

## Value Stock Analysis Scorecard

Company \_\_\_\_\_ Date: \_\_\_\_\_

### Step 1) Analysts' Ratings & Forecasts

#### Sentiment Index \_\_\_\_\_

Add one point for Sentiment Index score below minus 3.  
Subtract one point if the SI score is greater than 2.

#### Earnings Growth \_\_\_\_\_

Subtract one point for forecast Y-O-Y earnings growth over 4 %

#### Earnings Forecast Trend \_\_\_\_\_

Subtract one point if EPS forecasts up more than \$0.01 in last 90 days.

### Step 2) Valuation

#### Implied Growth \_\_\_\_\_

Add one point for implied growth below 5%.  
Subtract one point for implied growth above 10%.

### Step 3) Target Price

#### Current price vs. target buy price

Do not buy if current price above target buy price.

### Step 4) Industry Analysis

#### Industry Growth \_\_\_\_\_

Add one point for industry sales growth rate 9%-14%  
Subtract one point if industry growth rate below 3%

#### Industry Concentration \_\_\_\_\_

Add one point if the industry has less than five major competitors

### Step 5) Business Plan

#### Business Plan Score \_\_\_\_\_

Record business plan score (max -4 to + 4)

### Step 6) Management Quality

#### Key Executive & Board Quality \_\_\_\_\_

Add one point for quality rated very good or excellent

#### Clean Accounting/Earnings Growth Stability \_\_\_\_\_

Subtract one point for non-recurring more than 3% of sales  
or poor earnings growth stability.

### Step 7) Financial Health

Disqualify candidates that fail appropriate test.

### Step 8) Profitability

#### Expected Return on Assets \_\_\_\_\_

Add one point for expected ROA over 14%, subtract one point for ROA below 6%.

### Step 9) Red Flags

#### Historical Capital Expenses vs. Depreciation \_\_\_\_\_

Subtract one point for depreciation /capital expenditures yellow flag

### Step 10) Ownership

#### Total Insider Ownership \_\_\_\_\_

Subtract one point if insider ownership above 55%

### Step 11) Price Chart

#### Share Price vs. Moving Average \_\_\_\_\_

Subtract one point if the share price more than 10% above 200-day MA

**Total** \_\_\_\_\_