

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. 1) Dashboard: `outputs/decision_dashboard_GM.html` (speedometer + warning lights)
2. 2) News clickpack: `outputs/news_clickpack_GM.html` (verify headline risk is real)
3. 3) This memo PDF: `export/GM_SUPER_Storytime_Memo.pdf`