

Consumer Staples Stock Recommendations

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Recommendation

Looming Economic Slowdown and Recession

- Investors shifting away from speculative growth stocks into value
- Consumers have less discretionary income and will look for cheap options

Balance Sheet Management

- Supply chain issues make agility and customer data in inventory management integral to generating cash flows
- Rising interest rates minimally affect companies with large cash balances and physical assets

Varying Affects of Inflation in Sector

- Companies with scale and pricing power will outperform in inflationary periods
- Smaller companies who cannot absorb or pass on increased costs will lose margin or market share

Sector Valuation is Normal

- The sector is fairly-priced, but specific companies are out-of-line

Increase allotment 1% to be net 2.39% overweight

Increase exposure to Walmart and Kroger – Decrease exposure to Monster



Portfolio Breakdown & Recommendation

Company	Holding Amount	% of Portfolio	P/E	P/S	Beta
The Kroger Co.	\$165.52k	1.88%	14.40	0.24	0.52
Mondelez International Inc.	\$95.29k	1.09%	28.80	2.96	0.67
Monster Beverage Corp.	\$113.40k	1.29%	43.42	8.43	0.90
Walmart Inc.	\$355.83k	4.05%	28.52	0.67	0.53

Company	Current Weight	Proposed Change	Pro Forma Weight
The Kroger Co.	1.88%	+75bps	2.63%
Mondelez International Inc.	1.09%	+0bps	1.09%
Monster Beverage Corp.	1.29%	-50bps	0.79%
Walmart Inc.	4.05%	+75bps	4.80%

Kroger (\$KR)

Company Overview

- Kroger is one of the largest retailers in the world operating 2,716 supermarkets, of which 2,252 have pharmacies and 1,613 have fuel centers, under various banners in 35 states
- If the acquisition of Albertsons gets regulatory approval, the combined entity would have 4,996 stores, of which 3,900 have pharmacies and 2,015 have fuel centers, across 48 states

Key Drivers

- Consumer preferences of individual brands, as well as choosing between eating at restaurants or cooking are key drivers for Kroger's revenue
- Kroger's private label brands drive higher margins and organic revenue growth
- Digitization of grocers has accelerated due to the pandemic, forcing innovation and placing emphasis on logistical capabilities



Kroger (\$KR)

Investment Merits

- Kroger and Albertsons combined entity would reach 2/3 of U.S. shoppers, increasing cost and pricing leverage
- Kroger's omnichannel platform will continue to drive customer traffic through a period of high inflation and recession
- Current valuation builds in 2.34% operating margins after FY24
- 96% of customer purchases are tied to a loyalty card which represents increasing consumer data pool
- Partnership with Ocado increases warehouse efficiency

Year	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E
Revenue	\$147,885	\$149,955	\$150,555	\$151,458	\$152,928	\$155,680	\$159,027	\$162,685	\$166,427	\$170,255
% Growth		1.40%	0.40%	0.60%	0.97%	1.80%	2.15%	2.30%	2.30%	2.30%
Operating Income	\$5,102	\$4,679	\$4,095	\$4,180	\$4,267	\$4,359	\$4,453	\$4,555	\$4,660	\$4,767
Operating Margin		3.12%	2.72%	2.76%	2.79%	2.80%	2.80%	2.80%	2.80%	2.80%
Net Income	\$2,907	\$2,942	\$2,828	\$2,552	\$2,672	\$2,914	\$2,977	\$3,045	\$3,116	\$3,187
% Growth		1.21%	-3.86%	-9.78%	4.71%	9.07%	2.15%	2.30%	2.30%	2.30%
Current Price	\$46.40	Terminal Discount Rate =		7.70%		NPV of Cash Flows		\$15,464	37.3%	
Implied Equity Value/Share	\$57.31	Terminal FCF Growth =		2.3%		NPV of Terminal Value		\$25,991	62.7%	
Upside/(Downside) to DCF	23.519%					Projected Equity Value		\$41,455		
						Free Cash Flow Yield		5.795%		
Company	Mkt Cap (billions)	EV (billions)	EV/EBITDA	P/E	P/FCF					
Walmart	382.63	442.29	12.6x	22.8x	71.1x					
Target	73.47	90.28	10.3x	18.1x	223.4x					
Albertsons	11.38	23.77	5.7x	7.5x	8.9x					
Costco	215.29	213.77	21.0x	36.1x	61.6x					
Dollar General	55.96	71.13	13.3x	24.7x	44.6x					
BJ's Wholesale	10.36	13.53	15.0x	20.4x	29.7x					
Kroger	33.21	52.48	6.6x	11.5x	12.2x					
						Current P/E		11.55	11.41	11.87
						Projected P/E		14.26	14.09	14.66



