

Date: 4/16/14Analyst Name: Heath Olson**CIF Stock Recommendation Report (Spring 2014)**Company Name and Ticker: Vulcan Materials Company (VMC)**Section (A) Investment Summary**

Recommendation Buy: Yes No		Target Price: NA	Stop-Loss Price: NA
Sector: Materials	Industry: Construction Materials	Market Cap (in Billions): \$8.51044 billion	# of Shrs. O/S (in Millions): 130.71 million
Current Price: \$64.82	52 WK Hi: \$69.50	52 WK Low: \$45.42	EBO Valuation: \$13.20
Morningstar (MS) Fair Value Est.: \$58	MS FV Uncertainty: High	MS Consider Buying: \$34.80	MS Consider Selling: \$89.90
EPS (TTM): 0.16	EPS (FY1): 0.82 (December 2014)	EPS (FY2): 1.61 (December 2015)	MS Star Rating: ★★★
Next Fiscal Yr. End "Year": "Month": December 2014	Last Fiscal Qtr. End: Less Than 8 WK: Y N	If Less Than 8 WK, next Earnings Ann. Date: NA	Analyst Consensus Recommendation: Outperform
Forward P/E: 40.26	Mean LT Growth: 7%	PEG: 5.75	Beta: 1.49
% Inst. Ownership: 89.44%	Inst. Ownership- Net Buy: Y N	Short Interest Ratio: 5.3	Short as % of Float: 3.5%
<u>Ratio Analysis</u>	<u>Company</u>	<u>Industry</u>	<u>Sector</u>
P/E (TTM)	417.99	18.7	25.92
P/S (TTM)	3.07	4.13	3.76
P/B (MRQ)	2.15	4.31	3.32
P/CF (TTM)	25.96	15.5	14.56
Dividend Yield	0.31	2.26	2.05
Total Debt/Equity (MRQ)	64.05	16.43	22.3
Net Profit Margin (TTM)	0.75	22.15	3.16
ROA (TTM)	0.25	17.99	12.78
ROE (TTM)	0.54	25.19	18.04

<p><u>Investment Thesis</u></p> <p><u>Pros:</u></p> <ul style="list-style-type: none"> • Extremely self-sufficient. Vulcan is, for the most part, its own supplier. • Locations of Vulcan’s aggregates reserves put them in a great position for future development. • Revenue and earnings are both expected to peak for the year at the end of Q2 and beat estimates. • Very high institutional ownership compared to competitors. • Recent 10 and 50 day death cross could present opportunity for an impending golden cross. <p><u>Cons:</u></p> <ul style="list-style-type: none"> • Highly competitive market saturated with many local providers. • Martin Marietta Material’s acquisition of Texas Industries will likely significantly increase the level of competition. The deal is expected to close Q2 2014. • Despite soft spots, fundamental and relative valuations suggest Vulcan is overvalued. • Analyst Recommendations are generally a hold. • A death cross was just experienced in the 10 and 50 day moving averages chart. <p><u>Reasoning:</u></p> <p>I am recommending a “Do Not Buy” for Vulcan Materials. I think the stock is simply too risky in the short run. Martin Marietta’s acquisition would put them head-to-head with Vulcan. The best thing Vulcan has going for them in the short run is its expectation to beat revenue and earnings for the upcoming quarter. And these beats usually don’t affect the stock prices for an extended period of time.</p>	<p><u>Summary</u></p> <p>Provide brief summary of your analysis in each section that follows</p> <hr/> <p><u>Company Profile:</u></p> <p>Vulcan Materials specializes in construction aggregates. Positioning of the aggregates reserves is crucial to their future success.</p> <hr/> <p><u>Fundamental Valuation:</u></p> <p>EBO valuation of \$13.20 is a mere fraction of Vulcan’s current price. Significant soft spots likely caused this; nonetheless, the EBO indicates the stock is highly overvalued.</p> <hr/> <p><u>Relative Valuation:</u></p> <p>Implied prices from the relative valuation vary quite a bit. Significant differences in peers’ valuation metrics resulted in the sparse results.</p> <hr/> <p><u>Revenue and Earnings Estimates:</u></p> <p>Revenue and earnings are expected to increase and spike in Q3. However, earnings have seen substantial variability in estimates and surprises.</p> <hr/> <p><u>Analyst Recommendations:</u></p> <p>The stock has become slightly more bullish in the eyes of analysts over the past 3 months, but the majority of recommendations are holds.</p> <hr/> <p><u>Institutional Ownership:</u></p> <p>Vulcan has a very neutral position, but maintains an extremely high institutional ownership percentage compare to its competitors of 89.44%.</p> <hr/> <p><u>Short Interest:</u></p> <p>Short interest indicates a slightly more bullish sentiment of the stock given the lowest short interest levels in the past 2 months over the past year.</p> <hr/> <p><u>Stock Price Chart:</u></p> <p>Vulcan has outperformed all others over the past year, but underperformed over the past 5 years. RSI sits around 40 – 45 and they recently experienced a 10 and 50 day moving average death cross.</p>
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Section (B) Company Profile

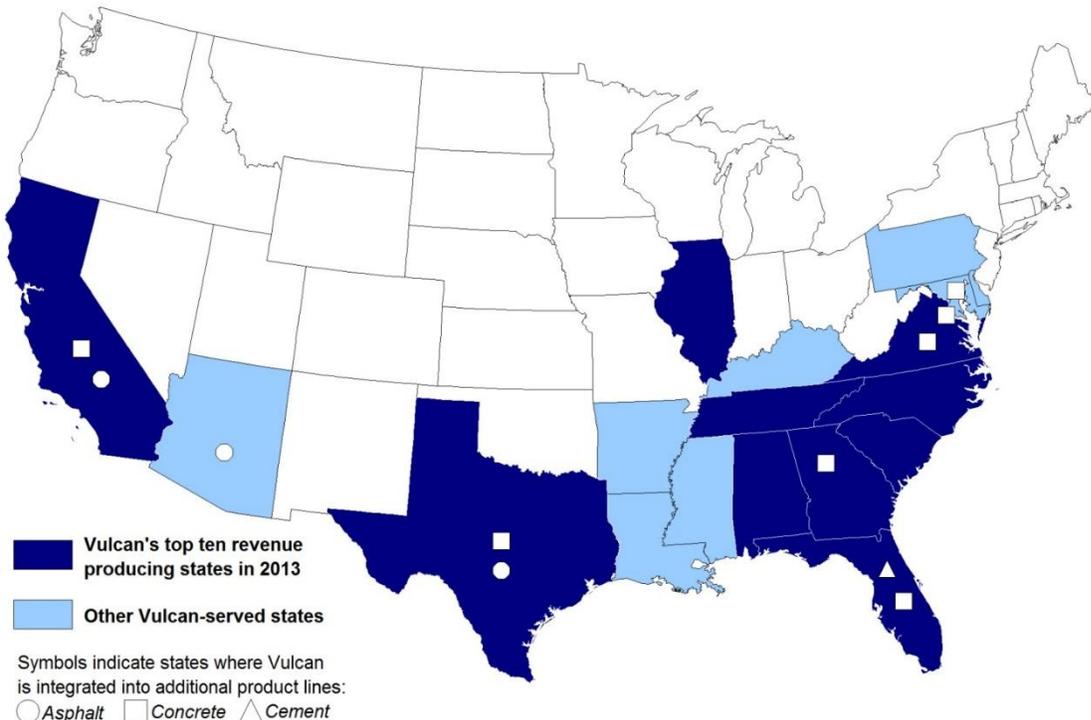
(B-1) Profile

Include in this section, at the minimum:

Company Description; major business units and % breakdown of revenue/earnings; % breakdown of domestic and international business; business model; management strategy; competition and competitors of each major business unit; sensitivity to business cycle & macro environment; life cycle; significant merger/acquisition or major restructure in recent years; significant pending litigations, material patents or other intellectual properties-related issues; major risk factors; other company or industry-specific development or issues deemed material (e.g., labor disputes, trade tensions, regulatory or policy changes, technology & product innovations, natural disasters, etc.)

