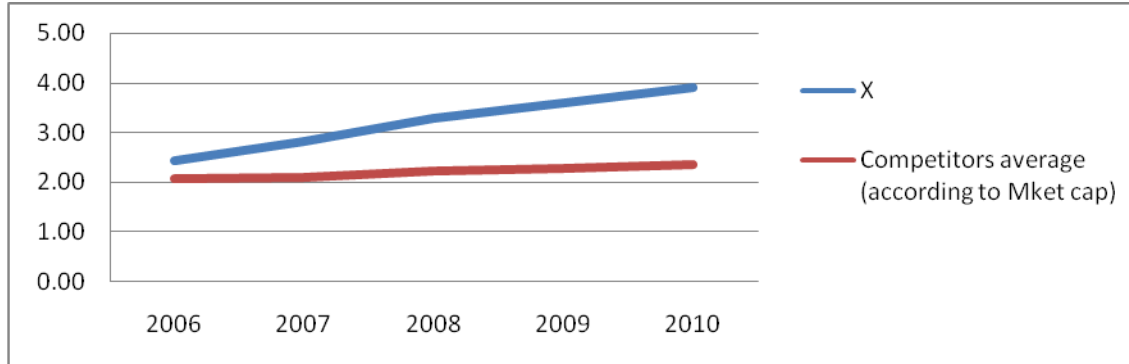
The company is managing to increase the net working capital according. The fact to compare the increase in working capital with the total asset is in order to see if or not it is increasing due to a better management or just because US Steel is increasing the size of its asset. According to the trend the company manages to fill its goals to increase its liquidity.

Profit Margin



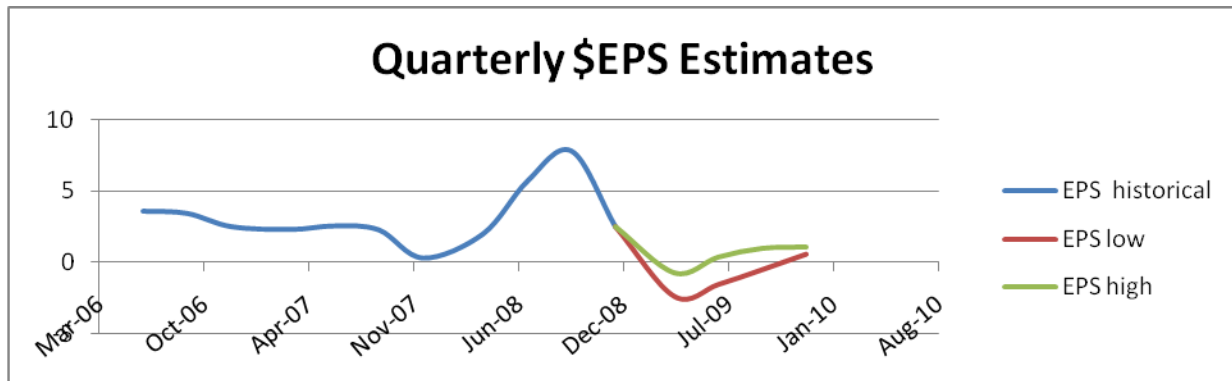
Profit margin forecast are not a good things for US steel, and are essentially explained by the decrease in sales and their high fixed cost. Nevertheless, according to their annual report, the company has taken dramatic move to reduce the cost, such has closing factory and to lay off a significant amount of workers.

Equity Multiplier

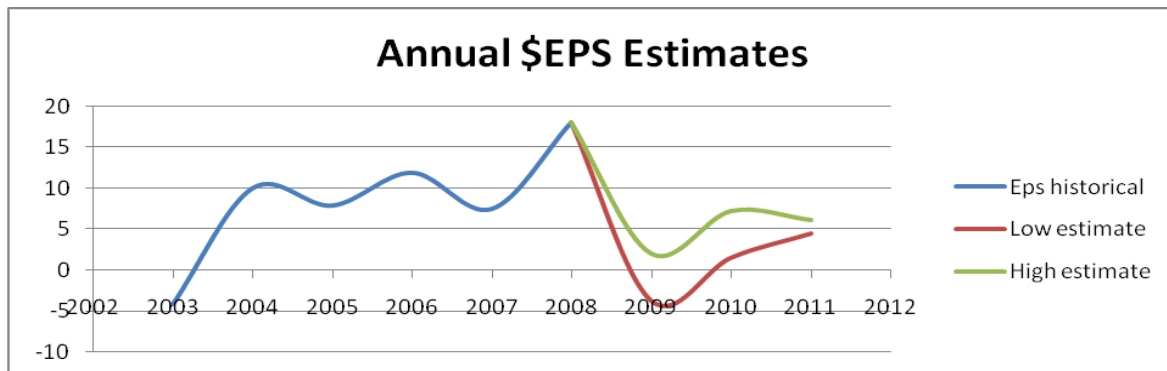


Here is a graph that explains the relatively high volatility of the company. Note that 2009 and 2010 are forecasted. The company has issued several debts to finance their acquisition. It was risky but if one looks at the change in net income, the move seems to have been wisd. The company is clearly risky, nut according to steel association; the demand will continue to increase after the crisis driving the price up.