Walmart (\$WMT)

Company Overview

- Walmart operates 10,500+ retail & wholesale units globally to provide an assortment of products at everyday low prices (EDLP)
- Walmart provides a unique omnichannel experience across its three segments: Walmart US, Walmart International, and Sam's Club
- The firm is the largest company in the world by revenue

Key Drivers

- Walmart maintains a robust cost profile through strong vendor relationships and price leadership allowing them to offer their EDLP
- Low prices in recessionary times makes Walmart incredibly defensive and increases customer's demand for product
- Rapidly alleviating inventory and supply chain concerns that will lead to margin expansion in the foreseeable future
- Leading omnichannel strategy and growth prospects through advertising revenue, eCommerce, and Walmart+



Risks

- Increased costs from investment into eCommerce & technology
- Rising levels of competition amongst peers in consumer staples
- Developing recessionary concerns that may increase costs and pressure margins



Walmart (\$WMT)

Investment Merits

- Conservative discount rate of 7.3% with Walmart being an established/mature company in consumer staples
- Walmart's leading omnichannel presence allows the company to remain nimble even in recessionary times to bolster their top and bottom lines
- Current forecasts assume operating margins similar to Walmart's historical averages (~5%)
- Growing advertising revenue, Walmart+ (especially with high income households), and inventory/supply chain tailwinds
- Strong price leadership and everyday low costs/prices create a significant competitive moat for Walmart

Year	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E
Revenue	601,392	619,433	644,211	657,095	676,808	697,112	718,025	739,566	761,753	784,606	808,144
% Growth		3.0%	4.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Operating Income	24,056	27,875	30,600	32,855	33,840	34,856	35,901	36,978	38,088	39,230	40,407
Operating Margin	4.0%	4.5%	4.8%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Net Income	14,854	17,623	19,342	21,618	21,929	22,586	23,264	23,962	24,681	25,421	26,184
% Growth		18.6%	9.8%	11.8%	1.4%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Current Price	\$ 141.87
Implied equity value/share	\$ 159.69
Upside/(Downside) to DCF	12.6%

Terminal Discount Rate =	7.3%
Terminal FCF Growth =	3.0%

NPV of Cash Flows	147,472	33%	
NPV of terminal value	300,462	67%	
Projected Equity Value	447,934	100%	
Free Cash Flow Yield	2.85%		
Current P/E	26.8	22.6	20.6
<i>Projected P/E</i>	30.2	25.4	23.2
Current EV/EBITDA	11.6	10.8	10.1
<i>Projected EV/EBITDA</i>	12.9	12.0	11.2

Walmart (\$WMT)

Investment Merits

- Walmart compares favorably to its peers on a variety of metrics and appears to be undervalued
- The share price implied by these metrics gives Walmart an intrinsic value range of ~\$152-\$192 per share
- Margins are still low compared to Walmart's historical average and set to expand coming off alleviating inventory concerns