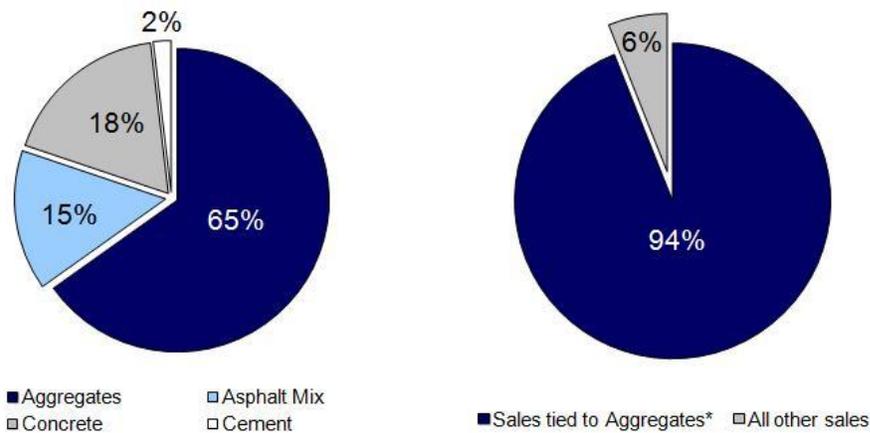
Company Description

Vulcan Materials is the U.S.'s largest producer of construction aggregates: primarily crushed stone, sand, and gravel. Construction aggregates are literally the building blocks used for infrastructure: roads, buildings, bridges, etc. Vulcan prides itself as having the largest aggregates reserve base in the US. Their reserves are strategically located to complement high growth areas. It is estimated that Vulcan-served states will account for about 75% of total population growth in the US from 2010 – 2020. Below is a map of where Vulcan operates and what services they provide in each state.



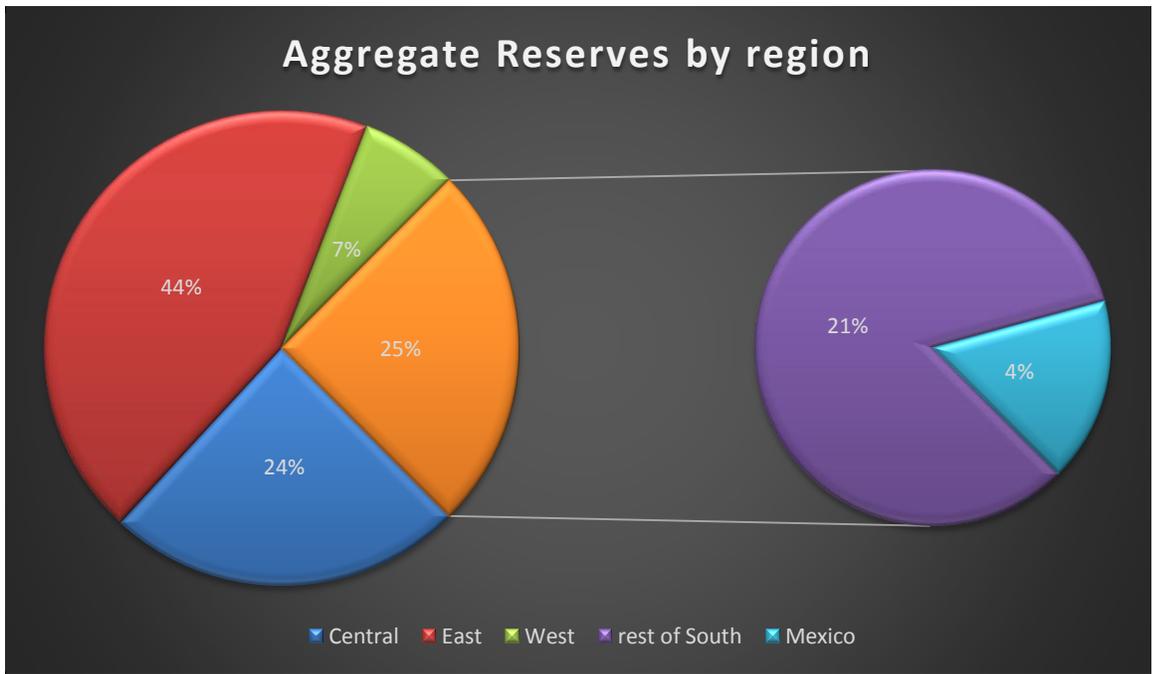
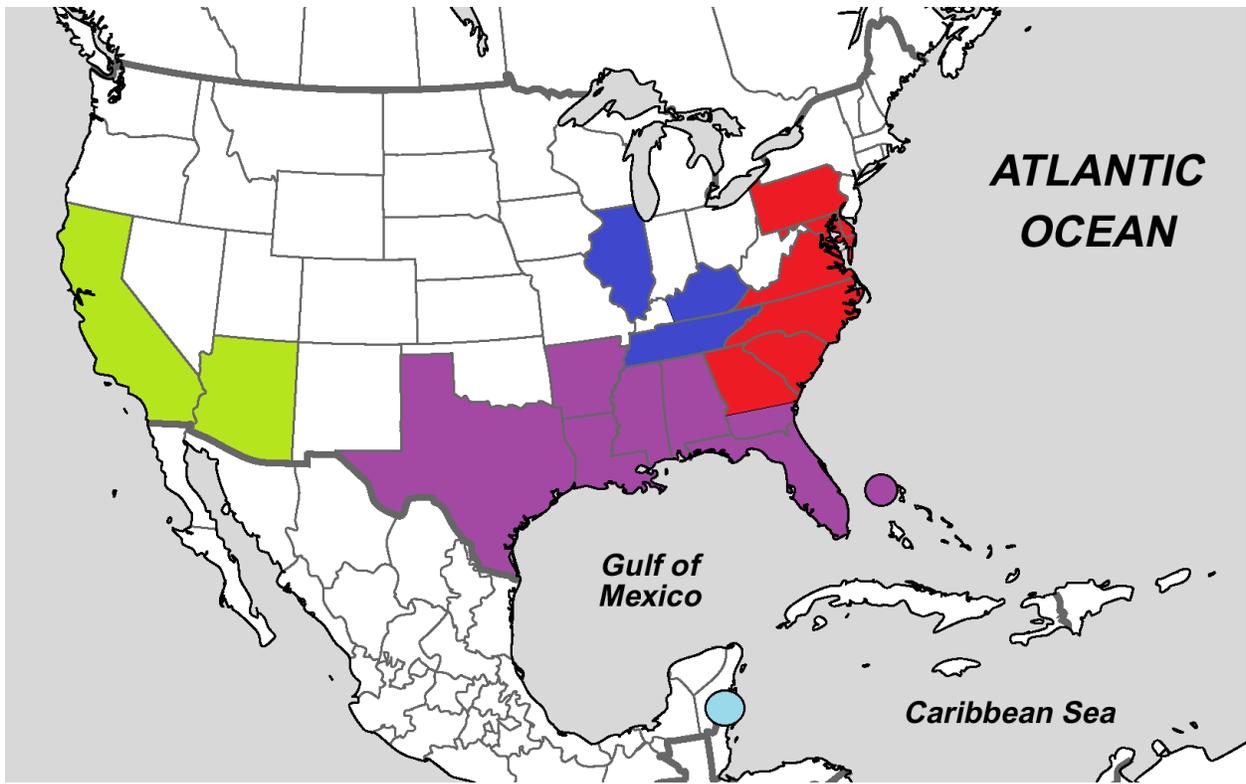
Product Portfolio

Additionally, Vulcan uses its aggregates to produce aggregate-based products, such as concrete, asphalt, and cement. Aggregates make up about 78% of concrete by weight and 95% of asphalt weight. Below is a chart representing Vulcan's 2013 net sales by product. The left chart is net sales specifically attributed to each product. The chart on the right is the portion of net sales directly tied to aggregates, since Vulcan uses its own aggregates to produce its concrete and asphalt mixes. Specifically, aggregates make up 78% of Vulcan's concrete by weight and 95% of their asphalt by weight.



Domestic and International Business

Vulcan does the vast majority of its business within the US, although they also operate in Mexico and the Bahamas as well. Whilst Mexico represents a fair amount of business, the Bahamas does not and there is little information regarding revenues from the Bahamas. However, Vulcan's 10-k does mention the Bahamas does some aggregates as well as concrete business. As of January 1st, 2014 Vulcan employed 6,902 people; one being from the Bahamas and 308 being from Mexico. Vulcan has one quarry in the Yucatan Peninsula of Mexico, which dominantly serves the Southern region of Vulcan's operations, but also serves some of the nearby communities surrounding the quarry. Nondomestic net sales of about \$12,339,000 (with an undisclosed, insignificant amount coming from operations in the Bahamas) account for about .47% of Vulcan's 2013 net sales. However, it is estimated that Vulcan's quarry in Mexico contributes to more than 5% of Vulcan's net sales. This is because Vulcan's Mexican quarry is their number one producer of aggregates. In 2013 they produced about 10 million tons of aggregates with the next most productive plant producing just 3.8 million tons. The Mexican quarry also holds more aggregate reserves than any of Vulcan's other plants; holding about 632.4 million tons out of a total 15.0212 billion tons. Below is a map of Vulcan's regions as well as a chart depicting the dispersion of Vulcan's aggregate reserves by said regions.



