Salesforce (CRM)

Technology / Software - Application

StockRover
Stock Report | November 30, 2024

$328.49 **-$1.76 (-0.53%)** as of Friday's close

Cap ($M USD)	P/E	EPS (1Y)	Dividend	Last Filing
$313,808	**57.2**	**118.3%**	**$1.60**	**07/31/24**
Sales ($M)	Forward P/E	Sales (1Y)	Div. Yield	Next Earnings
36,465	**29.4**	**7.4%**	**0.5%**	**12/03/24**

52-wk Range
$212.00 $348.86

Dividend Adjusted Return *Nov 29, 2023 - Nov 29, 2024*

CRM 328.49 (+46.7%) **Technology 622.43 (+36.1%)** **S&P 500 6032.38 (+34.2%)**

CRM has outperformed the S&P 500 by 12.5% in the past year.

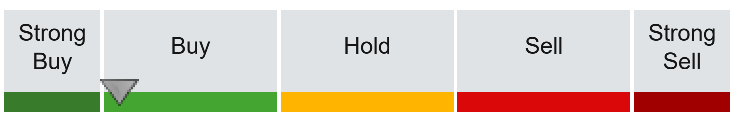
CRM has outperformed its sector by 10.6% in the past year.

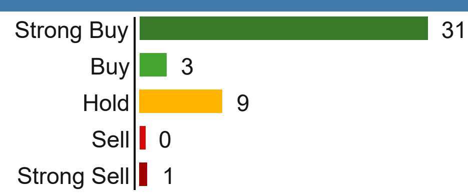
The Technology sector has performed nearly in line with the market over the past year.

ANALYST CONSENSUS

Buy

The consensus rating has improved a little since last month when it was also Buy.





QUANTITATIVE SCORES

Fair Value $399.20

Margin of Safety 22%

The Margin of Safety is the difference between a company's Fair Value and the current price. See more on page 8.

5 warnings
Details on Page 8

Value Score **51**

Value Score: Our value score looks at EV/EBITDA, P/E, P/S, P/TB (Price/Tangible Book) and EPS Predictability. P/S and P/TB are compared within a sector. Other metrics are compared across all stocks

Quality Score **71**

Quality Score: Our quality score compares profitability and balance sheet metrics to find high quality companies using ROIC, Net Margin, Gross Margin, Interest Coverage, and Debt / Equity metrics.

Growth Score **98**

Growth Score: Our growth score looks at the 5 year history and the forward estimates for EBITDA, Sales, and EPS growth, ranking the best companies across all stocks.

Sentiment Score **49**

Sentiment Score: Our sentiment score finds stocks in favor by analyzing Short Interest, returns in key periods over the last year, Price vs. 52-wk High, Days Since 52-wk High and MACD signals.

BUSINESS SUMMARY

Salesforce provides enterprise cloud computing solutions. The company offers customer relationship management technology that brings companies and customers together. Its Customer 360 platform helps the group to deliver a single source of truth, connecting customer data across systems, apps, and devices to help companies sell, service, market, and conduct commerce. It also offers Service Cloud for customer support, Marketing Cloud for digital marketing campaigns, Commerce Cloud as an e-commerce engine, the Salesforce Platform, which allows enterprises to build applications, and other solutions, such as MuleSoft for data integration.

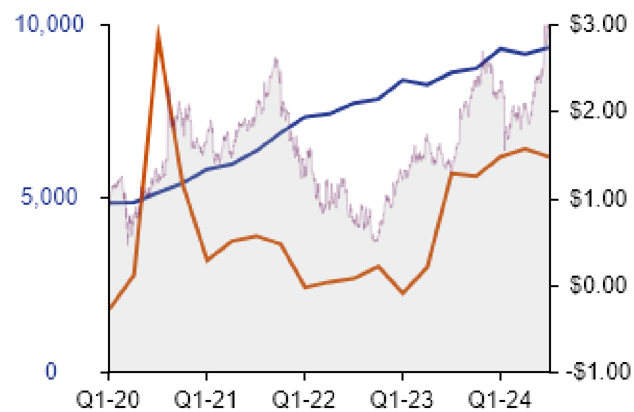
Employees 72,682 **Homepage** www.salesforce.com **Headquarters** San Francisco, CA