Walmart Inc. Comparable Companies Valuation

Company Info						Valuation Data			
Company	Ticker	Price	Market Cap.	LTM Gross Margin %	LTM Net Income Growth	Trailing P/E	Price/Sales	Price/Book	EV/EBITDA
Costco Wholesale	COST	488.55	216.23B	12.10%	16.72%	37.02	0.95x	10.43x	26.67x
Target Corp	TGT	159.87	73.58B	26.20%	-33.04%	18.08	0.70x	6.94x	10.59x
Dollar General	DG	251.32	56.69B	31.40%	-8.56%	24.71	1.62x	9.04x	18.72x
The Kroger Co.	KR	46.85	33.54B	22.30%	110.34%	14.19	0.24x	3.44x	7.25x
BJ's Wholesale	BJ	78.20	10.36B	17.80%	18.55%	21.54	0.58x	12.14x	15.75x
Five Below	FIVE	148.62	8.25B	35.50%	-7.87%	35.1	2.87x	7.12x	22.33x
Low		46.85	8.25B	12.10%	-33.04%	14.19x	0.24x	3.44x	7.25x
25th Percentile		95.81	16.15B	18.93%	-8.39%	18.95x	0.61x	6.99x	11.88x
Median		154.25	45.11B	24.25%	4.43%	23.13x	0.83x	8.08x	17.24x
Average		195.57	66.44B	24.22%	16.02%	25.11x	1.16x	8.19x	16.89x
75th Percentile		228.46	69.36B	30.10%	18.09%	32.50x	1.45x	10.08x	21.43x
High		488.55	216.23B	35.50%	110.34%	37.02x	2.87x	12.14x	26.67x
Walmart Inc.	WMT	141.87	382.63B	24.60%	38.01%	21.55x	0.66x	4.93x	13.98x

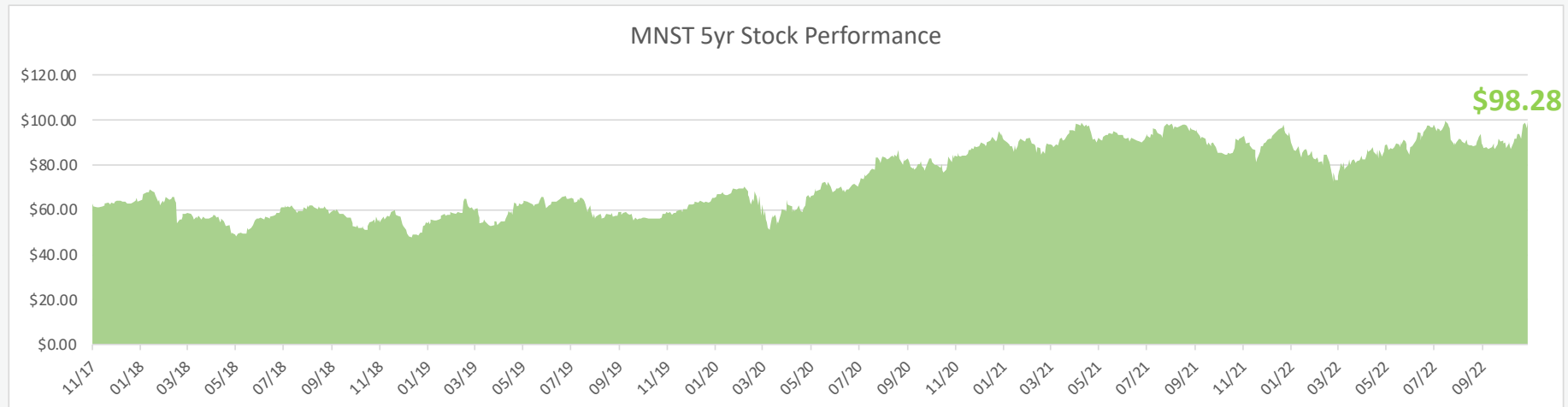
Monster Beverage Corporation (\$MNST)

Company Overview

- Headquartered in Corona, California, Monster Beverage is a holding company that operates through its subsidiaries to develop, market, sell, and distribute energy drinks and concentrates in the U.S. and internationally.
- Monster Beverage acquired CANarchy Craft Brewery Collective LLC on February 17, 2022, for \$330.4 million and is moving quickly to develop its own hard seltzer brand as well as exploring options for spirits-based drinks, according to executives.

