

# SUPER Storytime Memo — GM

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## 1) Your thesis (what you believe)

**GM: Thesis**

EV expansion drives margin recovery

## 2) What the model concluded (plain English)

- **Rating:** **AVOID** (score **52/100**)
- **Evidence confidence:** **N/A** (higher = more trustworthy coverage)

## 3) The 30-second explanation (for total beginners)

Think of this like a **car dashboard**:

- The **score** is overall attractiveness (health + valuation + risk).
- The **numbers below** are the main gauges.
- The **news/risk** is the 'warning lights' that can move the stock fast.



## 4) Core numbers (what GM looks like today)

- Sales growth compared to last year: **-1.29%**
- Free cash flow over the last 12 months: **\$11.07B**
- Free cash flow margin (cash per \$100 of sales): **5.99%**
- Free cash flow yield (cash vs stock price): **14.19%**



## 5) Good vs Bad cheat-sheet (rules + GM's actual numbers)

Each line is **(Rule) + (GM's actual)** so the story matches the facts.



### Sales growth compared to last year

-  \*\*Rule band:\*\* below 0%
- \*\*GM today:\*\* -1.29% →  \*\*BAD\*\*



### Free cash flow (cash left after bills + investment)

-  \*\*Rule band:\*\* positive
- \*\*GM today:\*\* \$11.07B →  \*\*GOOD\*\*


### Free cash flow margin (cash per \$100 of sales)

-  \*\*Rule band:\*\* 3% to 10%
- \*\*GM today:\*\* 5.99% →  \*\*MIXED\*\*

### Free cash flow yield (cash vs what you pay for the stock)

-  \*\*Rule band:\*\* above 5% (often cheap)
- \*\*GM today:\*\* 14.19% →  \*\*GOOD\*\*

### Debt snapshot (why this can bite)

- Cash: \$20.95B
- Debt: \$130.28B
- Net debt (debt minus cash): \$109.33B
- Net debt divided by free cash flow (years to pay): 9.87x →  \*\*BAD\*\* (rule: above 6x)

## 6) Storytime walkthrough (explain it like I'm five)

Imagine GM is a **gigantic toy factory**.

### Step 1 — Are more toys being sold?

GM's sales growth compared to last year is **-1.29%**.

That means **fewer toys** are being sold than last year (usually a warning sign).

## Step 2 — After paying for everything... is there money left?

GM's free cash flow over the last 12 months is **\$11.07B**.

So the piggy bank is **filling**, not leaking. Good.

## Step 3 — How efficient is the factory at turning sales into cash?

GM's free cash flow margin is **5.99%**.

That's okay-ish: it makes cash, but not a 'money printer.'

## Step 4 — Is the stock price cheap or expensive vs cash?

GM's free cash flow yield is **14.19%**.

That often means the stock looks **cheap** relative to cash (but check if cash is sustainable).

## Step 5 — The big boss fight: debt

GM has net debt of **\$109.33B** and net debt divided by free cash flow of **9.87x**.

That's a **heavy backpack**. If the world gets worse, debt reduces flexibility.

## 7) What to open (in the right order)

- 1) Dashboard: `outputs/decision\_dashboard\_GM.html` (speedometer + warning lights)
- 2) News clickpack: `outputs/news\_clickpack\_GM.html` (verify headline risk is real)
- 3) This memo PDF: `export/GM\_SUPER\_Storytime\_Memo.pdf`