

Facebook Inc is the world's largest online social network. Its products are Facebook, Instagram, Messenger, WhatsApp, and Oculus. Its products enable people to connect and share through mobile devices and personal computers.


Facebook is the world's largest online social network, with more than 2 billion monthly active users. Users engage with each other in different ways, exchanging messages and sharing news events, photos, and videos. Its ecosystem consists mainly of the Facebook app, Instagram, Messenger, WhatsApp, and many features surrounding these products. Users can access Facebook on mobile devices and via desktop. Advertising revenue represents more than 90% of the firm's total revenue, with 50% coming from the U.S. and Canada, and 25% from Europe.



Default checklist, score 3.7/5

Personalized Checklist

Switch to:

 New Checklist

Checklist Items / Related Parameters

Worst Neutral Best

Within your circle of competence?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Macro economic environment favorable?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
High quality business?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Enough margin of safety with stocks?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gurus are buying?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Insiders are buying?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Management capable and shareholder friendly?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Catalyst for stock price to appreciate?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Your level of confidence with the research?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Checked: 9 / 9 - Total Score: **3.7 / 5**

Fisher checklist score 4.1/5

Switch to: Phil Fisher Growth Companies	+ New Checklist		
Checklist Items / Related Parameters	Worst	Neutral	Best
Does the company have the products or services with sufficient market potential to make possible a sizable increase in sales for at least several years?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the management have a determination to continue to develop products or processes that will still further increase total sales potentials when the growth potentials of currently attractive product lines have largely been exploited?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
How effective are the company's research and development efforts in relation to its size?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have an above average sales organization?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have a worthwhile profit margin?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Gross Margin % Operating Margin % Net Margin %	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
What is the company doing to maintain or improve profit margins?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Gross Margin % Operating Margin % Net Margin %	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have outstanding labor and personnel relations?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have outstanding executive relations?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have depth to its management?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
How good are the company's cost analysis and accounting controls?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Are there other aspects of the business, somewhat peculiar to the industry involved, which will give the investor important clues as to how outstanding the company may be in relation to its competition?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have a short range or long range outlook in regards to profits?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
In the foreseeable future, will the growth of the company require sufficient equity financing so that the larger number of shares then outstanding will largely cancel the existing stockholders' benefit from this anticipated growth?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
10-Year Share Buyback Rate 5-Year Share Buyback Rate 3-Year Average Share Buyback Rate 1-Year Share Buyback Rate	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the management talk freely to investors about its affairs when things are going well but "cease to talk" when troubles and disappointments occur?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have a management of unquestionable integrity?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Checked: 15 / 15 - Total Score: 4.1 / 5			

Lynch checklist score 3.5/5

Switch to: Peter Lynch Fast Grower	+ New Checklist		
Checklist Items / Related Parameters	Worst	Neutral	Best
Do I understand the business? Is this a simple business?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have a diversified customer base?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company still have room to grow? Is the company has duplicated its successes in more than one city or town to prove that expansion will work?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have meaningful profit margin (10% or higher)?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Gross Margin % Operating Margin % Net Margin %	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have a higher margin than competitors?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Gross Margin % Operating Margin % Net Margin %	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Does the company have a stable margin or even increasing margin?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Gross Margin % Operating Margin % Net Margin %	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Is the growth speeding up? Is the earnings growth to date consistent?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Sales (M) Book Value per Share Predictability Rank	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
How did the company's business fared during previous recessions?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Sales (M) EPS	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
How did the company's stock price fared during the previous recessions?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Peter Lynch Chart	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Is the balance sheet strong?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Financial Strength Current Ratio Cash-to-Debt Debt-to-Equity	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Is the product that's supposed to enrich the company is a major part of the company's business?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
What is the growth rate? 20% to 25% is the optimum rate	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Sales (M) Book Value per Share	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Is the stock selling at a P/E ratio at or near growth rate?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
PE Ratio EV-to-EBIT EV-to-EBITDA	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
P/E ratio, high or low relative to historical value? The lower, the better	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
PE Ratio	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
P/E ratio relative to similar companies? The lower, the better	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
PE Ratio	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
The percentage of Institutional ownership. The lower the better	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Are insiders buying?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company buying back shares?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
10-Year Share Buyback Rate 5-Year Share Buyback Rate 3-Year Average Share Buyback Rate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Checked: 18 / 18 - Total Score: 3.5 / 5			