Key Drivers

- Through the 2015 strategic partnership with Coca-Cola, Monster Beverage has developed a sustained competitive advantage by leveraging the world's largest beverage distribution network, gaining access to emerging markets in over 200 countries.
- Monster's utilization of third-party bottlers helps to reduce freight costs, transportation related damages, and allows product to be produced closer to where it is sold.



Monster Beverage Corporation (\$MNST)

Investment Drawbacks

- Persisting COVID-19 related economic conditions and logistic uncertainties in some areas may lead to delayed launches of new product lines in 2023, which the projected sales growth is heavily reliant upon.
- Gross margin improvement alone may not be enough to prop up Monster's stock price.
- Monster Beverage Corporation boasts strong and consistent historical financials; however, a premium of this magnitude is not justified by the underlying fundamentals of the firm.

MNST	2024E	2023E	2022E	2021	2020	2019	2018	2017	5Yr Avg
Sales Growth	10.32%	11.22%	16.56%	20.50%	9.47%	10.34%	13.00%	10.48%	12.76%
Gross Margin	57.50%	57.00%	56.50%	56.10%	59.23%	59.95%	60.29%	63.45%	59.81%
Operating Expense	29.00%	29.50%	30.00%	23.66%	23.72%	26.56%	26.57%	27.87%	25.68%
Operating Margin	28.50%	27.50%	26.50%	32.44%	35.51%	33.40%	33.72%	35.58%	34.13%

Source: Bloomberg

INDUSTRY COMPARISON				
Ticker	P/E	P/S	P/B	EV/EBITDA
Monster Beverage Corp. (MNST)	43.21	8.3	7.51	29.4
S&P500 Beverages Industry Index	25.01	3.99	7.62	20
Keurig Dr Pepper Inc. (KDP)	23.85	3.9	2.11	15.39
PepsiCo Inc. (PEP)	27.17	3	13.1	18.94
Constellation Brands Inc. (STZ)	17.9	4.9	4.84	15.94
Target	23.4825	3.9475	6.9175	17.5675

Source: Bloomberg



Monster Beverage Corporation (\$MNST)

Investment Drawbacks

- MNST is faster growing and slightly less risky than the overall market, but still is riskier than other consumer staples products; a terminal discount rate of 9.0% and FCF growth rate of 4.80% were assumed for the base case scenario.
- Both a bull and bear case for MNST were prepared using max/min consensus estimates for terminal growth rate in order to conduct a sensitivity analysis.
- On both a relative and absolute basis, MNST trades at a distinct premium to the consumer staples sector, the beverage industry, and its closest competitors.

Year	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
Revenue	6,459,000	7,183,700	7,925,057	8,717,563	9,502,144	10,262,315	11,031,989	11,749,068	12,454,012	13,138,983	13,769,654
% Growth	16.6%	11.2%	10.3%	10.0%	9.0%	8.0%	7.5%	6.5%	6.0%	5.5%	4.8%
Operating Income	1,711,635	1,975,517	2,258,641	2,440,918	2,660,600	2,873,448	3,088,957	3,289,739	3,487,123	3,678,915	3,855,503
Operating Margin	26.5%	27.5%	28.5%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
Net Income	1,317,322	1,520,651	1,738,837	1,879,030	2,048,143	2,211,995	2,377,894	2,532,457	2,684,405	2,832,047	2,967,985
% Growth	-4.4%	15.4%	14.3%	8.1%	9.0%	8.0%	7.5%	6.5%	6.0%	5.5%	4.8%
NPV of Cash Flows	10,539,349	28%									
NPV of terminal value	27,235,018	72%								Terminal Value	64,475,191
Projected Equity Value	37,774,366	100%									
Free Cash Flow Yield	2.31%									Free Cash Yield	4.01%
Current Price (11/04/2022)	\$ 97.94									Terminal P/E	21.7
Implied equity value/share	\$ 72.09									Terminal EV/EBITDA	14.4
Upside/(Downside) to DCF	-26.39%										
Debt	1,121,717										
Cash	1,303,048										
Cash/share	2.49										