Management Strategy

There are five aspects to Vulcan's management strategy: aggregate focus, coast-to-coast footprint, profitable growth, tightly managed operational and overhead costs, and effective land management.

- 1) Vulcan is the largest aggregates company in the US and they have used that to their advantage. They maintain substantial reserves sufficient to supplement future growth.
- 2) As stated earlier, Vulcan-served states are estimated to account for 75% of US population growth from 2010 – 2020. Demand for aggregates correlates positively to population growth, household formation, and employment growth. Below is a chart detailing growth projections in Vulcan-served states for the preceding demographics.



- 3) Vulcan's long term growth has been supplemented by strategic acquisitions to further expand their aggregates business. Vulcan's strategic positioning of its aggregates reserves into high growth areas presents ample reinvestment opportunities in future projects within those areas.
- 4) Vulcan has worked to reduce costs in multiple areas over the past couple years. In 2012, their Profit Enhancement Plan focused to improve profitability through reduction of general and administrative expenses, as well as improved transportation/logistics programs. In the same year, Vulcan restructured enabling significant reductions in selling, administrative, and general expenses. In 2013, Vulcan continued to control operating costs and as a result their cash gross profit per ton of aggregates in 2013 was 33% higher than at its previous peak in 2005.
- 5) Vulcan employs effective land management as both a business strategy as well as a social responsibility. Much of the land they hold and mine will remain in their possession for some time, so effective post-mining land management is essential for long run profitability.

Acquisitions and Divestitures

2013 acquisitions:

- Land containing 136 million tons of aggregates reserves at an existing quarry previously leased by Vulcan for \$117 million.
- An aggregates production facility and four concrete facilities for \$30 million.
- Two aggregates production facilities for \$60 million.

2013 divestitures:

- A percentage of future production (estimated at about 255 million tons) from certain aggregates reserves. Plum Creek Timber Company (PCL) purchased these rights for \$154,000,000. Vulcan used this money for future acquisitions.
- Four aggregates production facilities for \$34,743,000.
- One aggregates production facility for \$5,133,000.

2012 divestitures:

- Two parcels of land totaling 148 acres for \$57,690,000.
- One aggregates production facility and 197 acres of land for \$10,476,000.
- A percentage of future production from aggregates reserves. Transaction valued at about \$75,200,000.

2011 acquisitions and divestitures:

- Acquired three aggregates facilities and divested two aggregates facilities, one asphalt facility, and two concrete facilities; transaction valued at about \$35,406,000. Vulcan realized a gain of \$587,000.
- Acquired ten concrete facilities for 432,407 shares of common stock (\$18,529,000).
- Divested four aggregates facilities for \$61,774,000.

2007 acquisitions:

- Acquired Florida Rock Industries, Inc. for \$4.6 billion in cash and stock. Allowed Vulcan to expand into Florida and other southeastern states.

1999 acquisitions:

- Acquired CalMat Co. for \$760 million. Allowed Vulcan to expand its aggregates business to California and Arizona.

Competitors

Vulcan lists the following publically traded aggregates producers as its top competitors: Cemex S.A.B. de C.V. (CX) [NYSE], CRH plc (CRH) [NYSE], HeidelbergCement AG (HEI.DE) [XETRA], Holcim Ltd. (HLBN.DE) [XETRA], Lafarge (CILF.EX) [EUREX], Martin Marietta Materials, Inc. (MLM) [NYSE], and MDU Resources Group, Inc. (MDU) [NYSE]. Vulcan estimates the ten largest aggregates producers produced from 25% - 30% of total US aggregates in 2013. Vulcan's market share is under 10%, despite them being the industry leader. Those are Vulcan's top competitors, however there are over 5,000 public and private aggregates companies operating within the US.

Risks

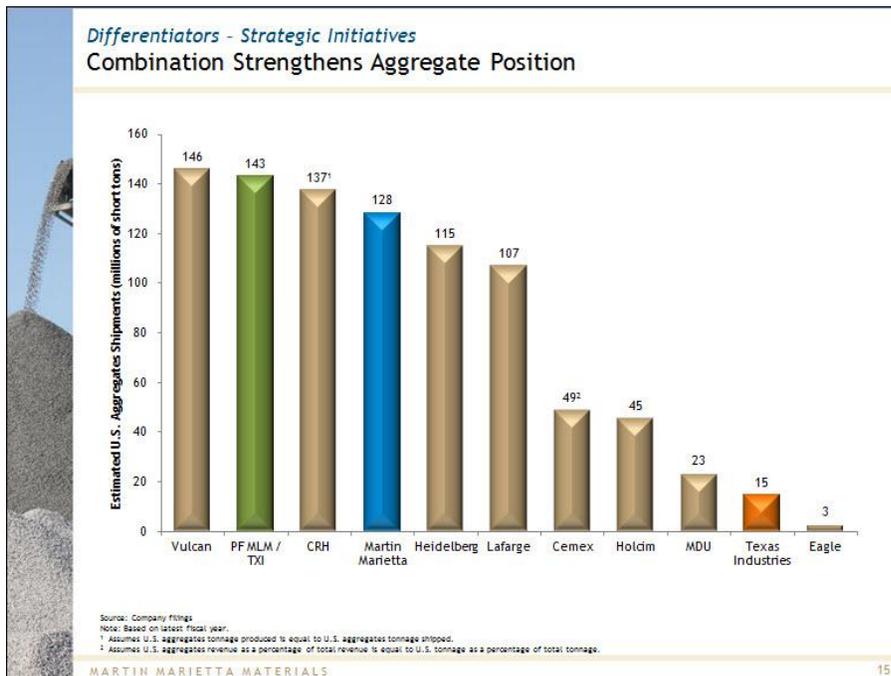
Investing in Vulcan involves a number of risks. Like many other companies, Vulcan is sensitive to the state of the US economy. As the economy improves, so does the construction business; however, the economy is recovering at a slow pace. Vulcan's operations are also subject to federal, state, local laws, and regulations regarding zoning and environmental matters that could potentially affect operating hours and capital expenditures. Also, legislation related to climate change has the potential to affect their costs as well as the way they operate.

Vulcan operates in a highly competitive industry comprised of many independent, local producers as well as a number of large private and public companies. This volume of competition could lead to lower prices and sales in some markets. Due to the difficulty in transporting heavy, bulky aggregates positioning is crucial. Therefore, Vulcan must make accurate estimates of growth in future markets in order to maintain competitiveness. Successful integration of past and future acquisitions is crucial to Vulcan's positioning strategy. In order to acquire more aggregates reserves in desired markets they must have cash on hand and they won't have much cash on hand if they cannot successfully integrate acquisitions.

Vulcan also faces risks due to the capital intensive nature of the industry, resulting in significant fixed costs. If, say, the economy tanks again and sales volume decreases Vulcan will be significantly negatively affected. Vulcan also incurred a considerable amount of short and long term debt to finance the Florida Rock merger ultimately resulting in a downgrade of their credit. Also, their interest expense increased quite a bit which substantially weighted down their operating cash flows. Additionally, Vulcan uses estimates for a number of significant items in their finances, which if estimated inaccurately could negatively affect their financial position.

Vulcan also faces significant natural and energy related risks. Since most of their business is done outdoors, Vulcan can be adversely affected by inclement weather; this should not be much of a problem in the coming summer months. Also, due to the vast amount of 3rd party transportation Vulcan uses, they are very sensitive to alterations in the prices of these services. Namely: tariffs, rate increases, and rising fuel costs. Additionally, Vulcan is sensitive to other energy costs such as electricity and petroleum. Variability in these prices could therefore decrease Vulcan’s profitability.

Another significant risk to Vulcan is Martin Marietta Materials’ not yet closed acquisition of Texas Industries (TXI) for \$2.7 billion. MLM and TXI are currently in the stage of filing antitrust paperwork per the Hart-Scott-Rodino Antitrust Improvements Act. Basically, the Department of Justice is currently reviewing whether or not the acquisition would violate any antitrust laws, effectively ending competition within the industry. Should the deal close, MLM would significantly increase its aggregates position making them more competitive with Vulcan. Below is a graphic showing MLM’s hypothetical aggregates shipments in tons if they were to acquire TXI. TXI is in orange, MLM is in blue, and MLM after the acquisition with TXI would be green. As you can see, said acquisition would make MLM 2nd only to Vulcan in aggregates shipments.



Legal Proceedings

Litigation from R.R. Street Indemnity, whom Vulcan used to do business with, alleges that they owe Street for defense fees related to previous litigation matters; there has been no resolution so far. More litigation comes from liability retained after Vulcan sold off its chemicals business in 2005. In August 2012, the salt mine Vulcan once leased formed a sinkhole and Vulcan was brought in as a direct and third-party defendant. The litigation alleges Vulcan was negligent and had breached the salt lease. Vulcan denies any liability in this matter.

