

\$123.50 **-\$0.49 (-0.40%)** as of Friday's close

Cap (\$M USD)
\$312,781

P/E
500+

EPS (1Y)
-97.5%

Dividend
\$3.08

Last Filing
12/29/23

52-wk Range

\$99.14  \$130.24

Sales (\$M)
60,115

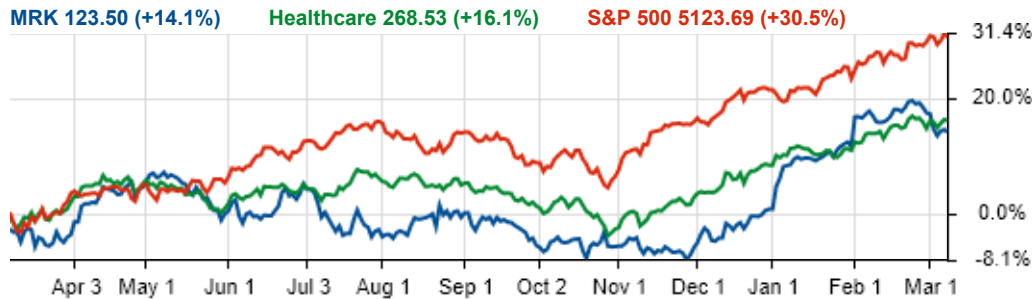
Forward P/E
12.7

Sales (1Y)
1.4%

Div. Yield
2.5%

Next Earnings
04/25/24

Dividend Adjusted Return *Mar 8, 2023 - Mar 8, 2024*



MRK has underperformed the S&P 500 by -16.4% in the past year.

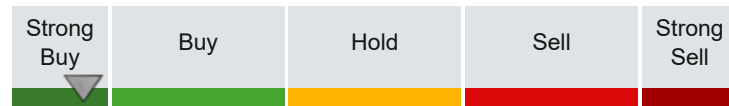
MRK has performed nearly in line with its sector over the past year.

The Healthcare sector has underperformed the market by -14.4% in the past year.

ANALYST CONSENSUS

Strong Buy

The consensus rating is unchanged from 1 month ago.




Strong Buy 19
Buy 0
Hold 2
Sell 0
Strong Sell 0

QUANTITATIVE SCORES

Fair Value \$112.36

Margin of Safety **-9%**

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

 **3 warnings**
Details on Page 8

Value Score

65

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

63

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

73

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

79

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

Merck makes pharmaceutical products to treat several conditions in a number of therapeutic areas, including cardiometabolic disease, cancer, and infections. Within cancer, the firm's immuno-oncology platform is growing as a major contributor to overall sales. The company also has a substantial vaccine business, with treatments to prevent pediatric diseases as well as human papillomavirus, or HPV. Additionally, Merck sells animal health-related drugs. From a geographical perspective, just under half of the company's sales are generated in the United States.

Employees 72,000

Homepage www.merck.com

Headquarters Rahway, NJ

VALUATION SUMMARY

	MRK	Industry	S&P 500
Value Score	65	70	71
Price / Earnings	500+	37.3	27.7
Price / Sales	5.2	4.4	2.9
Price / Free Cash Flow	34.4	25.4	28.4
Price / Book	8.3	5.4	4.9
Price / Tangible Book	-	-	500+
EV / EBITDA	49.3	27.0	22.9
EPS Predict. Pctl.	53	73	67
Piotroski F Score	5	4	8
5-Year P/E Range	13.1		500+
5-Year P/B Range	5.0		8.7
5-Year P/S Range	3.5		5.5

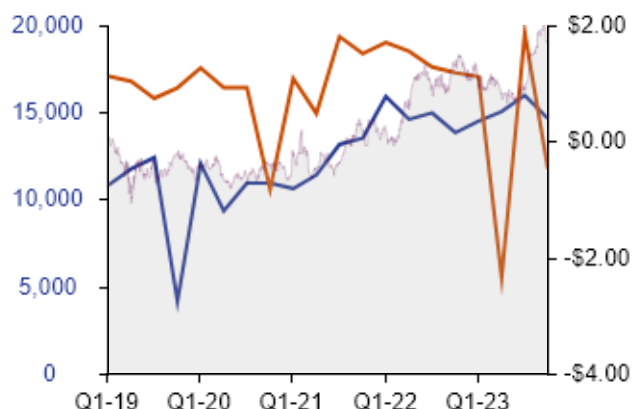
Price / Earnings Price / Sales 5.2



GROWTH SUMMARY

	MRK	Industry	S&P 500
Growth Score	73	72	75
Sales Growth			
Sales Growth Next Year	6.4%	8.5%	9.3%
Sales 1-Year Chg (%)	1.4%	-9.5%	10.5%
Sales 3-Year Avg (%)	13.1%	2.3%	12.4%
Sales 5-Year Avg (%)	7.3%	2.2%	12.1%
EPS Growth			
Next Yr. Growth Est.	13.9%	20.8%	14.9%
EPS 1-Year Chg (%)	-97.5%	-21.5%	16.3%
EPS 3-Year Avg (%)	-57.1%	4.3%	26.9%
EPS 5-Year Avg (%)	-42.9%	-1.2%	11.7%