Guru checklist score 3.6/5

Personalized Checklist

Switch to: Invest Like a Guru Checklist + New Checklist

Checklist Items / Related Parameters	Worst	Neutral	Best	
Do I understand the business?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
What is the economic moat that protects the company so it can sell the same or a similar product five or ten years from today?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Is this a fast-changing industry?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Does the company have a diversified customer base?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Is this an asset-light business?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Is it a cyclical business?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Revenue Operating Income				
Does the company still have room to grow?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Has the company been consistently profitable over the past ten years, through good times and bad?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Does the company have a stable double-digit operating margin?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Gross Margin % Net Margin % Operating Margin %				
Does the company have a higher margin than competitors?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Does the company have a return on investment capital of 15% percent or higher over the past decade?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
ROIC %				
Has the company been consistently growing its revenue and earnings at double digits?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Does the company have a strong balance sheet?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Equity-to-Asset Debt-to-Asset Current Portion of Long-Term Debt Long-Term Debt & Capital Lease Obligation				
Do company executives own decent shares of stock of the company?	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
How are the executives paid compared with other similarly sized companies?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Are insiders buying?	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is the stock valuation reasonable as measured by intrinsic value, or P/E ratio?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
How is the current valuation relative to historical range?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
How did the company's stock price fare during the previous recessions?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
How much confidence do I have in my research?	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Checked: 20 / 20 - Total Score: **3.6 / 5**

About fair value

FB - NAS (USA) Also traded in: [Austria](#), [Brazil](#), [Germany](#), [Italy](#),

Facebook Inc Class A

Not Rated

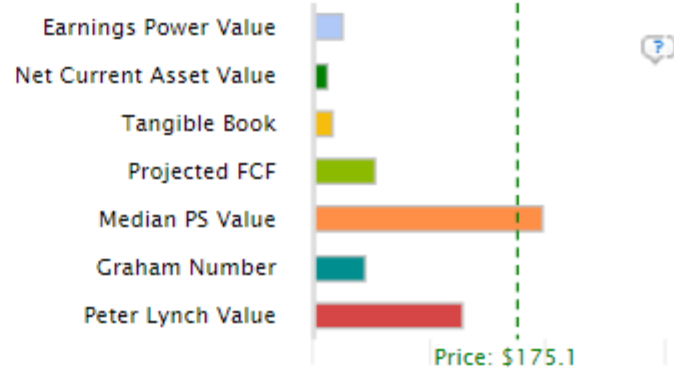
\$175.1 ↑ 0(0%) Volume: 19,900,526 1:01AM EST

