

**Key Statistics (USD)**

Price	238.84
Market Cap	1.781 T
Enterprise Value	1.63 T
PEG Ratio (5 yr. expected)	2.04
52 weeks high	213.43
52 weeks low	315.95
Beta (5Y-monthly)	0.93
Dividend yield %	1.15%
EPS (TTM)	9.29
1-Yr Stock performance	-20.92%

**Growth Rates**

	Company	3-Yr Avg
Revenues	17.96%	16.38%
Earnings	19.79%	24.31%
Free Cash Flow	17.14%	20.58%

**Margins**

	Company	3-Yr Avg
Gross Profit Margin	68.40%	68.47%
Operating Margin	42.00%	40.18%
Net Profit Margin	36.69%	34.70%

**Key Ratios**

	Company	3-Yr Avg
Current Ratio	1.79	-
Total Ratio	1.84	-
Financial Leverage	2.19	2.36
ROE	43.73%	41.51%
ROA	23.87%	21.32%
ROIC	32.00%	33.27%

**Valuation Metrics**

	Company	3-Yr Avg
Price to Sales	9.77x	10.99x
Price to Earnings	26.62x	31.86x
Price to Free Cash Flow	21.75x	24.79x
Price to Book Value	11.63x	13.12x

**Firm's Brief Description.**

Microsoft Corporation is a technology company. The Company develops and supports software, services, devices, and solutions. Its segments include Productivity and Business Processes, Intelligent Cloud, and More Personal Computing. The Productivity and Business Processes segment consists of products and services in its portfolio of productivity, communication, and information services, spanning a variety of devices and platforms. This segment includes Office Consumer, LinkedIn, dynamics business solutions, and Office Commercial. The Intelligent Cloud segment consists of public, private, and hybrid server products and cloud services that can power modern businesses and developers. This segment includes server products and cloud services, and enterprise services. The More Personal Computing segment consists of products and services that put customers at the centre of the experience with its technology. This segment includes Windows, devices, gaming, and search and news advertising.

**Sector Overview**

- Tech Mahindra and Microsoft join hands to bring cloud-powered 5G core network modernization to telecom partners.
- Microsoft plans \$10 billion investment in ChatGPT owner OpenAI.
- Microsoft Corp. announced \$51.9 billion revenue for the quarter ended compared to the corresponding period of last fiscal year it increased by 12%.

**Fundamental Analysis**

Microsoft stock performance during 2022 fell by near 21%. However, it shows a decent growth of 17.96% in Revenue since last year. Furthermore, the Net Income has been growing by 19.79% over the past year. Its Current Ratio of 1.79 indicates that Microsoft can meet its short-term obligations. Also, a Total Ratio of 1.84 indicates that the company has more assets than liabilities, which is a positive sign of financial health. Moreover, with a yearly dividend of 1.15%, MSFT is not the best candidate for dividend investing. The company's ROE 43.73% is higher than the average. This implies that the company is doing a better job at generating profit from its equity investments than the average company. The company's ROA of 23.87% is above the average which suggests that the company is doing better than its peers when it comes to generating profits from its assets. This indicates that MSFT is efficient and effective in using its resources to generate profits. Furthermore, price to sales ratio for the trailing twelve months is lower than the 3-year average. The price to earnings ratio of 26.62x is lower than the average. This suggests that this stock may be undervalued relative to other stocks in the same sector or industry.

**Target Price (1 year forward): 291.65\$**

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