Vulcan cannot reasonably estimate the outcome or effect of these proceedings; however, they keep cash on reserve for situations such as these.

Environmental Matters

In Suffolk County, New York the county is accusing Vulcan of allegedly contaminating the water supply; discovery is ongoing. Vulcan and about 70 other companies are subject to an Administrative Order on Consent (AOC) with the Environmental Protection Agency (EPA) from May 2007. A Remedial Investigation/Feasibility Study (RI/FS) of the lower 17 miles of the Passaic River is currently underway.

Similar to Vulcan's other legal proceedings, the outcome and effect of these matters cannot be reasonably estimated. Yet Vulcan reserves cash for the possibility of punitive fees.

(B-2) Revenue and Earnings History (Refer to the guidelines document for revenue and earnings data to be included)

Revenue			Earnings Per Share		
Periods	2012	2013	Periods	2012	2013
March	535.882	538.162	March	-0.44022	-0.47332
June	694.136	738.733	June	-0.13098	0.2294
September	728.861	813.568	September	0.11996	0.32097
December	608.431	680.246	December	0.03426	0.07662
Annual	2567.31	2770.709	Annual	-0.41698	0.15367

Note: Units in Millions of U.S. Dollars **Note: Units in U.S. Dollars**

- 1) What are your observations on revenue? Was there a notable up- or down-trend, year-over-year? Was there seasonable pattern?**

Revenues seem to be very seasonal for Vulcan. Revenues tend to bottom out in March, followed by an upward spike that peaks in September (the end of summer). From September it declines until March.

2) Likewise, what are your observations on earnings?

Earnings seem to generally follow the same trend as revenues; they trough in March and peak in September.

(B-3) Most Recent Quarterly Earnings Release

1) When was the company's most recent earning release?

Vulcan's annual report for 2013 was released on February 26th, 2014

2) In that earnings report, was reported revenue a (1) beat, (2) match, or (3) miss from consensus estimate?

Vulcan beat its revenue estimates by about \$68.77 million in 2013.

3) Likewise, was reported earnings a (1) beat, (2) match, or (3) miss from consensus estimate?

Vulcan obliterated earnings estimates by 0.11, or over 450% for 2013.

4) What did the management attribute the beat/miss to?

Oddly enough, neither the management nor analysts had anything to say about the beats of revenue and earnings estimates.

5) Did the management provide guidance about their current quarter and their outlook for the year? What were the key points of the guidance?

Management will continue their main strategy of expanding their aggregates reserves through acquisitions, although no specific plans have been offered for 2014. However, a couple things of note for 2014 include Vulcan does not expect any difficulties (price hikes) in obtaining natural resources for the coming year. Also, Vulcan has entered into an agreement with Cementos Argos to sell off their cement and concrete businesses in Florida, which is expected to finalize in Q1 2014.

6) How did the stock react to that earnings release?

The stock rose about 3% in the couple days following the release then returned to normal levels after about one and a half weeks.

7) Other observations worth noting?

Book value /share (along with book value and number of shares outstanding):

Book value:	<u>3,938.1 million</u>
# of shares outstanding:	<u>130.2 million</u>
Book value / share:	<u>30.247 million</u>
Dividend payout ratio:	<u>25.06%</u>
Next fiscal year end:	<u>2014</u>
Current fiscal month:	<u>4</u>
Target ROE:	<u>27.89%</u>

***** Indicate next to the number if you made an adjustment to the target ROE estimate. Justify at the bottom of this panel how you derive the adjusted value, if any *****

Discount rate	<u>11.65%</u>
Input for discount rate:	
Risk-free rate:	<u>3.6%</u>
Beta:	<u>1.49</u>
Market risk premium:	<u>9%</u>

Output

Above normal growth period chosen: 6 years (2020)

***** Justify at the bottom of this panel your choice of abnormal growth period *****

I chose 6 years (2020) as the above normal growth period since Vulcan estimated they serve areas that will complement 75% of the US's population growth from 2010 – 2020. In short, they expect substantial growth until at least 2020 given where they are at now.

EBO valuation (Implied price from the spreadsheet): \$13.20

1) Comment on the fundamental value obtained in relation to the stock's current price and its 52-week price range.

The EBO valuation is a mere fraction of the current stock price, suggesting that the stock could be astronomically overvalued. Although, I think soft spots are more likely to have caused this since the EBO is not even within Vulcan's 52-week range of \$45.42 - \$69.50.

2) What might be the "soft spots" of the inputs? And why?

The major soft spot in this valuation is definitely the EPS forecasts, which I will address in my sensitivity analysis.

Sensitivity Analysis

1) Explain the input values used in sensitivity analysis. Compare the fundamental values obtained here in relation to the value from the base case

I chose 11 years (2025) in my sensitivity analysis simply to show the wide range of implied prices from 6 – 11 years. Changing the long term growth rate to the lowest estimate of 5% is too low for the above normal growth period of 6 years that I chose. Therefore, that analysis metric should not be considered too heavily. I changed the discount rate to a lower level of 10% given the slow economic recovery we are currently experiencing. I changed the target ROE to Vulcan's pre-recession average of 18.035% to better represent the company rather than the industry. This change had no effect on the price in the above normal growth period. Next is a measure that I added. I discovered that altering the EPS forecasts had a substantial effect on present and future implied prices, so I looked at Vulcan's EPS history. It wasn't until the recession that Vulcan's EPS hit negative levels, so I estimated what their EPS might've been had the recession not happened. What I came up with was 4.75 and 5 for FY1 and FY2, respectively. The effect was tremendous on the implied prices, as can be seen from the sensitivity analysis below.

2) Other observations worth noting

EBO valuation would be (you can include more than one scenario in each of the following):

\$52.93 if changing above normal growth period to 11 years (2025)

NA (already set to highest) if changing growth rate from mean (consensus) to the highest estimate NA

\$11.15 if changing growth rate from mean (consensus) to the lowest estimate 5%

\$16.33 if changing discount rate to 10%

\$13.20 (unchanged) if changing target ROE to 18.035%

\$41.52 if changing FY1 and FY2 EPS forecasts, respectively, to 4.75 and 5 (additional sensitivity analysis measure added by analyst)

Section (D) Relative Valuation

Copy/paste your completed relative valuation spreadsheet here

VMC													
Mean FY2													
Ticker	Name	Mkt Cap	Current Price	Earnings Estimate (next fiscal year)	Forward P/E	Mean LT Growth Rate	PEG	P/B (MRQ)	ROE 5 yr ave	Value Ratio	P/S TTM	P/CF TTM	
1	CX	Cemex S.A.B. de C.V.	\$ 15,002.65	\$ 12.95	\$ 0.33	39.24	3.00%	13.08	1.48	-7.42%	-0.20	1.00	91.7
2	CRH	CRH plc	\$ 21,497.78	\$ 29.29	\$ 1.72	17.03	28.00%	0.61	1.63	3.72%	0.44	0.86	36.08
3	MLM	Martin Marietta Mat.'s	\$ 5,839.09	\$ 126.81	\$ 5.46	23.23	8.00%	2.90	3.81	6.70%	0.57	2.71	19.89
4	MDU	MDU Resources Group	\$ 6,638.83	\$ 34.22	\$ 1.77	19.33	6.60%	2.93	2.36	4.54%	0.52	1.49	9.98
	VMC	Vulcan Materials	\$ 8,510.44	\$ 64.82	\$ 1.61	40.26	7.00%	5.75	2.15	-1.00%	(2.15)	3.07	25.96
Implied Price based on:					P/E	PEG	P/B	Value	P/S	P/CF			
1	CX	Cemex S.A.B. de C.V.				\$63.18		\$147.42	\$44.62		\$6.01	\$21.11	\$228.97
2	CRH	CRH plc				\$27.42		\$6.85	\$49.14		-\$13.21	\$18.16	\$90.09
3	MLM	Martin Marietta Mat.'s				\$37.39		\$32.72	\$114.87		-\$17.14	\$57.22	\$49.66
4	MDU	MDU Resources Group				\$31.13		\$33.01	\$71.15		-\$15.67	\$31.46	\$24.92
		High				\$63.18		\$147.42	\$114.87		\$6.01	\$57.22	\$228.97
		Low				\$27.42		\$6.85	\$44.62		-\$17.14	\$18.16	\$24.92
		Median				\$34.26		\$32.87	\$60.15		-\$14.44	\$26.29	\$69.88

Cemex S.A.B. de C.V. profile:

Cemex is a multinational supplier of building materials and cement production. They, as well as their subsidiaries, engage in the production, distribution, marketing, and sale, of cement, concrete, aggregates, clinker (a type of cement), and other construction materials. Vulcan and Cemex compete in the areas of aggregates, cement, and concrete.