EPS Estimates



The curve shows that most of the gain was made during the summer at the pick of the commodities bubble. All the analysts forecast a negative EPS for the first half of the year, but a positive and of year.



Analysts disagree on the result of 2009 but there is a consensus for 2010 as they probably assume an economic recovery. The company should not have trouble to pass the downturn and should going out of it stronger than before with a profitability increased. The company is using the downturn to shut down inefficient factories and may fully benefit the market rally.

Latest News

China has opened a future steel market. Steel companies are not really sensitive to the creation of a new market estimating that American and European market were sufficient. Nevertheless, some analysts think that it may be a factor to create a new commodities bubble.

Deutsche Bank maintains cautious view on steel sector.

US Steel has announced agreement in early retirement program.

Upcoming Events

Earnings announcement for Q1 2009 will be release the 04/28/09.

SWOT ANALYSIS

Strength

Improving safety for worker: The rate of worker injured on the workplace is sharply decreasing (-65% last 5 years), reducing the cost of potential law suit and health insurance.

Facilities are improving their performances.

Good relation with unions.

Supply of good quality raw materials

Despite the fact the product cannot be significantly differentiated from the competitors, the steel produce by the company is high quality.

Their majors customers in the tubular segment are related to the gas and oil production, those sectors are profitable and the price of their products is highly likely to increase in the future according to the EIA.

Weakness

The company does not have the best efficiency compare to its competitors,

Higher than average cost of labor due to union.

Highly polluting industry therefore might have high cost to comply with increasing environmental standards.

Its customers in automotive and containers industry are highly affected by the economy and may create cash problems.

Opportunity

The stimulus package of the current US administration may prefer US companies in order to launch reconstruction project to the benefit of companies like US steel.

The downturn weakened everybody in the industry, and may allow the “survivors” to reduce the competition.

China is forecast to have an increasing demand in steel even in 2009, offsetting possible overproduction.

Threat

Financial crisis: The demand in steel is leveraged as a decrease in demand for finish goods will impact significantly the supply of steel.

Price of steel: the price of steel was abnormally high compare to the historical demand/supply in 2008; those prices may not be reached again before several years.

China has increased its capacity during the past years and since they are currently in overcapacity, the price of steel may fall further.

Target Prices

Target price Siena	\$27.49
Target price Reuters	\$27.31
Bloomberg target price	\$29.21
Morningstar target price	\$32
Yahoo target price	\$37

Company Name	United States Steel Corp.	Ticker	X
Current Price	\$23.47	Target Price	\$52.45
Recommendation	BUY	Date	3/23/2009
1. Market Data			
Market Cap	\$2,727,170,000.00	1 Yr Price App.	-81.03%
Price to book	0.56	Country (s)	USA
Beta	2.81	Industry	Metal Fabrication
Dividend yield	5.11%	Median Industry Price	\$21.56
Shares O/S	116,040,000	Industry Beta	1.6
Current price	\$23.47	Country Risk Premium	8.96%
52 week range	\$16.66 - \$196	Risk Free Rate	2.89%
Major Holdings (-)Sales/(+)purchase of SHARES by insiders			
Holder	% of shares outstanding	Name and Title	Action
Capital Research Global Investors	5.46%	DROSDICK JOHN G Director June 15,09	+2419
State Street Global Advisors (US)	4.33%	GEPHARDT RICHARD A Director June 15,09	+2419
Capital World Investors	4.32%	LEE CHARLES ROBERT Director June 15,09	+2419
NWQ Investment Management Company, LLC	3.81%	LIPTON JEFFREY MARC Director June 15,09	+4839
Vanguard Group, Inc.	3.63%	LUCCHINO FRANK J Director June 15,09	+2419
Barclays Global Investors, N.A.	2.96%	MCNEAL GLENDA G Director June 15,09	+2419
INTECH Investment Management LLC	2.23%	SCHOFIELD SETH E Director June 15,09	+2419
Renaissance Technologies Corp.	1.54%	SPANIER GRAHAM B Director June 15,09	+2419
Barclays Global Investors (UK) Ltd.	1.51%	SUTHERLAND DAVID Director June 15,09	+4839
Baillie Gifford & Co.	1.26%	TRACEY PATRICIA A Director June 15,09	+2419
Breakdown			
Institutional insider	80.49%		
	0.75%		

2. Country Macro Analysis			
USA	5 years historical (average)	Current	1-year Estimate
Real GDP Growth	3%	1%	-2.20%
Inflation	3.0%	0.2%	0.6%

