

Research Report on the Clorox Company

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In September 2021, a significant jump in seismic activity on the island of La Palma (Canary Islands, Spain) signaled the start of a volcanic crisis that still continues at the time of writing. Earthquake data is continually collected and published by the Instituto Geográfico Nacional (IGN). ...

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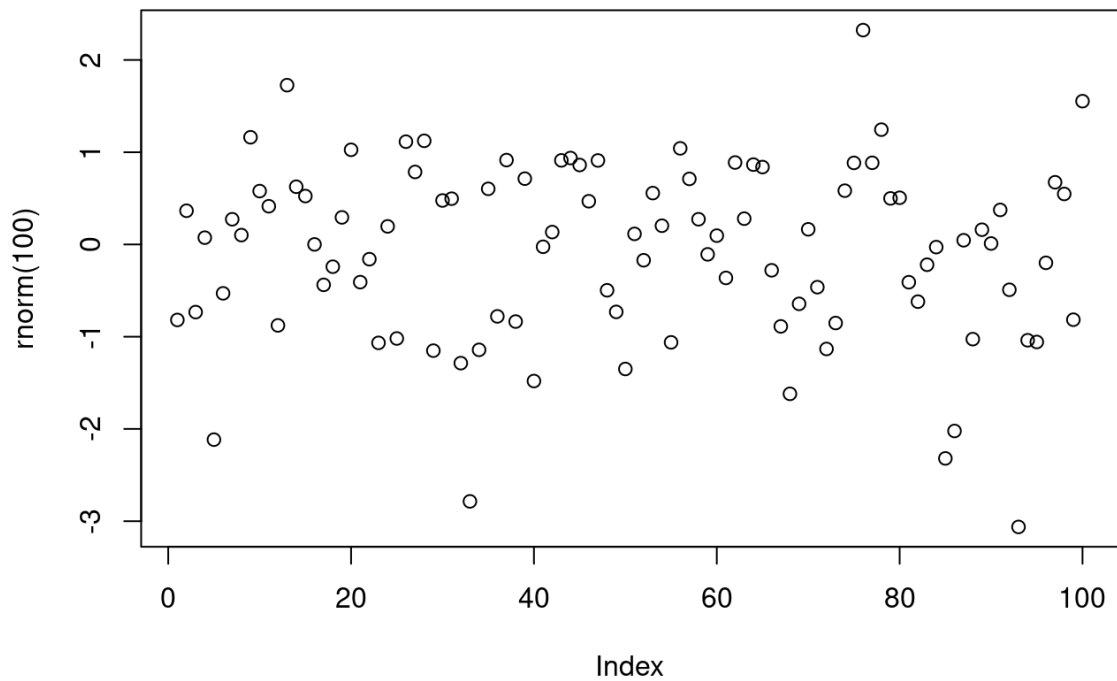
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TODO

Use “PerformanceAnalytics” package for Sharpe ratio and risk analysis.
Cite your stuff: (Regenstein 2020).

Introduction

That’s a nice intro.