VALUATION SUMMARY

	CRM	Industry	S&P 500
Value Score	51	45	70
Price / Earnings	57.2	193.9	31.7
Price / Sales	8.8	7.4	3.2
Price / Free Cash Flow	28.1	50.0	39.7
Price / Book	5.5	8.1	5.5
Price / Tangible Book	73.4	-	500+
EV / EBITDA	29.6	42.9	24.7
EPS Predict. Pctl.	13	52	69
Piotroski F Score	8	9	7
5-Year P/E Range	41.5		-
5-Year P/B Range	2.1		9.6
5-Year P/S Range	4.4		13.6

GROWTH SUMMARY

	CRM	Industry	S&P 500
Growth Score	98	53	78
Sales Growth			
Sales Growth Next Year	9.0%	12.0%	10.9%
Sales 1-Year Chg (%)	7.4%	8.3%	9.5%
Sales 3-Year Avg (%)	13.4%	20.3%	9.6%
Sales 5-Year Avg (%)	18.1%	9.0%	13.1%
EPS Growth			
Next Yr. Growth Est.	10.6%	20.9%	14.0%
EPS 1-Year Chg (%)	118.3%	34.1%	10.1%
EPS 3-Year Avg (%)	47.1%	57.0%	9.1%
EPS 5-Year Avg (%)	44.5%	30.0%	10.7%

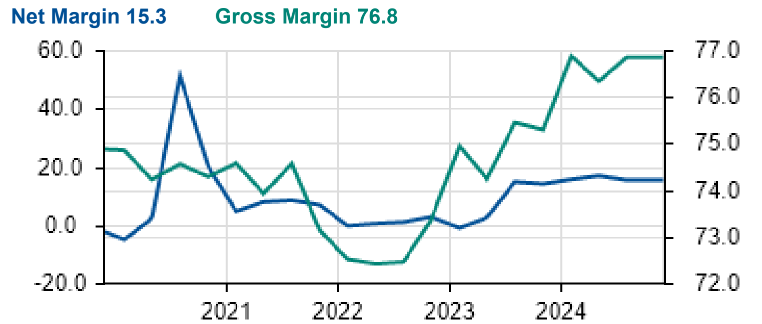


PEERS ANALYSIS SUMMARY

Ticker	Company	Cap ($M USD	P/E	Div. Yield	1M Return	1Y Return	Margin of Safety	Value Score	Growth Score	Quality Score
CRM	Salesforce	$313,808	57.2	0.5%	11.8%	46.7%	22%	51	98	71
SAP	SAP	$277,804	97.6	1.0%	-1.1%	54.0%	18%	63	86	87
ACN	Accenture	$226,616	31.7	1.6%	0.4%	10.8%	4%	78	89	96
NOW	ServiceNow	$216,837	162.8	-	11.2%	58.0%	-8%	51	100	96
INTU	Intuit	$179,939	62.3	0.7%	4.8%	14.2%	26%	54	98	96
UBER	Uber Technologies	$152,283	35.7	-	-6.9%	28.7%	31%	60	78	90
ADP	Automatic Data Pr…	$125,003	32.8	2.0%	7.1%	37.1%	11%	72	80	93
APP	AppLovin	$112,336	102.4	-	102.4%	775.8%	-30%	41	97	94
MSTR	MicroStrategy	$89,964	-	-	54.8%	681.2%	-	31	36	44
CDNS	Cadence Design Sys	$84,179	80.5	-	21.4%	13.3%	7%	58	98	97
TEAM	Atlassian	$68,728	-	-	39.9%	40.1%	-34%	45	62	46
WDAY	Workday	$65,836	41.1	-	6.4%	5.3%	9%	61	92	95

PROFITABILITY SUMMARY

	CRM	Industry	S&P 500
Quality Score	71	52	77
Gross Margin	76.4%	60.5%	29.9%
Operating Margin	19.1%	10.8%	14.6%
Net Margin	15.4%	7.0%	10.4%
Return on Assets	6.0%	6.3%	9.9%
Return on Equity	9.8%	11.9%	33.8%
ROIC	8.2%	9.8%	23.6%