NOTE: There was no long term growth estimate for Cemex on Reuters or Morningstar, I took their average growth from 2013 in their annual report and determined their growth rate to be 3%.

CRH plc profile:

CRH is a very diverse, multinational building materials business. Its products are classified under three different groups: Architectural Products (cement masonry and hardscapes, lawn and garden products, cement, fencing), Precast (utility, drainage and structural precast, construction accessories), and BuildingEnvelope® (glass and aluminum glazing systems). CRH competes with Vulcan in the areas of aggregates, asphalt, and concrete. Currently, CRH has about 13 billion tons of aggregates reserves; 2nd only to Vulcan's 15.0212 billion tons.

NOTE: CRH did not have a long term growth rate on Reuters, so I used the "5Y Growth Forecast %" on Morningstar.

Martin Marietta Materials profile:

MLM is a US based company that produces aggregates, chemicals, and composite materials. MLM also produces asphalt, concrete, magnesia chemicals, high-calcium limestone for flue gas desulfurization, and topsoil. MLM is only 2nd to Vulcan in aggregates production. Vulcan and MLM compete in the areas of aggregates, asphalt, and concrete.

MDU Resources Group profile:

MDU is a diversified energy that distributes electricity and natural gas. Through the acquisition of Cascade Natural Gas Corporation, they now provide aggregates, asphalt, building materials, cement, construction services, and concrete. Vulcan and MDU compete in aggregates, asphalt, cement, and concrete.

Note: Your discussions in this section should address all of the following valuation metrics: forward P/E, PEG, P/B (MRQ), P/S (TTM), and P/CF (TTM). If you made a decision excluding a competitor from calculation of median of a particular valuation multiple, you must justify your decision (i.e., reasons why you feel strongly that particular valuation multiple from a particular competitor is not a good indicator).

1) Discuss various valuation multiples of your stock and its peers. Comment if any of these stocks have multiples far off from the others and explain whether it makes sense.

The forward P/E's for all peers look pretty similar. It's after I entered the long term growth rates the metrics start to really get skewed. This is likely due to Cemex's and CRH's lack of long term growth rates on Reuters. I had to go searching for them in financial statements and on Morningstar and I don't believe either of those growth rates to be particularly accurate. It is because of this the PEG ratios differ so much. The P/B and P/S ratios seem to also be relatively in the same area. However, 5% year average ROE and P/CF seem to vary quite a bit among the peers.

2) Discuss the various implied prices of your stock derived from peers' ("Comparables") multiples. Compare these implied prices to current price and 52-week high and low. How different are the prices derived from the various valuation metrics? Note any valuation metrics that seem to yield outlier prices and explain whether it makes sense.

The most accurate implied price is obtained using Cemex's forward P/E ratio. The implied price using that metric is \$63.18 and Vulcan's current price is \$64.82. The only other implied price within Vulcan's 52-week range is \$49.14, which was obtained using CRH's P/B ratio. The highest outlier price of \$228.97 comes from using Cemex's P/CF ratio. This is way off considering Cemex's P/CF ratio is almost quadruple the amount of Vulcan's. The lowest

outlier price is \$6.85, which was calculated using CRH's PEG ratio. Like the previous outlier, this is also way off. This is due to CRH's PEG ratio being calculated using an extremely bloated long term growth rate, as mentioned earlier.

3) Compare your findings with comments from analysts from *Morningstar Direct* and other online resources.

Morningstar analysts put Vulcan's fair value at \$58. They suggest that Vulcan has a strong possibility of beating earnings again this upcoming quarter based off of the last few quarters of beats.

4) Other observations worth noting?

Section (E) Revenue and Earnings Estimates

(E-1) Copy/Paste “Historical Surprises” Table from <http://www.reuters.com/>, “Analysts” tab (include both revenue and earnings; make note that revenues might be in “millions”)

Review recent trends in company’s reported revenue and earnings, and discuss whether (1) the company has a pattern of “surprising” the market with numbers different from analysts’ estimates; (2) Were the surprises positive(actual greater than estimate) or negative (actual less than estimate)? (3) Were the surprises more notable for revenue or earnings? (4) Look up the stock chart to see how the stock price reacted to the “surprises.

NOTE: Reuters does not put the sign on the surprise. You need to put a “negative” sign when it is a negative surprise.

HISTORICAL SURPRISES

Sales and Profit Figures in US Dollar (USD)

Earnings and Dividend Figures in US Dollar (USD)

Estimates vs Actual	Estimate	Actual	Difference	Surprise %
SALES (in millions)				
Quarter Ending Dec-13	650.69	680.25	29.56	4.54
Quarter Ending Sep-13	774.13	813.57	39.44	5.09
Quarter Ending Jun-13	741.41	738.73	2.68	0.36
Quarter Ending Mar-13	535.71	538.16	2.45	0.46
Quarter Ending Dec-12	616.82	608.43	8.39	1.36
Earnings (per share)				
Quarter Ending Dec-13	-0.02	0.08	0.1	-530.11
Quarter Ending Sep-13	0.27	0.32	0.05	19.81
Quarter Ending Jun-13	0.14	0.23	0.09	65.11
Quarter Ending Mar-13	-0.36	-0.49	0.13	-37.37
Quarter Ending Dec-12	-0.1	-0.32	0.22	-228.21

There have not been too many significant surprises in regards to Vulcan’s sales with the exception of the latest two quarters with a positive surprise of about 5%. Earnings, on the other hand, have seen some extraordinary surprises lately. Although I’m not really sure why the latest surprise was considered negative when the actual was more positive than the estimate, the surprise was more than 500%. The past two quarterly earnings as well as the earnings report after Q4 2012 resulted in moderate spikes in the stock price. The other two earnings reports, Q1 and Q2 2013, did not have any significant effect on the stock prices.

(E-2) Copy/paste “Consensus Estimates Analysis” Table from <http://www.reuters.com/>, “Analysts” tab (include both revenue and earnings)

Review the range and the consensus of analysts’ estimates. (1) Calculate the % difference of the “high” estimate from the consensus (mean); (2) Calculate the % (negative) difference of the “low” estimate from the consensus; (3) Are the divergent more notable for the current or out- quarter, FY1 or FY2, revenue or earnings? (4) Note the number of analysts providing LT growth rate estimate. It that roughly the same as the number of analysts providing revenue and earnings estimates?

CONSENSUS ESTIMATES ANALYSIS

Sales and Profit Figures in US Dollar (USD)

Earnings and Dividend Figures in US Dollar (USD)

	# of Estimates	Mean	High	Low	1 Year Ago	Mean-High % diff.	Mean-Low % diff.
SALES (in millions)							
Quarter Ending Jun-14	8	779.01	796.7	755.6	798.35	2.271%	-3.005%
Quarter Ending Sep-14	8	855.95	874.77	827.8	852.4	2.199%	-3.289%
Year Ending Dec-14	11	2,906.99	3,042.00	2,783.40	3,014.87	4.644%	-4.251%
Year Ending Dec-15	9	3,239.93	3,332.00	3,052.20	3,340.05	2.842%	-5.794%
Earnings (per share)							
Quarter Ending Jun-14	13	0.38	0.47	0.34	0.35	23.684%	-10.526%
Quarter Ending Sep-14	13	0.52	0.65	0.45	0.48	25%	-13.462%
Year Ending Dec-14	13	0.82	1.1	0.7	0.78	34.146%	-14.634%
Year Ending Dec-15	14	1.61	2.15	1.17	1.64	33.54%	-27.329%
LT Growth Rate (%)	2	7	9	5	9.67	28.571%	-28.571%

Divergence rates for sales are slightly more prominent for the year ending estimates, rather than the quarter ending estimates. As for earnings, divergence rates are very high in all period endings. As for LT Growth Rate, there are only two analysts reporting leading to very high divergence rates.

(E-3) Copy/paste “Consensus Estimates Trend” Table from <http://www.reuters.com/>, “Analysts” tab (include both revenue and earnings)

Review recent trend of analysts’ consensus (mean) estimates on revenue and earnings. (1) Are the consensus estimates trending up, down, or stay the same? (2) Is the trend more notable for the near- or out- quarter, FY1 or FY2, revenue or earnings?