Monster Beverage Stock Price Sensitivity Analysis				
Scenario	Discount Rate	Terminal Growth Rate	Stock Price	Implied Upside
Base	9.00%	4.80%	\$ 72.09	-26.39%
Bull	9.00%	5.30%	\$ 79.69	-18.63%
Bear	9.00%	4.30%	\$ 66.11	-32.50%

Mondelez

Company Overview

- Mondelez is a multinational confectionary, food, holding and beverage, and snack food company that operates in ~160 countries
- 2.38% dividend yield
- Products include Oreo, BelVita, Triscuit, Wheat Thins, Trident Gum, Swedish Fish, Sour Patch Kids, Halls, and more
- 4-5% organic revenue growth comes from entering emerging markets

Key Drivers

- Heavily integrated global supply chain drives down unit costs, but is susceptible to political unrest
- Wide economic moat is invaluable in their industry to increase prices with no backlash
- Long-lasting relationships with suppliers



Financials	Morningstar: Fairly Valued		Estimates		
	2020	2021	2022	2023	2024
Fiscal Year, ends 12-31-2021					
Revenue (USD Mil)	26,581	28,720	30,735	32,041	33,075
Revenue Growth %	2.8	8.1	7.0	4.3	3.2
EBITDA (USD Mil)	5,517	5,888	5,950	6,495	7,009
EBITDA Margin %	20.8	20.5	19.4	20.3	21.2
Operating Income (USD Mil)	4,401	4,775	4,826	5,329	5,809
Operating Margin %	16.6	16.6	15.7	16.6	17.6
Net Income (USD Mil)	3,688	4,051	4,030	4,339	4,710
Net Margin %	13.9	14.1	13.1	13.5	14.2
Diluted Shares Outstanding (Mil)	1,441	1,413	1,397	1,371	1,361
Diluted Earnings Per Share(USD)	2.56	2.87	2.88	3.17	3.46
Dividends Per Share(USD)	1.20	1.20	1.28	1.34	1.47

Investment Rationale

- Mondelez diversifies our holdings within the consumer staples sector
- Great fit within our thesis of investing in companies with pricing power and scale
- Low-upside, but the 2.38% dividend offers steady cash

Technical Analysis



50-day MA crossing the 200-day MA is called the “Golden Cross” and signals an upward trend

Portfolio Breakdown

Company	Holding Amount	% of Portfolio	P/E	P/S	Beta	Return on Equity
The Kroger Co.	\$165.52k	1.88%	14.40	0.24	0.52	25.94%
Mondelez International Inc.	\$95.29k	1.09%	28.80	2.96	0.67	11.56%
Monster Beverage Corp.	\$113.40k	1.29%	43.42	8.43	0.90	18.55%
Walmart Inc.	\$355.83k	4.05%	28.52	0.67	0.53	16.20%

Consumer Staples Relative to S&P 500	High	Low	Median	Current
P/E	0.90	1.20	1.09	1.14
P/B	1.46	2.16	1.88	1.64
P/S	0.56	0.93	0.76	0.68
P/EBITDA	0.97	1.45	1.22	1.20

Portfolio Recommendation

Company	Current Price	Target Price	Upside	% of Portfolio	Change	% of New Portfolio
The Kroger Co.	\$47.24	\$57.31	21.32%	1.88%	+75bps	2.63%
Mondelez International Inc.	\$64.79	\$66.00	1.87%	1.09%	+0bps	1.09%
Monster Beverage Corp.	\$97.94	\$72.09	-26.39%	1.29%	-50bps	0.79%
Walmart Inc.	\$140.60	\$159.59	12.60%	4.05%	+75bps	4.80%

Increase allotment 1% to be net 2.39% overweight

Increase exposure to Walmart and Kroger – Decrease exposure to Monster

Questions/Comments?