Foreign Debt as % GDP	41.3%		21.1%	25.0%	
Unemployment Rate	5.2%		8.1%	9.9%	
Currency Exchange Rate	1.29		1.28	1.22	
Political Risk Rating (out of 100)	80.5		83.5	83.5	
Financial Risk Rating (out of 100)	64.1		66.0	66.0	
Economic Risk Rating (out of 100)	77.1		62.0	63.0	
Europe	5 years (average)	historical	Current	1-year Estimate	
Real GDP Growth	2%		2%	-1.90%	
Inflation	3.1%		3.7%	1.7%	
Foreign Debt as % GDP	38.6%		42.9%	46.2%	
Unemployment Rate	7.3%		6.4%	8.0%	
Currency Exchange Rate	1.3		1.35	1.36	
Political Risk Rating (out of 100)	83.0		82.0	82.0	
Financial Risk Rating (out of 100)	78.0		70.0	69.3	
Economic Risk Rating (out of 100)	80.0		80.0	80.0	
Return	5-years (average)	historical	1-year historical (average)	1-year forecast	
X	0.77%		-10.28%	-17.28%	
Industry	0.91%		-5.15%	-9.80%	
USA	-0.62%		-10.28%	-4.61%	
World	-0.45%		-4.79%	-6.50%	
Volatility	5 years (average)	historical	1-year historical (average)	1-year Estimate	GARCH
X	24.80%		17.00%	51.70%	
Industry	8.30%		12.30%	23.71%	
USA	6.20%		4.10%	15.28%	
World	6.80%		4.50%	15.13%	

3. Company Ratios (Cross-sections and time series)

Dupont Analysis

X	Profit Margin	Total Asset Turnover	Equity Multiplier
2006	8.79%	0.67	2.43
2007	5.12%	0.93	2.83
2008	8.82%	0.68	3.29
2009 Q1	-3.27%	4.73	3.27
2009 Q2	-0.80%	4.83	3.26
2009 Q3	1.09%	4.45	3.25
2009 Q4	2.11%	4.20	3.24
2009	0.56%	1.33	3.59
2010	2.98%	1.28	3.90
PCP	Profit Margin	Total Asset Turnover	Equity Multiplier
2006	10.51%	1.08	1.75
2007	12.18%	0.99	1.85
2008	14.49%	0.88	1.50
2009 Q1	14.94%	3.44	1.49
2009 Q2	15.30%	3.29	1.49
2009 Q3	15.04%	3.31	1.49
2009 Q4	14.82%	3.52	1.48
2009	14.68%	1.04	1.49
2010	15.23%	1.16	1.44
RS	Profit Margin	Total Asset Turnover	Equity Multiplier
2006	6.19%	0.63	2.07
2007	5.46%	0.55	1.89
2008	5.55%	0.60	2.14
2009 Q1	2.74%	3.00	2.13
2009 Q2	3.55%	2.88	2.11
2009 Q3	4.45%	2.83	2.10
2009 Q4	3.71%	2.91	2.09
2009	3.61%	0.78	2.10
2010	4.77%	0.86	2.13
VMI	Profit Margin	Total Asset Turnover	Equity Multiplier
2006	4.98%	0.70	2.22
2007	6.47%	0.70	2.06
2008	7.04%	0.70	2.13
2009 Q1	6.47%	3.03	2.08
2009 Q2	6.63%	2.76	2.04
2009 Q3	5.75%	2.95	2.00
2009 Q4	4.89%	2.92	1.97
2009	5.88%	0.83	2.07
2010	5.72%	0.92	2.06
MATW	Profit Margin	Total Asset Turnover	Equity Multiplier
2006	8.97%	1.00	1.82
2007	8.44%	1.03	1.81
2008	9.69%	1.12	2.11
2009 Q1	7.77%	4.72	2.05
2009 Q2	9.68%	4.57	1.99

2009 Q3	9.79%	4.74	1.94
2009 Q4	7.38%	5.14	1.90
2009	8.29%	1.24	2.17
2010	9.21%	1.30	2.29
Competitors average (according to Mket cap)	Profit Margin	Total Asset Turnover	Equity Multiplier
2006	7.89%	0.82	2.06
2007	7.54%	0.84	2.09
2008	9.12%	0.79	2.23
2009 Q1	5.73%	3.79	2.20
2009 Q2	6.87%	3.67	2.18
2009 Q3	7.22%	3.66	2.16
2009 Q4	6.58%	3.74	2.14
2009	6.60%	1.04	2.29
2010	7.58%	1.10	2.36
Other Ratios			
X	Days of Inventory	Days of Receivable	Cash Cycle
2006	45	42	50
2007	57	45	59
2008	46	35	54
2009	44	46	59
2010	54	42	58
PCP	Days of Inventory	Days of Receivable	Cash Cycle
2006	76	52	78
2007	78	58	84
2008	73	55	77
2009	74	33	65
2010	102	32	78
RS	Days of Inventory	Days of Receivable	Cash Cycle
2006	78	44	93
2007	61	36	75
2008	72	36	94
2009	68	30	80
2010	97	28	99
VMI	Days of Inventory	Days of Receivable	Cash Cycle
2006	74	61	96
2007	73	62	92
2008	82	63	109
2009	81	45	88
2010	111	44	105
MATW	Days of Inventory	Days of Receivable	Cash Cycle
2006	70	62	110
2007	73	59	114
2008	71	65	116
2009	117	53	134
2010	201	51	193
Competitors average	Days of Inventory	Days of Receivable	Cash Cycle
2006	75	55	94