RETURNS SUMMARY

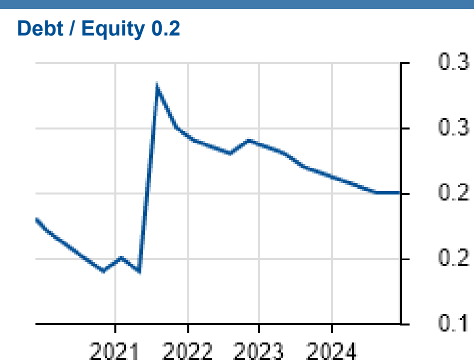
	CRM	Industry	S&P 500
Sentiment Score	49	53	77
5-Day Return	-4.0%	0.1%	1.1%
1-Month Return	11.8%	11.5%	3.6%
YTD Return	25.4%	28.4%	27.7%
1-Year Return	46.7%	38.9%	34.2%
3-Year Return	16.1%	4.8%	37.2%
5-Year Return	104.3%	88.6%	106.7%
Beta 1-Year	1.42	1.21	1.00

DIVIDEND

	CRM	Industry
Dividend Yield	0.5%	0.4%
Payout Ratio	13.8%	29.1%
TTM Yield	0.2%	-
Dividend Per Share	$1.60	$0.98
Div. 1Y Chg (%)	-	-4.1%
Div. 3Y Avg (%)	-	19.4%
Div. 5Y Avg (%)	-	3.0%
Cons. Growth Years	0	1
Div. Coverage Ratio	3.6	1.3

DEBT & EQUITY

Current Ratio	1.0
Quick Ratio	1.0
Price	$328.49
Net Cash Per Share	$1.14
Equity Per Share	$60.29
Debt / Equity	0.2
Solvency Ratio	29%
Short % of Float	1.4%
Altman Z-Score	6.4



ANALYST REVISIONS

Current Quarter EPS	
# Up Last 30 days	0.00
# Down Last 30 days	0.00
Mean Estimate	2.44
% Change (30 Days)	-

Next Quarter EPS	
# Up Last 30 days	0.00
# Down Last 30 days	1.00
Mean Estimate	2.65
% Change (30 Days)	-0.03%

MEAN ESTIMATE TREND

	Cur Qtr	Next Qtr	Cur Year	Next Year
Latest	$2.44	$2.65	$10.11	$11.17
30 Days Ago	$2.44	$2.65	$10.10	$11.17
90 Days Ago	$2.43	$2.67	$9.90	$11.02
% Change (90 Days)	0.4%	-0.6%	2.0%	1.4%

EARNINGS SURPRISES

Earnings surprise is the difference between a company's announced earnings and the average analyst estimated value. Surprises typically causes the stock price to jump and are often followed by more of the same surprise type.

Surprise Summary (Last 12 Quarters)

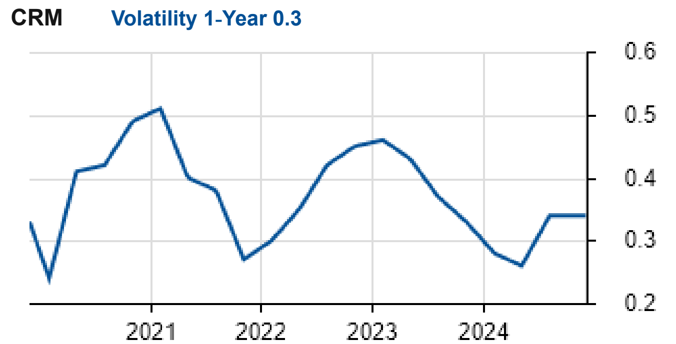
Surprise Type	Amount	Percent
Positive Quarters (> 2%)	11	91.7%
Negative Quarters (< 2%)	0	-
In-Line Quarters (within 2%)	1	8.3%

Surprise Detail (Last 6 Quarters)