CONSENSUS ESTIMATES TREND

Sales and Profit Figures in US Dollar (USD)

Earnings and Dividend Figures in US Dollar (USD)

	Current	1 Week Ago	1 Month Ago	2 Month Ago	1 Year Ago
SALES (in millions)					
Quarter Ending Jun-14	779.01	779.01	784.13	785.36	798.35
Quarter Ending Sep-14	855.95	855.95	864.3	865.69	852.4
Year Ending Dec-14	2,906.99	2,906.99	2,913.52	2,970.53	3,014.87
Year Ending Dec-15	3,239.93	3,239.93	3,239.93	3,298.15	3,340.05
Earnings (per share)					
Quarter Ending Jun-14	0.38	0.38	0.38	0.37	0.35
Quarter Ending Sep-14	0.52	0.52	0.51	0.51	0.48
Quarter Ending Dec-14	0.82	0.82	0.8	0.72	0.78
Quarter Ending Dec-15	1.61	1.61	1.6	1.57	1.64

With the exception of Q3 2014, sales estimates trends have gone down from 2 months and 1 year ago. With the exception of Q4 2015, earnings estimates trends have been going up from 2 months and 1 year ago.

(E-4) Copy/paste the “Estimates Revisions Summary” Table from <http://www.reuters.com/>, “Analysts” tab (include both revenue and earnings)

Review the number of analysts revising up or down their estimates (both revenue and earnings) in the last and last four weeks. (1) Note whether there are more up or down revisions; (2) are the revisions predominantly one directional? (3) Any notable difference last week versus last four weeks, revenue versus earnings?

ESTIMATES REVISIONS SUMMARY

Number Of Revisions:	Last Week		Last 4 Weeks	
	Up	Down	Up	Down
Revenue				
Quarter Ending Jun-14	0	0	0	1
Quarter Ending Sep-14	0	0	0	1
Year Ending Dec-14	0	0	0	1
Year Ending Dec-15	0	0	0	0
Earnings				
Quarter Ending Jun-14	0	0	2	1
Quarter Ending Sep-14	0	0	2	0
Year Ending Dec-14	0	0	2	1
Year Ending Dec-15	0	0	1	1

There have been no revisions in revenue or earnings estimates in the past week for Vulcan. For the last 4 weeks, revenue estimates have gone down for FY1 and its respective quarters. Earnings estimates for the last 4 weeks, however, have gone up by about 2:1. These upward estimates mostly affect FY1 and its respective quarters, although FY2 has had both an upward and a downward revision.

(E-5) "Consensus Earnings Revisions" from CNBC

Go to <http://www.cnbc.com/>, "news", "earnings", "calendar", "consensus revisions". Look for whether your stock had consensus earnings revision today. Copy/paste the information to the following table if any. Go back one day, copy/paste the information if there was consensus earnings revision. Repeat the process back one month. Add rows to the table if needed.

Revision Date	Revision Type	Revision Up/Down	Current	Previous	% Change	# of Analysts Reporting
4/3/14	Down	1/1	-\$0.34	-\$0.34	↓0.59	12

1) Make note of the company's (1) last earnings reporting date, and (2) next earnings reporting date.

The only revision over the past month was a downward revision on 4/3/14.

2) Review revisions day by day, and comment on (1) whether they tend to be clustered, and (2) if clustered, were they near earnings reporting date?

There were no earnings reports within the last month for the one consensus revision to coincide with.

3) Were there any greater than 10% consensus revisions? What is the maximum % consensus revision?

No revisions were greater than 10%. The only revision was a mere 0.59% downward revision.

4) Observe stock price chart, how did the stock trade around dates of greater than 10% consensus revisions?

NA

5) Other observations worth noting?

Section (F) Analysts' Recommendations

(F-1) Reuters Most Recent Three Months Analysts Recommendations

Copy/paste the "Analyst Recommendations and Revisions" Table from

<http://www.reuters.com/>, "Analysts" tab. NOTE: Make sure you copy the entire table including "Mean Rating" at the bottom of the table.

Analyst Recommendations and Revisions				
1-5 Linear Scale	Current	1 Month Ago	2 Month Ago	3 Month Ago
(1) BUY	4	4	4	2
(2) OUTPERFORM	3	3	3	3
(3) HOLD	6	6	7	8
(4) UNDERPERFORM	2	2	2	2
(5) SELL	0	0	0	0
No Opinion	0	0	0	0
Mean Rating	2.4	2.4	2.44	2.67

1) Review the trend of analyst recommendations over the last three months. Is there a notable change of analyst opinions, turning more bullish or bearish?

There has been a slightly bullish change in recommendations over the past 3 months. As you can see, there are a couple less holds and a couple more buys as opposed to 3 months ago.

2) How many different ratings out of the five possible ones did the company receive currently, one, two, and three months ago?

Vulcan has received four out of the five possible ratings over the past 3 months.

3) Is there a notable trend of opinion convergence or divergence?

Even though the stock has become a little more bullish over the past 3 months, there is still a general consensus among analysts that the stock is a hold. About 35% of the recommendations are a hold recommendation.

4) Cross check (1) Morningstar analyst's research report; and (2) media or other analysts' comments from online financial sites. Is what you see here consistent to comments elsewhere?

What I see here is pretty representative of general consensus seen on Morningstar and other financial sites. The consensus is that the stock is generally a hold with positive long term prospects.

5) Other observations worth noting?

NOTE: On a Five-point scale, Reuters assigns “1” to “Buy”, the most bullish recommendation, and “5” to “Sell”, the most bearish recommendation. Some other online sites have opposite scale, with their “1” being the most bearish and “5” being the most bullish recommendations.

(F-2) Most Recent One Month Analysts Upgrades/Downgrades from CNBC

Go to <http://www.cnbc.com/>, “news”, “earnings”, “calendar”, “upgrades” and “downgrades”. Look for whether your stock was up- or down-graded by one or more analysts today. Copy/paste the information to the following table if any. Go back one day, copy/paste the information if there was (were) upgrades or downgrades. Repeat the process back one month. Add rows to the table if needed.

Revision Date	Current Recommendation	Previous Recommendation	Firm	Last Revision
Most recent revision date				
Earliest revision date in the last month				

1) Make note of the company’s (1) last earnings reporting date, and (2) next earnings reporting date.

Last earnings report: 10k on 2/26/14

Next earning report: 10q around 5/6/14, not officially announced yet

2) Add up the number of upgrades on weekly basis. Do the same for downgrades. Were there more up- or down-grades? Were there any consistent trend you observe in the recent month? Were there any up- or down-grades of more than “one grade”?

There were no upgrades or downgrades of Vulcan from the past month.

3) Were there clustering of up- or down-grades? If so, were they clustered around earnings report date?

NA

4) Observe stock price chart, how did the stock trade around dates of up- or down-grades?

NA

5) Other observations worth noting?

Section (G) Institutional Ownership

Copy/paste the completed "CIF Institutional Ownership" spreadsheet here.

VMC

Ownership Activity	# of Holders	% Beg. Holders	Shares	% Shares
Shares Outstanding			130,713,832	100.00%
# of Holders/Total Shares Held/% Shares	424	100.00%	116,910,451	89.44%
# New Positions	3	0.71%		
# Closed Positions	3	0.71%		
# Increased Positions	15	3.54%		
# Decreased Positions	15	3.54%		
Beg. Total Inst. Positions	424	100.00%	116,799,345	89.36%
# Net Buyers/3 Mo. Net Chg	0	50.00%	111,106	0.08%

Ownership Information	% Outstanding
% Institutional Ownership	NA
Top 10 Institutions % Ownership	60.95%
Mutual Fund % Ownership	50.19%
5%/Insider Ownership	0.22%
Float %	87.00%

> 5% Ownership			
Holder Name	% Change	% Outstanding	Report Date
T. Rowe Price Associates, Inc.	1.20%	12.01%	12/31/2013
State Farm Mutual Automobile Ins CO	0.00%	9.74%	12/31/2013
Fidelity Management and Research Company	3.34%	6.84%	12/31/2013
Vanguard Group, Inc.	3.22%	6.74%	12/31/2013
Dodge & Cox	-9.73%	5.40%	12/31/2013
OppenheimerFunds, Inc.	2.96%	4.68%	12/31/2013
State Street Corp	2.76%	4.41%	12/31/2013
Arnhold & S. Bleichroeder Advisers, LLC	0.89%	4.35%	12/31/2013

Combine information provided in all three sections to discuss:

1) Whether institutions, on net basis, have been increasing or decreasing ownership and whether the change can be considered as substantial

New and increased positions are exactly equal to closed and decreased positions. This supports the general consensus that the stock is right in the middle, in other words a hold.

2) Whether the stock has sizable institution interests/support

Vulcan has a very positive institutional ownership percentage of 89.44%. It is especially positive when you consider the institutional ownership percentage of its top competitors, which do not near the level Vulcan has.