Avg Vol (1m): 14,946,728

1 Severe Warning Sign

1 Medium Warning Sign

4 Good Signs



Market Cap : 508.81 B

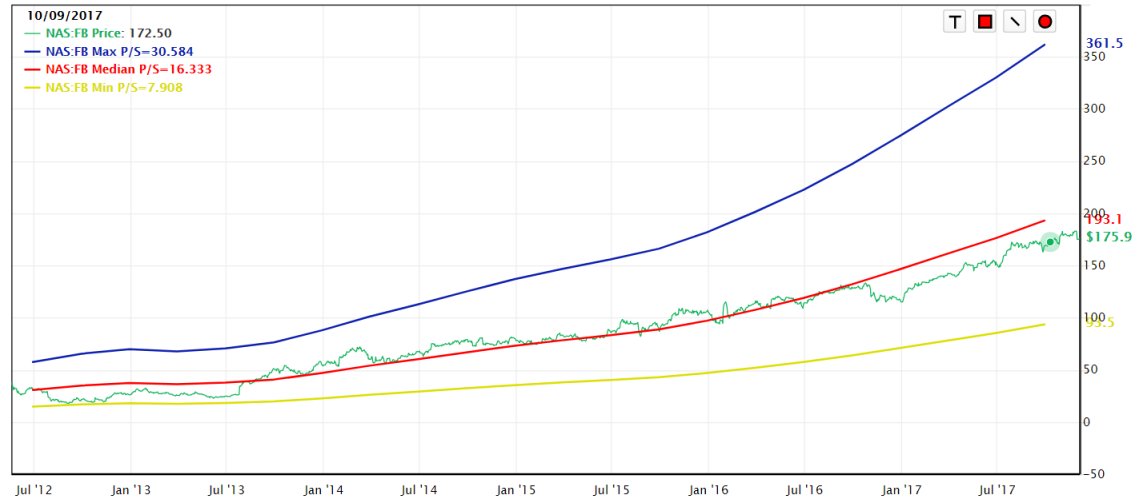
Enterprise Value : 470.52 B

P/E (TTM) : 33.93

P/B : 7.15

Valuation & Return

		vs industry	vs history
Price-to-Net-Cash	16.68		
Price-to-Net-Current-Asset-Value	13.98		
Price-to-Tangible-Book	10.04		
Price-to-Intrinsic-Value-Projected-FCF	3.29		
Price-to-Median-PS-Value	0.88		
Price-to-Peter-Lynch-Fair-Value	1.36		
Price-to-Graham-Number	3.88		
Earnings Yield (Greenblatt) %	3.70		
Forward Rate of Return (Yacktman) %	67.82		

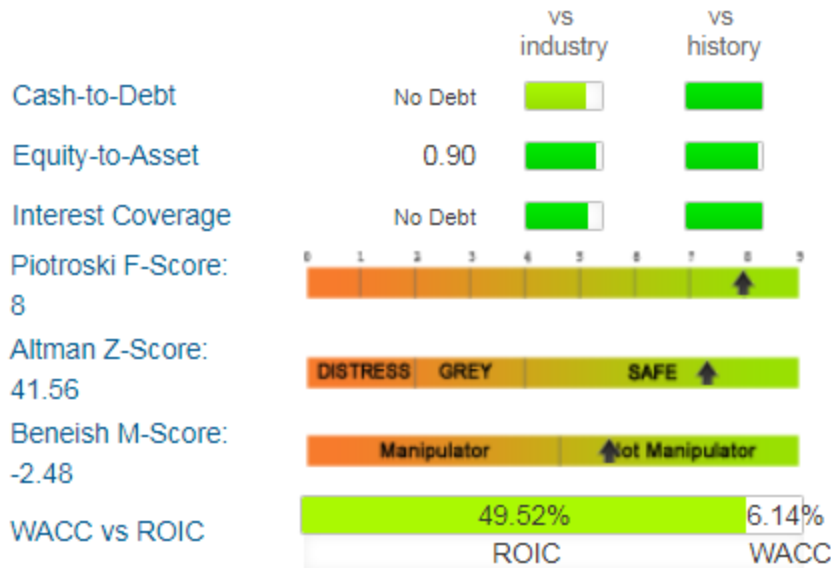


Very strong in financial and profitability and growth and with warnings

Financial Strength : 10/10



Profitability & Growth : 9/10



Warning Signs

» FB's Warning Signs

SEVERE Asset Growth: faster than revenue growth

GOOD Interest Coverage: Comfortable

GOOD PE Ratio: Close to 5-year low

GOOD Piotroski F-Score: High

GOOD Operating Margin %: Expansion

MEDIUM Price: Close to 10-year high

Reasonable ratio and PEG is less than 1 because of strong growth

Ratios

		vs industry	vs history
PE Ratio	34.09		
PE Ratio without NRI	34.09		
Price-to-Owner-Earnings	33.64		
PB Ratio	7.18		
PS Ratio	14.21		
Price-to-Free-Cash-Flow	32.97		
Price-to-Operating-Cash-Flow	24.16		
EV-to-EBIT	26.99		
EV-to-EBITDA	23.28		
EV-to-Revenue	12.95		
PEG Ratio	0.83		
Current Ratio	13.37		
Quick Ratio	13.37		
Days Sales Outstanding	44.25		
Days Payable	28.58		

No buy back

Buy Back

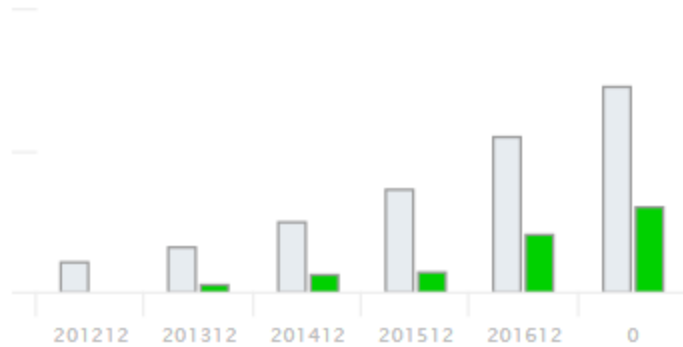
		vs industry	vs history
3-Year Average Share Buyback Ratio	-4.30		

Very strong in financial and FCF

Financials (Next Earnings Date: 2018-02-01)