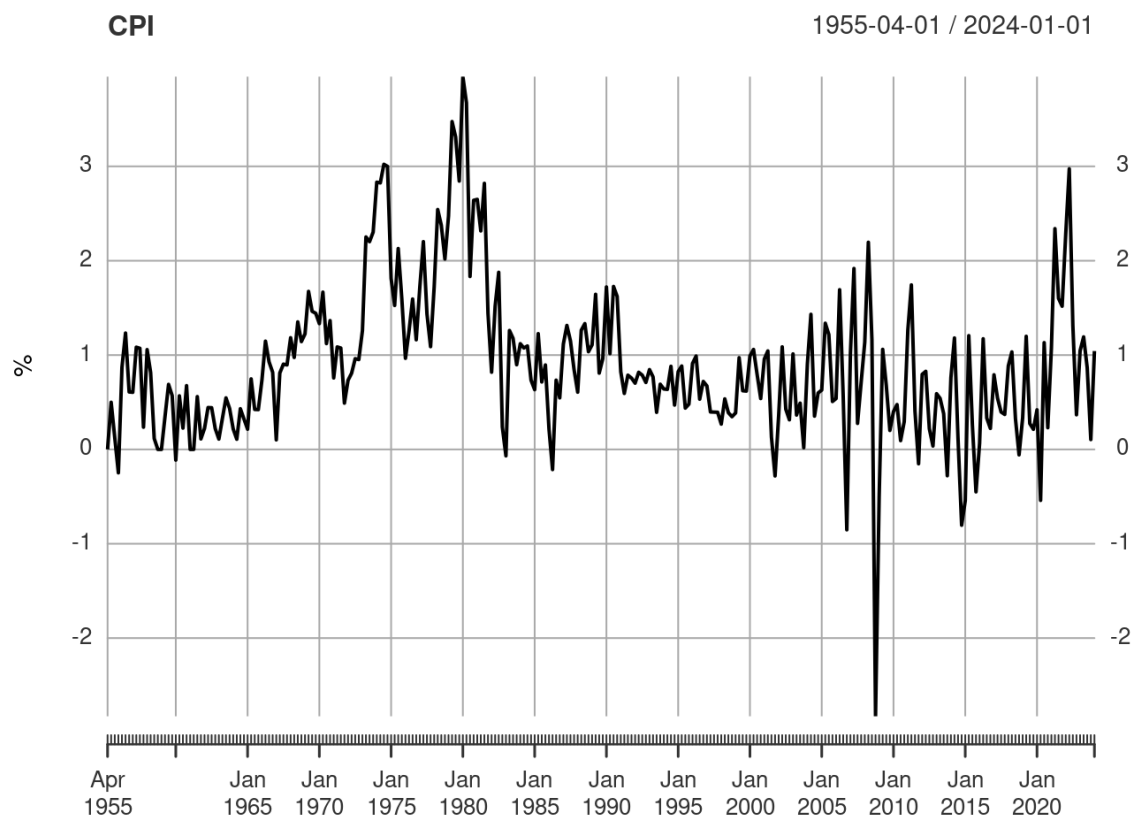
We need better stuff though.

```
[1] "CPALTT01USQ657N"      CPALTT01USQ657N
1955-04-01      0.0000000
1955-07-01      0.4993758
1955-10-01      0.1242236
1956-01-01     -0.2481390
1956-04-01      0.8706468
1956-07-01      1.2330456      Index      CPALTT01USQ657N
Min.   :1955-04-01   Min.   : -2.8285
1st Qu.:1972-06-08   1st Qu.:  0.3950
Median :1989-08-16   Median :  0.8018
Mean   :1989-08-16   Mean    :  0.8959
3rd Qu.:2006-10-24   3rd Qu.:  1.1939
Max.   :2024-01-01   Max.    :  3.9508
```

Use this kind of macroeconomic analysis maybe?

Table 1: Astronomical object

(a)



Sector Analysis

Performance of all sectors relative to each other.

<https://alphaarchitect.com/2020/01/visualization-sector-trends-with-r-code/>

Maybe that's a bit much.

Financial Analysis of The Clorox Company (CLX) in the Consumer Staples Sector

1. GICS Sector Classification

Clorox operates in the **Consumer Staples sector** (GICS 30), specifically within the Household Products sub-industry. This sector is characterized by stable demand, recession resilience, and brands focused on essential goods like cleaning products, personal care items, and food

2. Position Relative to Competitors

Clorox competes with major players such as **Procter & Gamble (PG)**, **Colgate-Palmolive (CL)**, **Church & Dwight (CHD)**, and **Kimberly-Clark (KMB)**. Key comparisons include:

Metric	Clorox (CLX)	Colgate-Palmolive (CL)	Procter & Gamble (PG)	Industry Avg
Revenue (FY24)	\$7.09B	\$20.10B	\$84.04B	Varies by sub-industry
Net Margin	6.38%	14.38%	~18% (est.)	~10-15%
P/E Ratio	40.62	24.39	26.66	20-25
Dividend Yield	3.3%	2.3%	2.4%	2.5-3.5%

- **Strengths:** Strong brands (e.g., Clorox bleach, Glad bags), ESG focus (recyclable packaging by 2025) .
- **Weaknesses:** Lower profitability vs. peers, cyberattack recovery costs .
- **Market Share:** ~1.99% in cleaning products, lagging behind P&G and Colgate .

3. Economic Indicator Comparison

Clorox's performance relative to the **S&P 500** and **Dow Jones Industrial Average (DJIA)** highlights its defensive nature: - **Beta:** 0.42 (less volatile than the market) . - **1-Year Stock Performance:** -3.3% (CLX) vs. +7.9% (S&P 500) and +15.05% (DJIA) . - **Dividend Growth:** 35 consecutive years of increases, outperforming many S&P 500 staples .

