

Key Statistics (USD)

Price	172.02
Market Cap	236.43 B
Enterprise Value	271.09 B
PEG Ratio (5 yr. expected)	2.85
52 weeks high	196.88
52 weeks low	155.83
Beta (5Y-monthly)	0.53
Dividend yield %	2.94%
EPS (TTM)	6.56
1-Yr Stock performance	-4.16%

Growth Rates

	Company	3-Yr Avg
Revenues	-0.52%	9.36%
Earnings	151.53%	26.22%
Free Cash Flow	41.50%	26.24%

Margins

	Company	3-Yr Avg
Gross Profit Margin	-	53.89%
Operating Margin	-	-
Net Profit Margin	8.71%	11.59%

Key Ratios

	Company	3-Yr Avg
Current Ratio	0.85x	-
Total Ratio	1.22x	-
Financial Leverage	5.43x	5.53x
ROE	56.73%	56.74%
ROA	3.11%	3.35%
ROIC	-	-

Valuation Metrics

	Company	3-Yr Avg
Price to Sales	2.56x	2.78x
Price to Earnings	25.89x	27.46x
Price to Free Cash Flow	10.33x	11.89x
Price to Book Value	12.67x	13.49x

Firm's Brief Description.

The corporate headquarters of the global American food, snack, and beverage company PepsiCo, Inc. are located in the hamlet of Purchase in Harrison, New York. The business of PepsiCo includes every facet of the food and beverage industry. It is in charge of the product's production, marketing, and distribution. Since the Pepsi-Cola Company and Frito-Lay, Inc. merged in 1965 to establish PepsiCo, the company has grown to include a remarkably diverse portfolio of food and beverage brands in addition to its namesake beverage, Pepsi Cola. The biggest and most recent acquisition was Pioneer Foods, which was acquired in 2020 for US\$1.7 billion[2]. The purchases that came before it were Tropicana Products in 1998 and the Quaker Oats Company in 2001, which allowed Pepsi to add the Gatorade brand to its lineup. In January 2021, the business has 23 brands that have over US\$1 billion in sales annually. PepsiCo has operations all around the world and its products were distributed across more than 200 countries.

Sector Overview

- Food price inflation set to fall but volatility will remain, Nestle CEO says.
- Budweiser owner AB InBev slides 4% after trading suspension as Altria sells stake.
- Acid leak at Coca Cola factory as hundreds of workers evacuated.

Fundamental Analysis

PepsiCo is a large capitalization company with a market value of approximately 238 billion and with an enterprise value of around 271 billion. The company holds a notable position as a component of the Standard & Poor's (S&P) 500 index, ranking 30th, with a weight of 0.54%. Regarding the movement of the stock price, there has been a 2.81% decrease in the last year, yet it remains within the confines of the 52-week range oscillating between \$155.83 and \$196.88. It's also noteworthy to highlight a recent sharp increase that commenced on March 15th, catapulting the price from \$164.66 to \$172.9. Turning to valuation metrics, a 5-year expected PEG ratio value of 2.85, combining the P/E ratio reflecting current valuation with the anticipated earnings growth, suggests that the stock is trading at a higher proportion relative to its expected growth rate. This, along with the Price/Book (P/BV) value of 12.38, which implies that traders are willing to pay more than 12 times the book value of the stock to acquire it, leads us to conclude that there is an overvalued situation in the stock price. On liquidity and leverage, the current ratio of 0.85 raises doubts about the liquidity of the company and the ability to meet its obligations and the financial leverage of over 5 signifies that the company has a high level of debt relative to its equity. The Beta (5Y-Monthly) ratio at the value of 0.53 indicates a generally steady stock, with no apparent indications of deviations for market trends. PepsiCo has a high dividend yield of 2.94% and a net profit margin of about 8%. There has been a rise in revenue and cash flow and a minimal increase in earnings.

Target Price (1 year forward): 191.23\$

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