» [FB's 30-Y Financials](#)

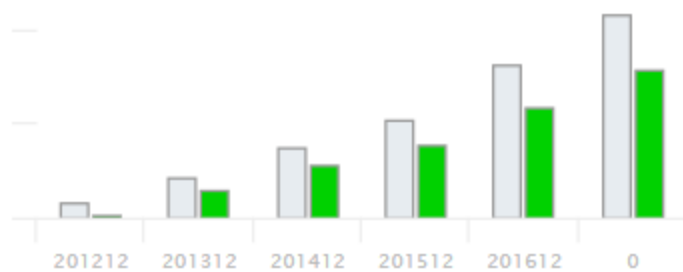
Revenue & Net Income



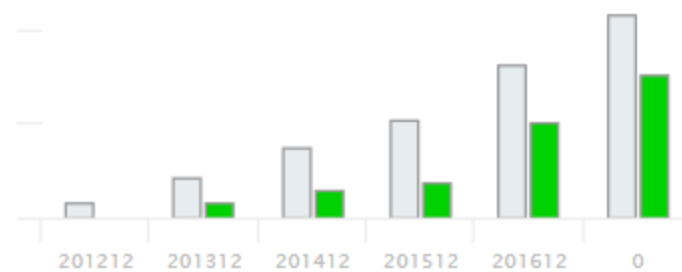
Cash & Debt



Operating Cash Flow & Free Cash Flow



Operating Cash Flow & Net Income



Good statistics

More Statistics

Revenue (TTM) (Mil) \$	36,490.00
EPS (TTM) \$	5.16
Beta	0.62
Short Percentage of Float	0.93%
52-Week Range \$	114.00 - 184.25
Shares Outstanding (Mil)	2,905.81

Analyst Estimate

	Dec17	Dec18	Dec19	Dec20
Revenue (Mil \$)	40,277	52,681	65,519	79,302
EPS (\$)	5.95	6.73	8.09	9.44
EPS without NRI (\$)	5.95	6.73	8.09	9.44
EPS Growth Rate (Future 3Y To 5Y Estimate)				22.63%
Dividends per Share (\$)				

Great P F-Score

Piotroski F-Score Details

Piotroski F-Score: 8	8
Positive ROA	Y
Positive CFROA	Y
Higher ROA yoy	Y
CFROA > ROA	Y
Lower Leverage yoy	Y
Higher Current Ratio yoy	Y
Less Shares Outstanding yoy	N
Higher Gross Margin yoy	Y
Higher Asset Turnover yoy	Y