Appendix



Walmart DCF

Walmart Inc.												
Analyst: Nick Close											Terminal Discount Rate =	7.3%
11/2/22											Terminal FCF Growth =	3.0%
(in millions)												
Year	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	
Revenue	601,392	619,433	644,211	657,095	676,808	697,112	718,025	739,566	761,753	784,606	808,144	
% Growth		3.0%	4.0%	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Operating Income	24,056	27,875	30,600	32,855	33,840	34,856	35,901	36,978	38,088	39,230	40,407	
Operating Margin	4.0%	4.5%	4.8%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Interest Expense (Income)	3,849	3,964	4,381	4,468	4,602	4,740	4,883	5,029	5,180	5,335	5,495	
Interest % of Sales	0.6%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	
Income Before Taxes	20,207	23,910	26,219	28,387	29,238	30,115	31,019	31,949	32,908	33,895	34,912	
Taxes	5,052	5,978	6,555	7,097	7,310	7,529	7,755	7,987	8,227	8,474	8,728	
Tax Rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Net Income from Cont Ops	15,155	17,933	19,665	21,290	21,929	22,586	23,264	23,962	24,681	25,421	26,184	
Less: Net inc attributable to noncont interests	(301)	(310)	(322)	(329)	(338)	(349)	(359)	(370)	(381)	(392)	(404)	
% of Revs	-0.05%	-0.05%	-0.05%	-0.05%	-0.05%	-0.05%	-0.05%	-0.05%	-0.05%	-0.05%	-0.05%	
Net Income	14,854	17,623	19,342	21,618	21,929	22,586	23,264	23,962	24,681	25,421	26,184	
% Growth		18.6%	9.8%	11.8%	1.4%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Add Depreciation/Amort	15,035	14,247	14,495	15,113	15,567	16,034	16,515	17,010	17,520	18,046	18,587	
% of Sales	2.5%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	
Plus/(minus) Changes WC	509	349	942	657	677	697	718	740	762	785	808	
% of Sales	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	
Subtract Cap Ex	18,042	15,486	14,521	15,113	15,567	16,034	16,515	17,010	17,520	18,046	18,587	
Capex % of sales	3.0%	2.5%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	
Free Cash Flow	11,338	16,035	18,375	20,961	21,252	21,889	22,546	23,222	23,919	24,637	25,376	
% Growth		41.4%	14.6%	14.1%	1.4%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	

Walmart DCF Sensitivity Analysis

Sensitivity Analysis of Implied Share Price to Growth Rate and WACC						
	Growth Rate					
WACC	\$159.69	2.00%	2.50%	3.00%	3.50%	4.00%
	5.3%	\$224.98	\$255.74	\$299.87	\$368.51	\$489.96
	6.3%	\$171.75	\$187.72	\$208.54	\$236.78	\$277.31
	7.3%	\$138.64	\$148.07	\$159.69	\$174.37	\$193.51
	8.3%	\$116.07	\$122.11	\$129.29	\$137.96	\$148.65
	9.3%	\$99.70	\$103.79	\$108.54	\$114.10	\$120.71

Walmart Comps Implied Share Price

<i>Walmart Inc. Implied Share Price</i>				
	Trailing P/E	Price/Sales	Price/Book	EV/EBITDA
<i>Low</i>	\$ 93.42	\$ 51.59	\$ 98.99	\$ 85.53
<i>25th Percentile</i>	\$ 124.72	\$ 131.12	\$ 201.01	\$ 136.79
<i>Median</i>	\$ 152.24	\$ 177.34	\$ 232.52	\$ 196.08
<i>Average</i>	\$ 165.28	\$ 249.35	\$ 235.54	\$ 192.21
<i>75th Percentile</i>	\$ 213.97	\$ 312.22	\$ 290.14	\$ 242.50
<i>High</i>	\$ 243.71	\$ 616.92	\$ 349.35	\$ 300.54