4. Strategic and Financial Challenges

- **Cyberattack Impact:** Caused a 20% Q1 FY24 sales decline, though recovery efforts restored ~90% market share by Q3 .
 - **Margin Recovery:** Gross margin expanded to 46.5% in Q4 FY24, driven by cost savings .
 - **Divestitures:** Sold non-core businesses (Argentina, VMS) to focus on high-growth segments .
-

5. R Code for Visualization

Below is R code to compare Clorox's stock performance with competitors and indices:

```
[1] "CLX"
```



6. Key Insights

- Clorox's valuation (P/E 40.6) reflects optimism about its recovery and IGNITE strategy but is expensive compared to peers .
 - Consumer Staples sector growth (CAGR 3.7% for cleaning products) supports long-term stability, but competition from eco-friendly brands (e.g., Seventh Generation) poses risks .
 - Clorox's underperformance vs. indices highlights sector-specific challenges (inflation, supply chain) .
-

For real-time data, update the R code with current ticker prices and adjust the date range. The analysis underscores Clorox's resilience in a defensive sector but signals caution due to margin pressures and competitive headwinds.

Personality of the Company

Fundamental Analysis

Technical Analysis

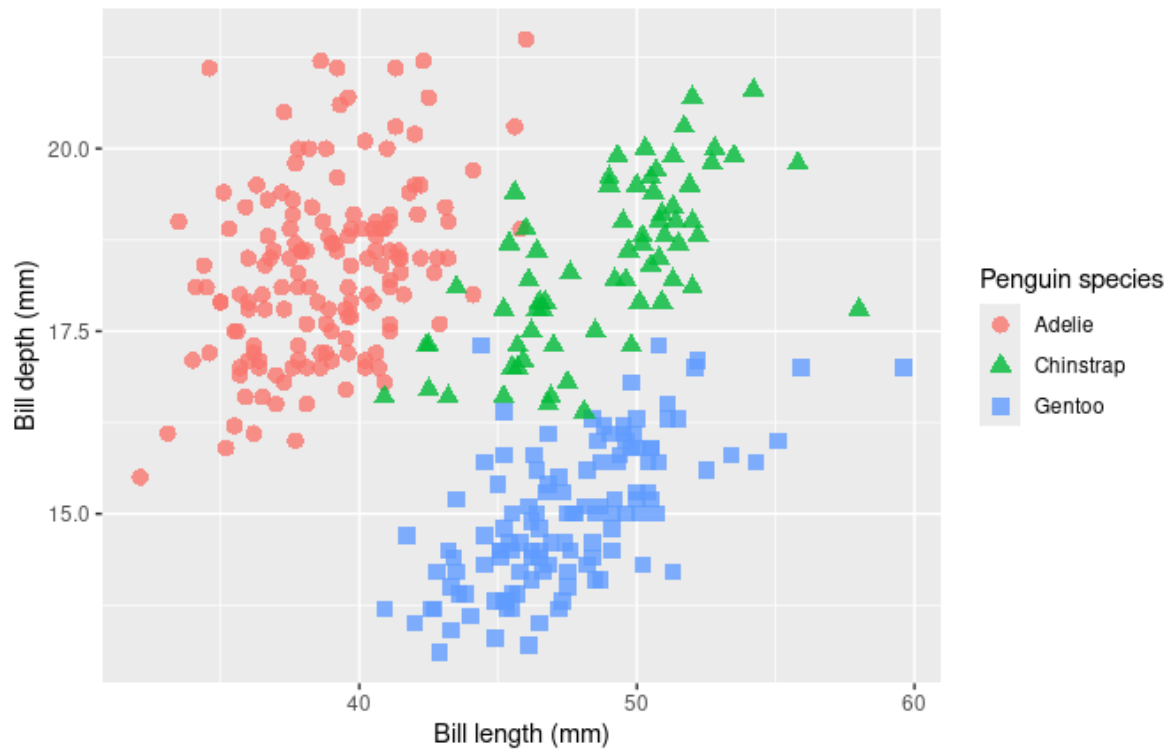
Company Performance 2019-2024

Forecasting

- What risks does it list on 10-k? Summarize.

Penguin bill dimensions

Bill length and depth for Adelie, Chinstrap and Gentoo Penguins at Palmer Station LTER



Summary

Regenstein, Jonathan. 2020. "Visualization Sector Trends with R Code." *Alpha Architect*.
<https://alphaarchitect.com/2020/01/visualization-sector-trends-with-r-code/>.