Overvalued in Lynch chart

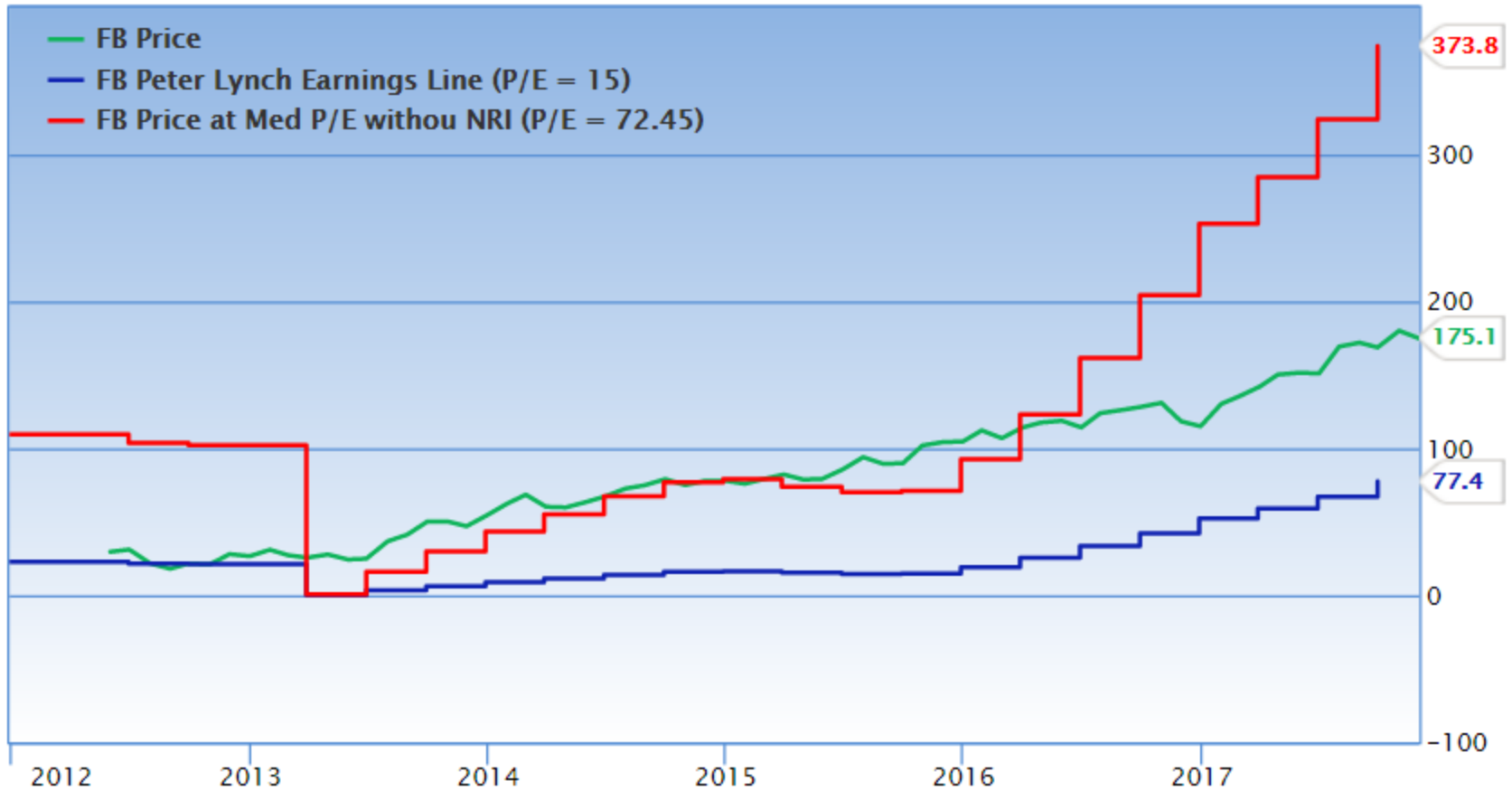
Peter Lynch Chart ([What is Peter Lynch Charts](#))

[» Interactive Charts](#)

Facebook Inc (FB)

YTD 1Y 3Y 5Y 10Y All

Save Embed



Very strong growth

Annual Rates (per share)	10 yrs*	5 yrs*	12 months*
Revenue Growth (%)	0.00	33.40	45.80
EBITDA Growth (%)	0.00	40.60	57.80
Operating Income Growth (%)	0.00	47.10	64.70
EPS without NRI Growth (%)	0.00	106.10	83.00
Free Cash Flow Growth (%)	0.00	67.80	31.10
Book Value Growth (%)	0.00	49.50	30.30