Sales EPS Price

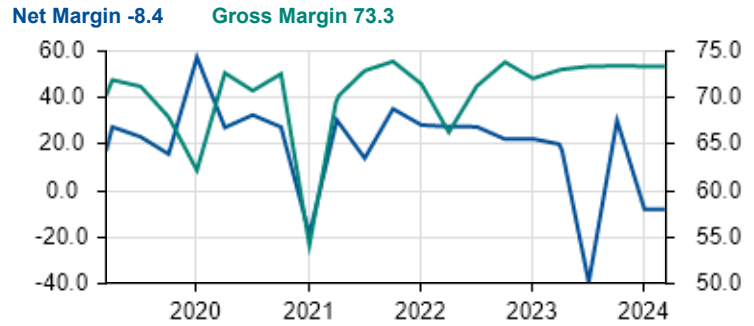


PEERS ANALYSIS SUMMARY

Ticker	Company	Cap (\$M USD)	P/E	Div. Yield	1M Return	1Y Return	Margin of Safety	Value Score	Growth Score	Quality Score
LLY	Eli Lilly and Co	\$724,158	131.6	0.7%	3.8%	145.9%	-	56	92	93
JNJ	Johnson & Johnson	\$384,246	30.7	3.0%	2.8%	7.5%	20%	76	81	99
ABBV	AbbVie	\$315,933	65.8	3.5%	2.3%	24.4%	14%	72	66	76
MRK	Merck & Co	\$312,781	500+	2.5%	-2.5%	17.2%	-9%	65	73	63
NVS	Novartis	\$215,490	24.6	3.8%	3.2%	38.8%	8%	81	90	97
AZN	AstraZeneca	\$203,071	35.0	2.2%	6.3%	6.0%	16%	68	89	90
PFE	Pfizer	\$153,705	73.5	6.2%	-1.3%	-28.7%	18%	69	56	63
AMGN	Amgen	\$146,707	21.9	3.3%	-6.4%	23.9%	35%	79	88	88
SNY	Sanofi	\$120,563	20.5	3.9%	3.6%	6.0%	29%	84	77	82
BMJ	Bristol-Myers Squibb	\$108,773	13.9	4.5%	10.4%	-16.9%	18%	85	66	91
GILD	Gilead Sciences	\$93,582	16.7	4.1%	1.8%	-2.7%	36%	80	79	92
BIIB	Biogen	\$32,447	28.0	-	-7.1%	-15.1%	25%	78	66	84

PROFITABILITY SUMMARY

	MRK	Industry	S&P 500
Quality Score	63	77	77
Gross Margin	73.2%	69.6%	29.6%
Operating Margin	4.9%	20.2%	14.1%
Net Margin	0.6%	15.5%	10.6%
Return on Assets	0.3%	8.8%	9.3%
Return on Equity	1.0%	27.8%	31.9%
ROIC	1.3%	14.5%	22.1%



RETURNS SUMMARY

	MRK	Industry	S&P 500
Sentiment Score	79	53	77
5-Day Return	-2.7%	0.1%	-0.3%
1-Month Return	-2.5%	2.9%	2.5%
YTD Return	13.3%	6.9%	7.4%
1-Year Return	17.2%	15.9%	30.3%
3-Year Return	92.1%	25.5%	40.2%
5-Year Return	89.8%	51.3%	102.8%
Beta 1-Year	0.32	0.36	0.99

Dividend Adjusted Return Mar 8, 2023 - Mar 8, 2024

MRK 124.04 (+13.7%)



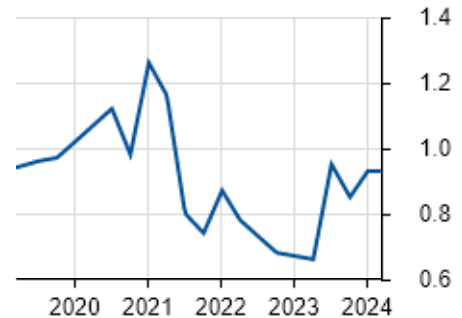
DIVIDEND

	MRK	Industry
Dividend Yield	2.5%	2.8%
Payout Ratio	2114.3%	71.4%
TTM Yield	2.4%	-
Dividend Per Share	\$3.08	\$4.04
Div. 1Y Chg (%)	5.5%	8.8%
Div. 3Y Avg (%)	5.8%	8.8%
Div. 5Y Avg (%)	7.0%	8.8%
Cons. Growth Years	10+	3
Div. Coverage Ratio	0.1	1.4

DEBT & EQUITY

Current Ratio	1.3
Quick Ratio	1.0
Price	\$123.50
Net Cash Per Share	-\$11.03
Equity Per Share	\$14.84
Debt / Equity	0.9
Solvency Ratio	7%
Interest Coverage	2.6
Short % of Float	0.7%
Altman Z-Score	4.2