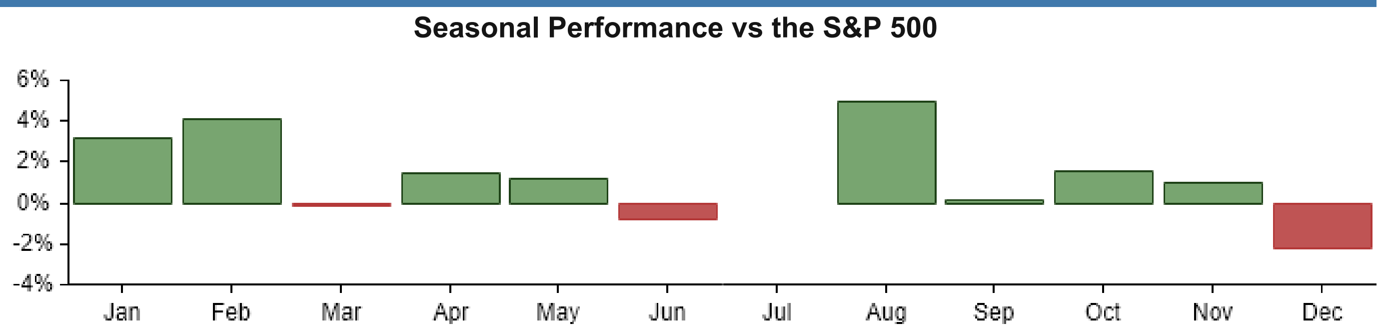
Surprise Type	Announce Date	Period End Date	Actual EPS	Est. EPS	Surprise (%)
Positive	08/28/24	07/31/24	$2.56	$2.36	8.5%
Positive	05/29/24	04/30/24	$2.44	$2.38	2.5%
In-Line	02/28/24	01/31/24	$2.29	$2.26	1.3%
Positive	11/29/23	10/31/23	$2.11	$2.06	2.4%
Positive	08/30/23	-	$2.12	$1.90	11.6%
Positive	05/31/23	-	$1.69	$1.61	5.0%

RISK

	CRM	Industry	S&P 500
Best Monthly Return (5Y)	34.2%	19.7%	17.9%
Worst Monthly Return (5Y)	-18.5%	-15.6%	-16.4%
Beta 1-Year	1.42	1.21	1.00
Volatility 1-Year	0.36	0.19	0.12
Volatility 1Y Pctl.	39	-	-
Max Drawdown 1-Year	-31.2%	-25.9%	-8.5%
Max Drawdown 3-Year	-56.8%	-52.5%	-25.4%
Max Drawdown 5-Year	-58.6%	-48.7%	-33.9%



SEASONALITY



5-YEAR RELATIVE PERFORMANCE VS S&P 500

Relative to the S&P 500 baseline, CRM has underperformed the S&P 500 by -2.4% in the past 5 Years.

CRM has underperformed its sector by -69.5% in the past 5 Years.

The Technology sector has outperformed the market by 67.1% in the past 5 Years.

Overall Rating vs. Peers **91**

Ratings scores are relative to industry groups. They compare key metrics to rank stocks vs. their competitors.
For example, higher growth than peers will score high even when the absolute growth is below the market average.

Growth vs Peers

Ticker	Company	Growth Rating vs. Peer	Sales QoQ Chg.	Eps QoQ Chg.	Sales Growth Next Y.	Sales 1Y Chg (%)	Sales 3Y Avg (%)	Sales 5Y Avg (%)
NOW	ServiceNow	96	22.3%	76.9%	20.5%	23.5%	23.6%	26.5%
UBER	Uber Technologies	96	20.4%	1100.0%	15.6%	16.7%	41.3%	26.3%
CRM	Salesforce	88	8.4%	14.8%	9.0%	7.4%	13.4%	18.1%
INTU	Intuit	83	10.2%	-17.6%	12.3%	12.5%	17.1%	19.0%
SAP	SAP	59	9.4%	14.8%	11.2%	3.5%	6.7%	4.3%

Valuation vs Peers

Ticker	Company	Valuation Rating vs. Peer	P/E	Forward P/E	PEG Trailing	P/S	P/B	5Y P/E Range	
CRM	Salesforce	79	57.2	29.4	1.3	8.8	5.5	41.5	-
UBER	Uber Technologies	56	35.7	31.6	-	3.7	10.3	34.1	-
INTU	Intuit	45	62.3	29.1	5.4	11.0	9.9	32.6	91.0
NOW	ServiceNow	43	162.8	63.3	1.5	20.9	23.4	68.5	500+
SAP	SAP	34	97.6	36.1	-	8.0	6.4	18.0	107.0

