

3)

Repeat Problem 2 using the data below for Kroger Co.. However, this time you should create a copy of your worksheet to use as a template Replace the data for Oracle with that of Kroger.

Oracle					
Fiscal Year	2019	2018	2017	2016	2015
Total Revenue	39506	39831	37728	37047	38226
Net Income	11083	3825	9335	8901	9938
Profit Margin	0.28	0.10	0.25	0.24	0.26
Growth (TR)	-0.82%	5.57%	1.84%	-3.08%	0
Growth (NI)	189.75%	-59.03%	4.88%	-10.43%	0

TR (CAGR)	NI (CAGR)
0.83%	2.76%

A

Kroger in both cases has faster Sales and Net income growth when compared to Oracle.

Kroger					
Fiscal Year	2019	2018	2017	2016	2015
Total Revenue	121162	122662	115337	109830	108465
Net Income	3076	1890	1959	2021	1711
Profit Margin	0.03	0.02	0.02	0.02	0.02
Growth (TR)	-1.22%	6.35%	5.01%	1.26%	0
Growth (NI)	62.75%	-3.52%	-3.07%	18.12%	0

TR (CAGR)	NI (CAGR)
2.81%	15.79%

B

In 2019, Oracle was more profitable. The year had a 189.75% increase in Net Income and a 0.28 Profit Margin. However, when looking in the long-term, Kroger shows strong growth potential based on the historical growth rate metrics.

Based off these assessments, I believe that Oracle would be a great investment for risk-taking investors who are not afraid of volatility in performance. For the more risk averse investor, a stable company such as kroger may provide a safer investment choice, especially with such as an outstanding growth rate.