


Sell S&P Global (SPGI)




Fernandez, Ramiro
Manager

 Home

Categories

 Equity Income

 Core Growth

 Texas Core

 Ultra Dividend

S&P Global's (SPGI) Empirical ranking score had deteriorated to 8. While we like the business (which is a monopoly or oligopoly in most of its segments) and its low correlation to the rest of the sector, SPGI's bond rating business (~40% of revenues) is threatened by tightening credit conditions. Also, valuation has crept to the high end of the range as earnings estimates had fallen faster than the stock price.