Efficiency vs Peers

Ticker	Company	Efficiency Rating vs. Peer	Gross Margin	Operating Margin	Net Margin	5Y ROE Range		5Y ROA Range	
NOW	ServiceNow	96	79.2%	12.0%	12.8%	4.2%	29.9%	1.6%	13.6%
CRM	Salesforce	94	76.4%	19.1%	15.4%	-0.5%	10.4%	-0.4%	7.5%
UBER	Uber Technologies	90	39.3%	6.4%	10.5%	-151.1%	29.8%	-35.6%	11.2%
INTU	Intuit	79	78.7%	23.3%	17.6%	11.7%	43.8%	7.4%	27.1%
SAP	SAP	66	72.7%	22.1%	8.3%	4.1%	18.0%	2.2%	9.5%

Financial Strength vs Peers

Ticker	Company	Financial Str. Rating vs. Peers	Debt / Equity	Interest Coverage	Quick Ratio	Intangibles %	Solvency Ratio	Short % of Float
NOW	ServiceNow	96	0.2	68.6	1.1	8.2%	21%	1.6%
SAP	SAP	86	0.3	8.5	1.0	46.2%	16%	0.2%
UBER	Uber Technologies	82	0.9	10.0	1.4	19.7%	22%	2.5%
INTU	Intuit	80	0.4	15.1	1.2	58.8%	25%	1.4%
CRM	Salesforce	70	0.2	-	1.0	57.9%	29%	1.4%

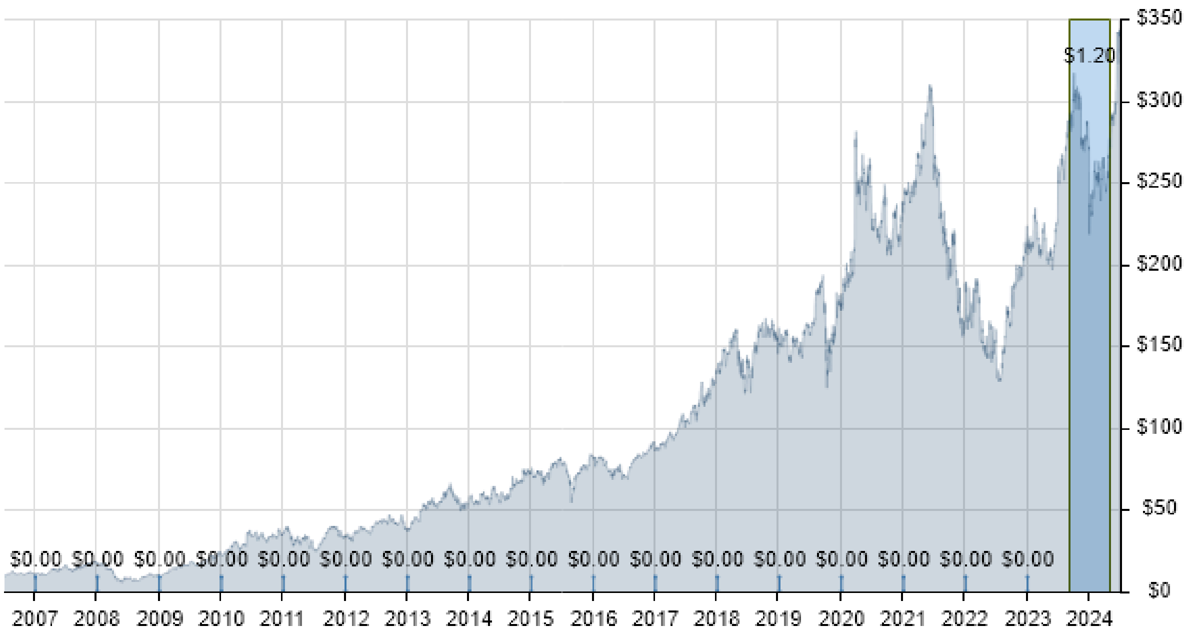
Dividends vs Peers

Ticker	Company	Dividends Rating vs. Peer	Div. Yield	TTM Yield	Price	Div. Per Share	Consecutive Div. Growth Years	Payout Ratio
INTU	Intuit	46	0.7%	0.6%	$641.70	$4.16	10+	35.9%
CRM	Salesforce	10	0.5%	0.2%	$328.49	$1.60	0	13.8%
SAP	SAP	5	1.0%	1.0%	$237.65	$2.39	1	93.3%
NOW	ServiceNow	-	-	-	$1,051.00	-	0	-
UBER	Uber Technologies	-	-	-	$72.36	-	0	-

