

Company: Exxon Mobil	Ticker: XOM Current Price: \$112.91	Industry: Energy	
Target Price: \$128.05 Stop Loss: \$89.95 52 Week High/Low: \$57.96-\$113.5	TTM P/E: 9.14x Forward P/E: 9.47x EPS: 12.25	Beta: 1.05 Credit Rating: AA- Rating Outlook: Stable	Market Cap: 412.2 B Avg Vol: 19.29M Dividend Yield: 3.28%
Company Background:			
Exxon's main line of business is discovering, producing, and distributing crude oil and natural gas. They are one of the largest chemical producers in the world. The company management is comprised of experienced professionals who have contributed to the company's continued economic success.			
Industry Outlook:			
Despite a growing push in many western countries to adopt green energy sources, growing populations in developing countries will still require reliable, affordable energy sources. Experts suggest that even in developed, first world countries, it may take several years to reach the point where those countries can rely entirely on renewable energy sources. The demand and production of fuel is projected to increase into 2023.			
Investment Thesis:			
We genuinely believe that ExxonMobil is undervalued by the market and is a strong investment opportunity for the following three reasons. The company has strong leadership, it holds a significant market share, and the demand for fuel is projected to increase.			
Investment Risks:			
<ul style="list-style-type: none"> • Government and Political Factors: ExxonMobil's results can be adversely affected by political or regulatory developments affecting our operations • Access limitations: Several countries limit access to their oil and gas resources, including by restricting leasing or permitting activities, or may place resources off-limits from development altogether. • Economic conditions: The demand for energy and petrochemicals is generally linked closely with broad-based economic activities and levels of prosperity. The occurrence of recessions or other periods of low or negative economic growth will typically have a direct adverse impact on our results. 			
3-5 Takeaways from last quarter investor call transcripts			
<ul style="list-style-type: none"> • Third-quarter earnings were \$19.7 billion compared with \$17.9 billion in the second quarter of 2022. • Cash increased by \$11.6 billion in the third quarter with free cash flow of \$22 billion. Shareholder distributions were \$8.2 billion for the quarter, including \$3.7 billion of dividends • The Corporation declared a fourth-quarter dividend of \$0.91 per share, payable on December 9th. There is a \$0.03 per share increase. • Achieved best-ever quarterly refining throughput in North America and highest globally since 2008 • Delivered strong quarterly oil and gas production, including record Permian production of nearly 560,000 oil-equivalent barrels per day to better serve demand; year-on-year, total production increased 50,000 oil-equivalent barrels per day 			
Financial Performance			Discounted Cash Flow
Profitability: ROA= 11.1% ROC = 16.9% ROE = 29.7% Asset Turnover: Total Asset Turnover = 1.1x, A/R Turnover = 10.8x, Inventory Turnover = 12.1x Liquidity: Current Ratio = 1.3x, Quick Ratio = 1.0x Solvency: Debt/Equity = 23.5%, Debt/Capital = 19% Growth: Revenue Growth=60.7%, Gross Profit Growth= 62.0%			The value estimated by DCF is \$128.05.
Relative Valuation		Total Return %	

Total Return for 1 month is 23.03%.

Ticker	Company Name	EV/Revenue		EV/EBITDA		P/E	
		22	23	22	23	22	23
XOM	Exxon Mobil Corporation	1.00x	1.06x	6.44x	4.35x	7.69x	9.45x
CVX	Chevron Corporation	1.22x	1.34x	4.30x	4.52x	8.75x	10.18x
SHEL	Shell Plc	.57x	.50x	2.11x	2.33x	4.47x	5.14x
OXY	Occidental Petroleum Corporation	2.13x	2.32x	3.52x	4.04x	5.65x	7.73x
DVN	Devon Energy Corp.	3.62x	2.82x	4.84x	4.54x	7.65x	7.30x
Mean		1.71x	1.61x	4.24x	3.96x	6.84x	7.96x
Median		1.22x	1.34x	4.30x	4.35x	7.65x	7.73x
		Implied Share value					
Calculating Implied Share Price		EV/Revenue	EV/EBITDA	P/E			
Minimum		\$ 41.63	\$ 61.63	\$ 30.22			
Mean		\$ 153.22	\$ 106.89	\$ 103.08			
Median		\$ 126.24	\$ 116.48	\$ 100.11			
Maximum		\$ 275.24	\$ 121.22	\$ 131.79			