Monster Beverage Corporation DCF

Monster Beverage Corp (MNST)													
Analyst: Matthew Chalk													
11/4/22													
Terminal Discount Rate = 9.0%													
Terminal FCF Growth = 4.80%													
Year	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E		
Revenue	6,459,000	7,183,700	7,925,057	8,717,563	9,502,144	10,262,315	11,031,989	11,749,068	12,454,012	13,138,983	13,769,654		
% Growth	16.6%	11.2%	10.3%	10.0%	9.0%	8.0%	7.5%	6.5%	6.0%	5.5%	4.8%		
Operating Income	1,711,635	1,975,517	2,258,641	2,440,918	2,660,600	2,873,448	3,088,957	3,289,739	3,487,123	3,678,915	3,855,503		
Operating Margin	26.5%	27.5%	28.5%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%		
Other Income (Expense), Net	7,324	8,145	8,986	9,884	10,774	11,636	12,509	13,322	14,121	14,898	15,613		
Other Income % of Sales	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%		
Income Before Taxes	1,704,311	1,967,372	2,249,656	2,431,033	2,649,826	2,861,812	3,076,448	3,276,418	3,473,003	3,664,018	3,839,891		
Taxes	386,990	446,722	510,818	552,003	601,683	649,818	698,554	743,960	788,598	831,971	871,905		
Tax Rate	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%	22.7%		
Net Income	1,317,322	1,520,651	1,738,837	1,879,030	2,048,143	2,211,995	2,377,894	2,532,457	2,684,405	2,832,047	2,967,985		
% Growth	-4.4%	15.4%	14.3%	8.1%	9.0%	8.0%	7.5%	6.5%	6.0%	5.5%	4.8%		
Add Depreciation/Amort	58,131	64,653	71,326	114,000	171,039	236,033	308,896	387,719	473,252	551,837	619,634		
% of Sales	0.9%	0.9%	0.9%	1.3%	1.8%	2.3%	2.8%	3.3%	3.8%	4.2%	4.5%		
Plus/(minus) Changes WC	181,492	(101,458)	(103,790)	(243,146)	(265,029)	(286,231)	(307,698)	(327,699)	(347,361)	(366,466)	(384,056)		
% of Sales	2.8%	-1.4%	-1.3%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%	-2.8%		
Subtract Cap Ex	371,392	448,981	520,400	479,466	522,618	513,116	551,599	528,708	622,701	591,254	619,634		
Capex % of sales	5.8%	6.3%	6.6%	5.5%	5.5%	5.0%	5.0%	4.5%	5.0%	4.5%	4.5%		
Free Cash Flow	1,185,552	1,034,865	1,185,973	1,270,419	1,431,535	1,648,681	1,827,492	2,063,770	2,187,596	2,426,165	2,583,929		
% Growth	-12.7%	-12.7%	14.6%	7.1%	12.7%	15.2%	10.8%	12.9%	6.0%	10.9%	6.5%		
NPV of Cash Flows	10,539,349	28%											
NPV of terminal value	27,235,018	72%											
Projected Equity Value	37,774,366	100%											
Free Cash Flow Yield	2.31%												
										Terminal Value	64,475,191		
										Free Cash Yield	4.01%		
Current P/E	39.0	33.7	29.5								Terminal P/E	21.7	
Projected P/E	28.7	24.8	21.7										
Current EV/EBITDA	28.9	25.1	21.9									Terminal EV/EBITDA	14.4
Projected EV/EBITDA	21.2	18.4	16.1										
Shares Outstanding	523,965												
Current Price (11/04/2022)	\$ 97.94												
Implied equity value/share	\$ 72.09												
Upside/(Downside) to DCF	-26.39%												
Debt	1,121,717												
Cash	1,303,048												
Cash/share	2.49												