Momentum vs Peers

Ticker	Company	Momentum Rating vs. Peer	1M Return	3M Return	6M Return	YTD Return	1Y Return	Beta 1Y	Volatility 1Y	Price vs 52-wk High (%)
NOW	ServiceNow	93	11.2%	29.1%	44.2%	48.8%	58.0%	1.38	0.33	98.0%
CRM	Salesforce	90	11.8%	27.1%	22.1%	25.4%	46.7%	1.42	0.36	94.2%
SAP	SAP	69	-1.1%	9.5%	23.4%	55.7%	54.0%	1.14	0.24	97.8%
INTU	Intuit	54	4.8%	4.2%	7.3%	3.3%	14.2%	1.26	0.27	89.8%
UBER	Uber Technologies	52	-6.9%	0.7%	13.9%	17.5%	28.7%	1.38	0.37	83.2%

DIVIDEND DETAIL



CALENDAR YEAR DIVIDEND HISTORY

Year	Ex-Dividend	Pay Date	Text	Amount
2024 Dividends				**$1.20**
	09/18/24	10/08/24	Regular	$0.40
	07/09/24	07/25/24	Regular	$0.40
	03/13/24	04/11/24	Regular	$0.40

UPCOMING DIVIDEND

Ex-Dividend Date	09/18/24
Payment Date	10/08/24
Amount	$0.40
Type	Regular

DIVIDEND RATE

Regular Dividend	$0.40
Annual Dividend Rate	$1.60
Annual Dividend Yield	0.5%
Trailing 12 Months Dividends	$0.80
Trailing 12 Months Yield	0.2%

STATISTICS

Payout Ratio	13.8
Dividend Coverage Ratio	3.6
Consecutive Growth Years	0
3 Year Growth Rate	-
5 Year Growth Rate	-
10 Year Growth Rate	-

FINANCIAL STATEMENT SUMMARY

USD in Millions	Chart	2019	2020	2021	2022	2023	TTM	CAGR
Income Statement								
Revenue		15,850	20,286	24,983	30,294	33,954	36,465	18.5%
Operating Income		636	226	917	497	5,389	6,950	62.8%
Net income		736	3,557	1,739	278	2,592	5,632	51.4%
Earnings per share diluted		$0.91	$3.81	$1.80	$0.26	$2.63	$5.74	45.5%
Average shares diluted		818	923	959	1,002	985	980	3.8%
P/E Ratio		135.0	88.8	141.6	254.8	163.8	57.2	-16.0%
Balance Sheet								
Cash		6,529	9,492	9,391	11,918	11,863	12,636	14.4%
Current assets		11,026	14,946	15,957	19,209	20,202	21,862	15.0%
Net Property, Plant and Equipm…		5,515	5,526	5,677	6,418	6,325	5,710	0.7%
Working Capital		552	2,712	922	982	808	861	9.5%
Net Debt		-435	-3,652	4,610	2,080	849	-1,243	-
Stockholders' Equity		33,279	40,310	57,054	59,351	58,090	57,633	11.8%
Cash Flow								
Operating Cash Flow		4,030	4,259	6,192	6,305	9,619	12,074	25.1%
Cap Ex		-674	-697	-699	-747	-807	-613	-1.9%
Free Cash Flow		3,356	3,562	5,493	5,558	8,812	11,461	28.4%
Free Cash Flow per share		$4.10	$3.86	$5.73	$5.55	$8.95	$11.69	23.8%
Profitability								
Operating Margin		4.0%	1.1%	3.7%	1.6%	15.9%	19.1%	37.4%
Return on Assets		2.3%	6.8%	2.5%	0.3%	2.8%	6.0%	21.7%
Return on Equity		2.2%	8.8%	3.0%	0.5%	4.5%	9.8%	35.4%
Return on Invested Capital		1.9%	7.7%	2.4%	0.4%	3.7%	8.2%	35.0%
Dividends								
Dividends Per Share		-	-	-	-	-	$1.60	0.0%
Dividend Yield		0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%
Dividend Growth		-	0.0%	0.0%	0.0%	0.0%	0.0%	-
Dividend Coverage		-	-	-	-	-	7.3x	0.0%