More sells than buys, Tepper, Dalio bought

Guru	Date	Trades	Impact to Portfolio	Price Range * (?)	Current Price	Change from Average	Current Shares
Frank Sands	2017-09-30	Reduce -7.33%	0.5%	\$148.43 - \$173.51	\$ 175.90	6%	13,915,065
Steve Mandel	2017-09-30	Reduce -18.41%	0.87%	\$148.43 - \$173.51	\$ 175.90	6%	5,032,256
Andreas Halvorsen	2017-09-30	Reduce -28.89%	1.82%	\$148.43 - \$173.51	\$ 175.90	6%	4,399,672
Daniel Loeb	2017-09-30	Reduce -2.88%	0.13%	\$148.43 - \$173.51	\$ 175.90	6%	3,400,000
Chris Davis	2017-09-30	Reduce -3.74%	0.09%	\$148.43 - \$173.51	\$ 175.90	6%	3,382,612
David Tepper	2017-09-30	Add 40.05%	2.27%	\$148.43 - \$173.51	\$ 175.90	6%	3,300,000
Lee Ainslie	2017-09-30	Reduce -8.84%	0.46%	\$148.43 - \$173.51	\$ 175.90	6%	3,286,667
Manning & Napier Advisors, Inc	2017-09-30	Reduce -5.08%	0.15%	\$148.43 - \$173.51	\$ 175.90	6%	2,225,794
John Griffin	2017-09-30	Reduce -4.91%	0.28%	\$148.43 - \$173.51	\$ 175.90	6%	1,875,400
Chase Coleman	2017-09-30	Add 240.30%	1.48%	\$148.43 - \$173.51	\$ 175.90	6%	1,807,000
Steven Cohen	2017-09-30	Add 292.00%	0.72%	\$148.43 - \$173.51	\$ 175.90	6%	1,273,997
Louis Moore Bacon	2017-09-30	Reduce -22.49%	1.32%	\$148.43 - \$173.51	\$ 175.90	6%	973,577
Pioneer Investments	2017-09-30	Reduce -9.81%	0.04%	\$148.43 - \$173.51	\$ 175.90	6%	740,550
Jim Simons	2017-09-30	Add 0.86%		\$148.43 - \$173.51	\$ 175.90	6%	470,500
Ken Fisher	2017-09-30	Add 6.31%		\$148.43 - \$173.51	\$ 175.90	6%	307,838
Julian Robertson	2017-09-30	Add 22.36%	1.24%	\$148.43 - \$173.51	\$ 175.90	6%	219,410
Ron Baron	2017-09-30	Reduce -0.18%		\$148.43 - \$173.51	\$ 175.90	6%	130,207
Joel Greenblatt	2017-09-30	Reduce -7.61%	0.02%	\$148.43 - \$173.51	\$ 175.90	6%	117,633
George Soros	2017-09-30	Reduce -77.04%	1.23%	\$148.43 - \$173.51	\$ 175.90	6%	109,451
Tom Gayner	2017-09-30	Add 10.15%	0.03%	\$148.43 - \$173.51	\$ 175.90	6%	108,500
Ray Dalio	2017-09-30	New Buy	0.07%	\$148.43 - \$173.51	\$ 175.90	6%	62,833
Caxton Associates	2017-09-30	Add 6.73%	0.01%	\$148.43 - \$173.51	\$ 175.90	6%	33,300
Mario Gabelli	2017-09-30	Reduce -2.65%		\$148.43 - \$173.51	\$ 175.90	6%	31,083
Zeke Ashton	2017-09-30	New Buy	4.29%	\$148.43 - \$173.51	\$ 175.90	6%	14,500
Richard Snow	2017-09-30	Reduce -35.71%	0.04%	\$148.43 - \$173.51	\$ 175.90	6%	9,000

All insiders sell, no buy

Insider Charts



FB Guru Trades in Q3 2017

Ray Dalio 62,833 sh (New)	David Carlson 360,000 sh (unchgd)	John Burbank Sold Out
Zeke Ashton 14,500 sh (New)	First Eagle Investment 3,800 sh (unchgd)	Paul Tudor Jones Sold Out
Steven Cohen 1,273,997 sh (+292.00%)	Ruane Cunniff 304,624 sh (unchgd)	John Paulson Sold Out
Chase Coleman 1,807,000 sh (+240.30%)	Mario Cibelli 25,000 sh (unchgd)	Ron Baron 130,207 sh (-0.18%)
David Tepper 3,300,000 sh (+40.05%)	Mairs and Power 1,669 sh (unchgd)	Mario Gabelli 31,083 sh (-2.65%)
Julian Robertson 219,410 sh (+22.36%)	Leon Cooperman 236,200 sh (unchgd)	Daniel Loeb 3,400,000 sh (-2.86%)
Tom Gayner 108,500 sh (+10.15%)	Zeke Ashton 8,500 sh (unchgd)	Chris Davis 3,382,612 sh (-3.74%)
Caxton Associates 33,300 sh (+6.73%)	Stanley Druckenmiller 1,063,600 sh (unchgd)	John Griffin 1,875,400 sh (-4.91%)
Ken Fisher 307,838 sh (+6.31%)	Steven Cohen 700,000 sh (unchgd)	Manning & Napier Advisors, Inc 2,225,794 sh (-5.08%)
Murray Stahl 3,870 sh (+3.34%)		Diamond Hill Capital 3,246 sh (-5.09%)
Jim Simons 470,500 sh (+0.86%)		Lee Ainslie 3,286,667 sh (-8.84%)
Spiros Segalias 8,102,721 sh (+6.05%)		Frank Sands 13,915,065 sh (-7.33%)
		Joel Greenblatt 117,633 sh (-7.61%)
		Pioneer Investments 740,550 sh (-9.81%)
		Steve Mandel 5,032,256 sh (-18.41%)
		Louis Moore Bacon 973,577 sh (-22.49%)
		Andreas Halvorsen 4,399,672 sh (-28.89%)
		Richard Snow 9,000 sh (-35.71%)
		George Soros 109,451 sh (-77.04%)