3) The extent of the (> 5%) owners by adding up all >5% ownership, and make an attempt to identify those that are mutual funds

Note:

Select “mutual fund ownership” in the view box, it will bring up large mutual fund ownership. Cross check the two lists. You need to know that the “institution ownership” list is reported at the fund family level, while the “mutual fund ownership” list is reported at the fund level.

Alternatively, you can google funds included in the “institution ownership” list to learn if they are mutual fund family or hedged funds, etc.

Institutional owners of >5% of Vulcan own about 54.17% of the stock. None of these >5% holders are mutual funds.

4) Other observations worth noting?

Section (H) Short Interest

(H-1) Short Interest Data from <http://www.nasdaq.com/> (NASDAQ's website)

Copy/paste or type the information from "short interest" table for (1) your stock and (2) two competitors (in separate tables). You will start from the most recent release date, and go back for a year (some stocks may not have data going back 1 year)

Copy/paste the chart to the right of the "short interest" table, immediately follow the table below

Vulcan Materials:

Settlement Date	Short Interest	Avg. Daily Shr. Vol.	# of Days to Cover
3/31/2014	4,046,290	769,683	5.257086
3/14/2014	4,089,780	751,563	5.441699
2/28/2014	3,996,526	797,341	5.012317
2/14/2014	3,764,193	1,527,539	2.464221
1/31/2014	3,920,213	1,342,195	2.920748
1/15/2014	4,711,539	943,776	4.992222
12/31/2013	5,176,003	602,731	8.587584
12/13/2013	5,300,056	617,380	8.584755
11/29/2013	5,176,277	643,569	8.043080
11/15/2013	5,609,492	1,008,817	5.560465
10/31/2013	6,264,735	501,215	12.499097
10/15/2013	5,995,781	477,282	12.562345
9/30/2013	5,668,517	618,026	9.171972
9/13/2013	5,470,388	623,928	8.767659
8/30/2013	5,269,147	705,616	7.467443
8/15/2013	4,847,679	661,237	7.331228
7/31/2013	4,231,148	538,941	7.850856
7/15/2013	4,393,711	541,602	8.112435
6/28/2013	4,070,861	676,509	6.017453
6/14/2013	4,460,394	533,633	8.358542
5/31/2013	4,493,333	539,032	8.335930
5/15/2013	4,602,915	736,109	6.253035
4/30/2013	4,526,311	871,352	5.194584
4/15/2013	4,557,626	573,030	7.953556



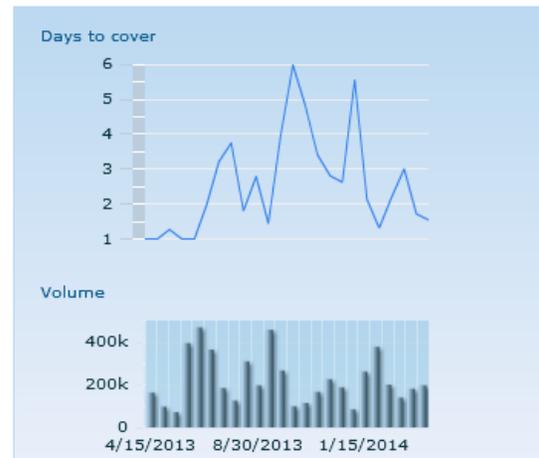
Cemex S.A.B. de C.V.:

Settlement Date	Short Interest	Avg. Daily Shr. Vol.	# of Days to Cover
3/31/2014	78,589,812	13,843,938	5.676839
3/14/2014	73,766,229	14,662,828	5.030832
2/28/2014	80,757,697	12,526,771	6.446809
2/14/2014	85,847,517	13,145,502	6.530562
1/31/2014	80,339,218	19,225,065	4.178879
1/15/2014	87,050,523	17,567,786	4.955122
12/31/2013	88,231,506	12,715,665	6.938804
12/13/2013	88,601,489	13,442,973	6.590915
11/29/2013	85,535,584	9,987,566	8.564207
11/15/2013	85,981,281	13,706,603	6.272983
10/31/2013	87,954,854	14,851,928	5.922117
10/15/2013	85,270,359	11,381,436	7.492056
9/30/2013	80,349,032	16,855,704	4.766875
9/13/2013	89,131,906	11,378,487	7.833371
8/30/2013	93,578,883	9,003,456	10.393663
8/15/2013	97,476,381	10,309,022	9.455444
7/31/2013	98,264,684	11,064,778	8.880855
7/15/2013	98,305,839	12,119,445	8.111414
6/28/2013	102,923,101	21,346,605	4.821521
6/14/2013	95,027,894	14,372,916	6.611595
5/31/2013	97,124,410	12,730,087	7.629517
5/15/2013	97,601,352	11,984,373	8.144052
4/30/2013	96,220,746	15,829,510	6.078568
4/15/2013	92,529,304	16,165,408	5.723908



CRH plc:

Settlement Date	Short Interest	Avg. Daily Shr. Vol.	# of Days to Cover
3/31/2014	304,143	196,165	1.550445
3/14/2014	309,938	180,360	1.718441
2/28/2014	415,414	138,283	3.004086
2/14/2014	436,273	199,359	2.188379
1/31/2014	493,845	376,502	1.311666
1/15/2014	557,062	260,596	2.137646
12/31/2013	462,437	83,076	5.566433
12/13/2013	491,026	186,859	2.627789
11/29/2013	630,864	224,688	2.807733
11/15/2013	565,317	165,645	3.412823
10/31/2013	550,561	114,014	4.828889
10/15/2013	586,590	98,158	5.975978
9/30/2013	1,056,385	266,010	3.971223
9/13/2013	663,307	456,794	1.452092
8/30/2013	546,768	195,957	2.790245
8/15/2013	556,831	308,926	1.802474
7/31/2013	465,212	124,077	3.749381
7/15/2013	593,304	184,340	3.218531
6/28/2013	723,061	364,700	1.982619
6/14/2013	207,447	467,285	1.000000
5/31/2013	132,306	395,110	1.000000
5/15/2013	89,940	70,520	1.275383
4/30/2013	76,604	96,901	1.000000
4/15/2013	89,188	161,525	1.000000



(H-2) Short Interest Data From <http://finance.yahoo.com/>

Copy/paste required data from the “share statistics” table to the following table for (1) your stock, and (2) two competitors (in separate tables).

Vulcan Materials:

Avg Vol (3 month)	Avg Vol (10 day)	Shares Outstanding	Float
1,055,760	1,017,300	130.56 million	129.73 million
Shares Short (Most recent date)	Short Ratio (Most recent date)	Short % of Float (Most recent date)	Shares Short (2 weeks prior)
4.05 million (March 31 st , 2014)	5.3 (March 31st, 2014)	3.5% (March 31 st , 2014)	4.09 million

Cemex S.A.B. de C.V.:

Avg Vol (3 month)	Avg Vol (10 day)	Shares Outstanding	Float
15,179,200	17,549,800	1.14 billion	883.96 million
Shares Short (Most recent date)	Short Ratio (Most recent date)	Short % of Float (Most recent date)	Shares Short (2 weeks prior)
78.59 million (March 31 st , 2014)	5.6 (March 31st, 2014)	NA (March 31 st , 2014)	73.77 million

CRH plc:

Avg Vol (3 month)	Avg Vol (10 day)	Shares Outstanding	Float
206,984	102,775	733.2 million	732.53 million
Shares Short (Most recent date)	Short Ratio (Most recent date)	Short % of Float (Most recent date)	Shares Short (2 weeks prior)
304.14K (March 31 st , 2014)	1.6 (March 31st, 2014)	NA (March 31 st , 2014)	309.94K

1) Make note of the company's (1) last earnings reporting date, and (2) next earnings reporting date.

Last earnings report: 10k on 2/26/14

Next earnings report: 10q around 5/6/14 (not officially announced yet)

2) Discuss market sentiment on the stock based on the short interest statistics, recent trend reported in in (H-1) and (H-2)? Has the sentiment turned more bullish or bearish over the last year? How about in more recent month and why?

Short interest levels over the past two months are at their lowest levels for the past year, indicating a more bullish market sentiment towards the stock. Short interest levels have gone slightly up from February, but are relatively unchanged from last month. Vulcan's days to cover has decrease quite a bit since October, but is still relatively high compared to CRH plc. If the stock were to experience a sudden spike in price this relatively high days to cover would complement this movement by taking a little longer to cover all the closed short positions.

3) From (H-1), observe "short interest" and "# of days to cover" values for two reporting dates immediately before and one reporting date immediately after earnings report. (1) Were there notable increase or decrease in the values, right before or right after earnings report? (2) Observe stock price chart and comment on how stock traded around those dates.