VALUATION & PROFITABILITY HISTORY

Date →		TTM	1 Yr Ago	2 Yrs. Ago	3 Yrs. Ago	4 Yrs. Ago	5 Yrs. Ago	6 Yrs. Ago	7 Yrs. Ago	8 Yrs. Ago	9 Yrs. Ago
Price / Earnings		57.5	139.9	294.7	158.3	98.8	134.0	134.7	-	233.6	-
Price / Cash Flow		26.8	26.5	24.0	43.9	53.6	33.0	31.0	31.6	26.4	35.2
Price / Book		5.5	3.8	2.5	4.9	5.9	8.3	7.2	9.1	8.4	11.2
Price / Tangible B…		73.8	65.3	44.0	-	30.4	87.3	-	500+	-	248.4
Price / Sales		8.9	6.7	5.2	10.9	11.7	8.7	8.1	8.1	6.6	8.3
EV / EBITDA		29.8	23.1	36.4	68.8	78.6	47.8	56.0	82.2	74.0	90.4
Dividend Yield		0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Shareholder Yield		3.7%	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross Margin		76.4%	75.0%	72.7%	74.0%	74.5%	75.0%	74.0%	73.2%	74.1%	75.1%
Net Margin		15.4%	7.6%	0.9%	7.0%	17.5%	4.6%	5.8%	0.1%	2.6%	-1.4%
Return on Assets		6.0%	2.8%	0.3%	2.5%	6.8%	2.3%	3.3%	0.1%	1.6%	-0.9%
Return on Equity		9.8%	4.5%	0.5%	3.1%	8.8%	2.2%	4.9%	0.1%	3.0%	-1.8%
ROIC		8.2%	3.7%	0.4%	2.5%	7.7%	1.9%	4.5%	0.9%	3.1%	-0.3%

WARNINGS

Name	Severity	Details
High Goodwill	High	Goodwill %: 53.1%
Goodwill on a company's balance often results from over-paying to acquire other firms. A high percentage here can turn into impairment charges that weigh down future earnings for the company.		
Late Filing	Low	Last Full Report Period: 07/31/24
A company that is late filing financial statements with the SEC may have serious accounting troubles. At the very least it indicates caution because our data is not as current as it would be for other companies.		
MACD Crossover	Low	MACD Crossover Days: 1; MACD Divergence: -0.34
The MACD indicator has turned negative in the past week. This is a bearish signal among technical traders.		
GAAP Earnings vs. Pro Forma	Low	Official EPS: $1.47; Announced EPS: $1.92
The GAAP compliant earnings that the company filed with the SEC are less than the pro-forma earnings they announced to the press. Pro-forma earnings can exclude special one-time charges but some distressed companies post these "one-time" charges quarter after quarter.		
Declining Sales Growth	Low	Sales 1Y Chg (%): 7.4%; Sales 3Y Avg (%): 13.4%; Sales 5Y Avg (%): 18.1%
Sales growth has declined. Comparing revenue growth rates, the 1-year is less than the 3-year which is less than the 5-year. Be sure to understand the reasons as declining sales growth puts pressure on the stock price.		

REPORT TIPS

Metric Definitions

Metric descriptions are available at
stockrover.com/help/metrics/metric-overview

Quantitative Scores

Our scores analytics is to offer our concise analysis of a stock in powerful, but easy to digest format. Each of the composite score metrics are designed to use the best available accounting practices as well as source data from SEC filings. The scores are computed for a company vs. the market as a whole.

Fair Value

Fair value performs a forecasted discounted cash flow analysis of a company to determine the company's intrinsic value based on the expected future cash flows the company will produce. It basically determines what a company is worth based on how much cash flow it is expected to generate for you in the future, taking into account the time value of money and the predictability of those forecasted cash flows.

Peers

Peer ratings are computed from ranking companies in the same

DISCLAIMER

Additional data provided by Zacks, Intrinio, Quandl, Yodlee, IEX Cloud