2007	71	54	91
2008	74	55	99
2009	85	41	92
2010	128	39	119

4. Company Risk			
Capital Structure Industry			Relative Dispersion (industry)
WACC Structure	Debt (After taxes)	Equity	EBITDA C.V.
Weight	55.20%	44.80%	
Cost (after tax for debt)	4.38%	15.02%	Free Cash Flow C.V.
WACC	9.15%		
Capital Structure Firm			Relative Dispersion (firm)
WACC Structure	Debt (After taxes)	Equity	EBITDA C.V.
Weight	70.00%	30.00%	
Cost (after tax for debt)	7.99%	14.60%	Free Cash Flow C.V.
WACC	9.97%		
Debt Rating Industry (mode)		Other Risk (Industry)	
Moodys	N/A	Altman Z	3.33
S&P	N/A	DOL	8.96
Fitch	BBB-	DFL	4.03
Debt Rating Firm (mode)		Other Risk (Firm)	
Moodys	N/A	Altman Z	3.08
S&P	BB+	DOL	3.78
Fitch	BBB-	DFL	0.92
Revenues and Costs Structure and Estimates			
1-year Estimates	Sales per share	Earnings per share	Profit Margin
Industry Mean	\$57.20	\$2.50	4.37%
Firm Mean	\$126.50	\$0.70	0.55%
Firm Median	\$126.54	-\$0.85	-0.67%
Fim High	\$155.69	\$2.00	1.28%
Firm Low	\$97.38	-\$3.70	-3.80%
Firm Standard Deviation	\$18.53	\$1.63	
1-quarter Estimates	Sales per share	Earnings per share	Profit Margin
Industry Mean	\$12.70	\$0.44	3.46%
Firm Mean	\$29.32	-\$1.28	-4.37%
Firm Median	\$27.50	-\$1.56	-5.65%
Fim High	\$32.00	-\$0.74	-2.31%
Firm Low	\$23.00	-\$2.37	-10.30%
Firm Standard Deviation	\$3.04	\$0.59	
5. Valuation			
	Current 2009	Next quarter Estimate	Next year Estimate
Firm EPS	\$18.04	-\$0.23	\$0.71
Firm PE	1.30	N/A	33.06

Firm CFPS	\$1.35	N/A	\$6.45
Firm PCF	17	N/A	3.64
Firm SPS	\$198.35	\$45.04	\$202.52
Firm PS	0.12	N/A	0.12
Firm BS	\$25.85	N/A	\$25.85
Firm PB	0.91	N/A	0.91
Firm DY	4.85%	N/A	4.85%
Industry EPS	3.45	0.47	\$3.25
Industry PE	N/A	N/A	7
Industry CFPS	4.47	N/A	\$6.05
Industry PCF	4.82	N/A	3.56
Industry SPS	65.00	12.70	\$57.22
Industry PS	0.33	N/A	0.38
Industry BS	8.20	N/A	\$8.20
Industry PB	2.63	N/A	2.63
Industry DY	1.53	N/A	1.53%
Industry LT Growth	14.20%	N/A	N/A
Sector PE	9.1		8.4
Sector PCF	5.60		5.10
Sector PS	0.60		0.60
Sector PB	1.50		1.30
Sector DY	5.20%		5%
Sector LT Growth	10.50%		10.50%
Market PE	10.74		11.79
Market PCF	8.7		6.50
Market PS	1.7		0.80
Market PB	3		1.40
Market DY	3.86		3%
Market LT Growth	11%		11%
6. Target Price and Return Estimates			
Target Industry Price	\$224.38		
Target Industry Return	942.24%		
Target Industry Return Volatility	51.70%		
Target Firm price	52.45		
68 percentile Target Price	\$42.91		
95 percentile Target Price	\$33.37		
99 percentile Target Price	\$23.83		
Target Firm Price Volatility	9.54		
Target Firm Return	128.34%		
Target Firm Volatility of Return	51.70%		
Analyst:	Johan Bonnet		