Before and after the last earnings report on 2/26/14, we see the days to cover spike from 2.46 to 5.01; the short interest increased moderately. There wasn't any significant movement of the stock price on these dates. Each date the stock price rose, but less than half of 1%.

4) Other observations worth noting?

Section (I) Stock Charts

For (I-1) – (I-3), the stock price charts should include (1) your stock, (2) 1 competitor, (3) sector ETF, and (4) SP500

(I-1) A three months price chart

Copy/paste the “3 Mos.” stock chart here



(I-2) A one year price chart

Copy/paste the “1 Yr” stock chart here



(I-3) A five year price chart

Copy/paste the “5 Yrs.” stock chart here



- 1) (I-1) – (I-3) Discuss what you observe from the above stock price charts. This should include comparing your stock to competitors, sector, and SP500 over the three different time horizons.

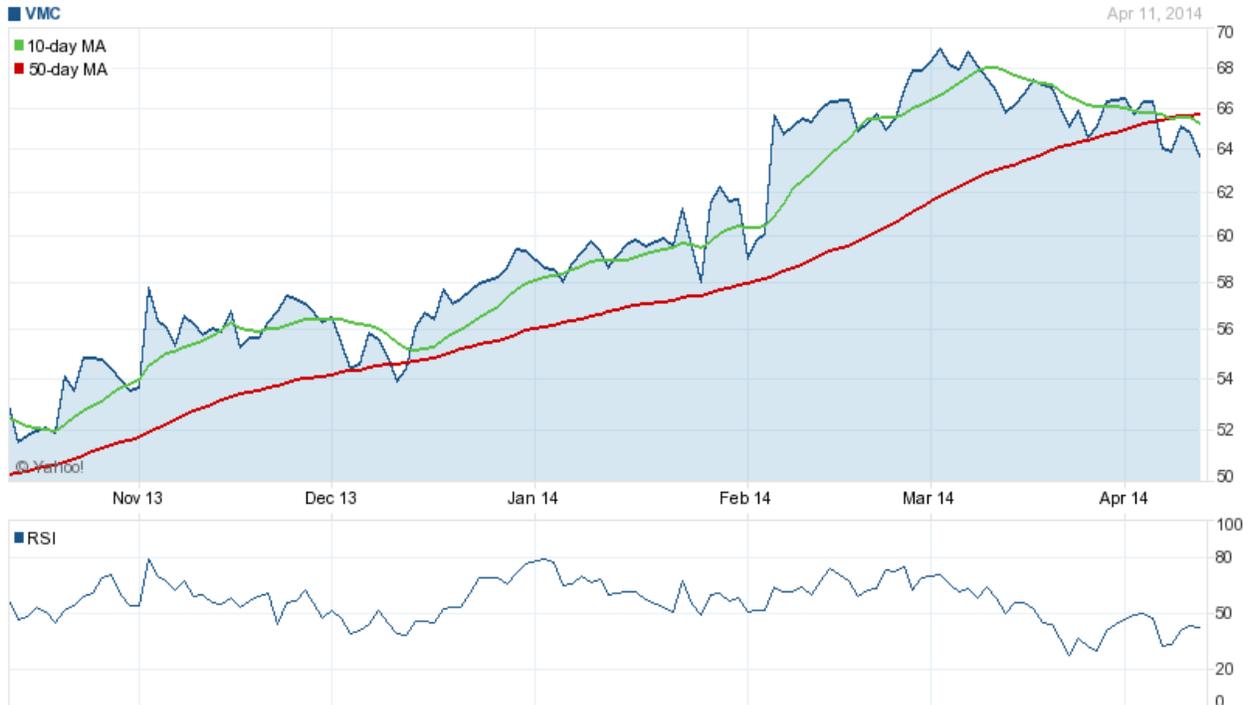
Both Vulcan and Cemex moderately followed the same trends as Materials and the S&P over the past 5 years, although there are some significant differences. For instance, in the latter half of 2011 construction materials was pretty heavily hit, whereas Materials and the S&P took a substantially lesser hit. Then in late 2011 Martin Marietta Materials entered a hostile bid for Vulcan, which the market seemed to respond very positively to despite Vulcan’s rejection of the proposal. Martin Marietta Materials attempted another hostile takeover in May 2012, but was blocked by a judge due to confidentiality agreements broken by Martin Marietta Materials. Since then construction materials has been in recovery mode. In early February 2014 the stock jumped following its Q4 2013 earnings results. Revenue went up 14% and net income more than doubled.

- 2) Other observations worth noting?

(I-4) Technical Indicators (“Moving Average” and “Relative Strength Index” from <http://finance.yahoo.com/>)

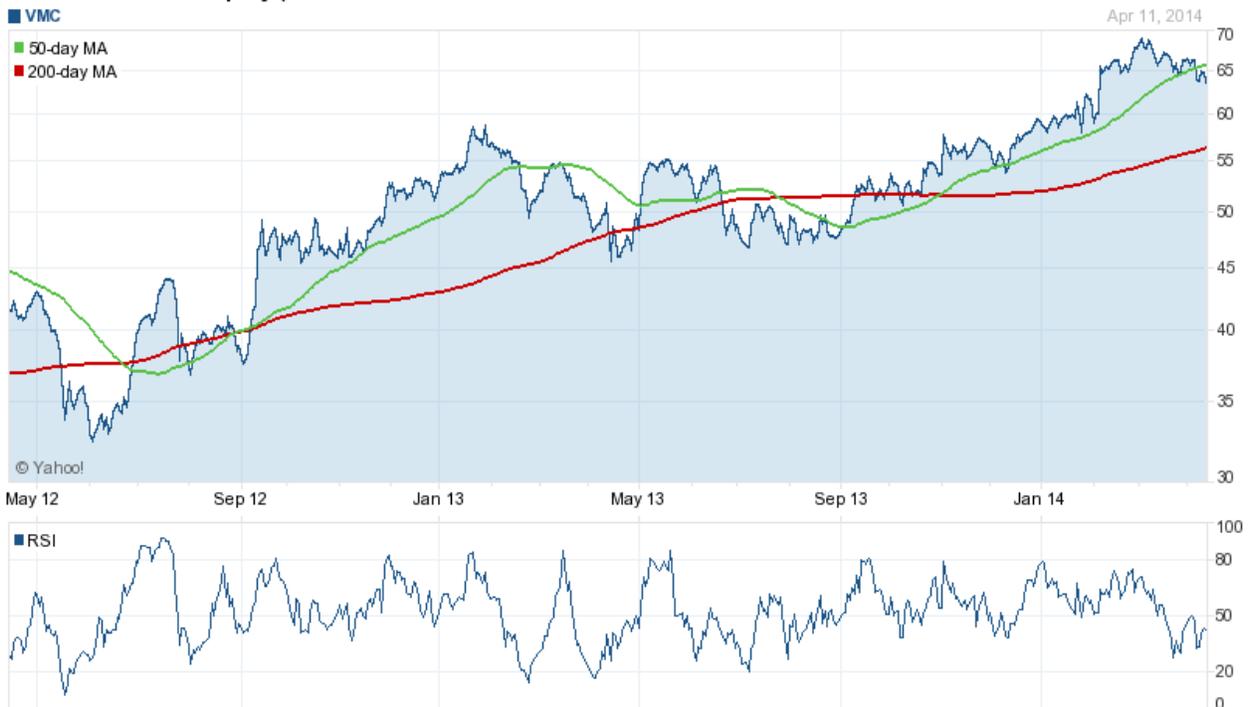
Click “*basic tech. analysis*” for your stock. From “*technical analysis*” panel, select “6m” as “range”, “10” and “50” as “moving avg.”, “RSI” as “indicators”. Copy/Paste both charts to the report

Vulcan Materials Company (Holdi



Repeat the above steps except changing “range” to “2y”, “moving avg.” to “50” and “200”.

Vulcan Materials Company (Holdi



- 1) Discuss your findings from these sets of technical indicators. Compare your findings here to findings from fundamental analysis. Are findings from technical analysis supportive of your other findings?

As can be seen, Vulcan recently experienced a death cross on its 10 and 50 day moving average chart. Usually this would trigger a more bearish view on a stock for the short term. However, this death cross was not accompanied by any significant increase in trading volume. This death cross could present an opportunity for the stock to experience a golden cross in the near future especially if their next earnings release beats again.

Vulcan's 50 and 200 day moving average chart experienced two death crosses over the past two years. The first was around June 2012 when the construction materials industry did not fare well. The second around July 2013 was most likely due to Vulcan missing its Q2 2013 earnings; yet they beat revenue estimates.

Vulcan's RSI sits at about 40 – 45, supporting analyst consensus that the stock is at about a hold right now.

2) Other observations worth noting?

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