Debt / Equity 0.9



ANALYST REVISIONS

Current Quarter EPS		Next Quarter EPS	
# Up Last 30 days	2.00	# Up Last 30 days	1.00
# Down Last 30 days	0.00	# Down Last 30 days	1.00
Mean Estimate	2.06	Mean Estimate	2.02
% Change (30 Days)	0.98%	% Change (30 Days)	-

MEAN ESTIMATE TREND

	Cur Qtr	Next Qtr	Cur Year	Next Year
Latest	\$2.06	\$2.02	\$8.57	\$9.76
30 Days Ago	\$2.04	\$2.02	\$8.53	\$9.74
90 Days Ago	\$1.95	\$2.04	\$8.51	\$9.68
% Change (90 Days)	5.6%	-1.0%	0.7%	0.8%

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%)	10	83.3%
Negative Quarters (< 2%)	1	8.3%
In-Line Quarters (within 2%)	1	8.3%

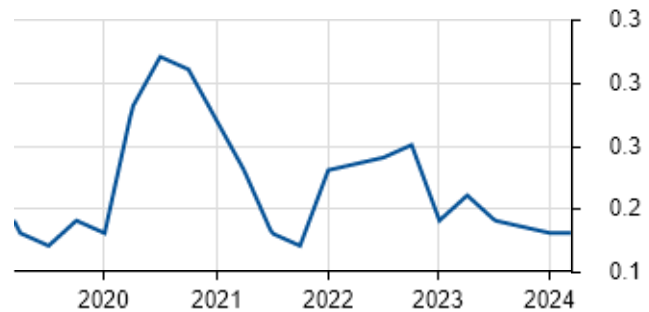
Surprise Detail (Last 6 Quarters)

Surprise Type	Announce Date	Period End Date	Actual EPS	Est. EPS	Surprise (%)
Positive	02/01/24	12/30/23	\$0.03	-\$0.11	-
Positive	10/26/23	09/30/23	\$1.94	\$1.78	9.0%
Positive	08/01/23	06/30/23	-\$2.06	-\$2.18	5.5%
Positive	04/27/23	03/31/23	\$1.40	\$1.32	6.1%
Positive	02/02/23	12/31/22	\$1.62	\$1.54	5.2%
Positive	10/27/22	-	\$1.85	\$1.71	8.2%

RISK

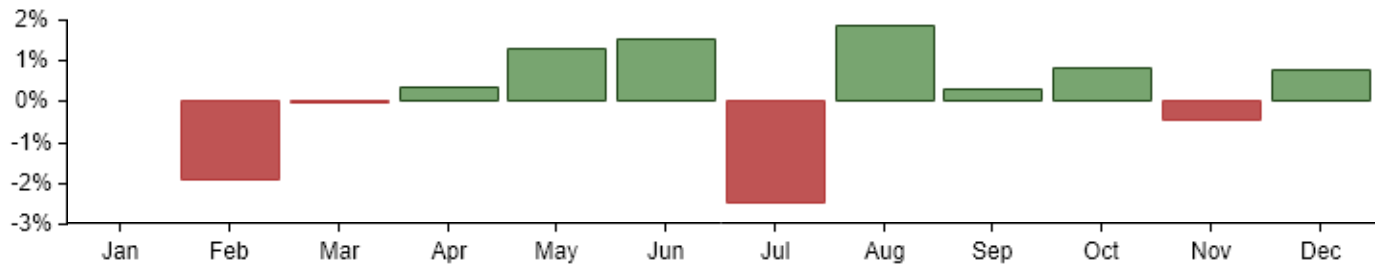
	MRK	Industry	S&P 500
Best Monthly Return (5Y)	15.6%	11.6%	17.9%
Worst Monthly Return (5Y)	-14.7%	-7.9%	-16.4%
Beta 1-Year	0.32	0.36	0.99
Volatility 1-Year	0.17	0.11	0.12
Volatility 1Y Pctl.	16	-	-
Max Drawdown 1-Year	-15.4%	-19.0%	-10.3%
Max Drawdown 3-Year	-20.2%	-28.4%	-25.4%
Max Drawdown 5-Year	-27.9%	-33.1%	-33.9%

MRK Volatility 1-Year 0.2



SEASONALITY

Seasonal Performance vs the S&P 500



5-YEAR RELATIVE PERFORMANCE VS S&P 500

Relative to the S&P 500 baseline, MRK has underperformed the S&P 500 by -14.1% in the past 5 Years.

MRK has outperformed its sector by 16.7% in the past 5 Years.

The Healthcare sector has underperformed the market by -30.8% in the past 5 Years.

Dividend Adjusted Return Mar 8, 2019 - Mar 8, 2024



Overall Rating
vs. Peers

56

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 (%)
AZN	AstraZeneca	96	7.3%	6.9%	7.3%	3.3%	19.8%	15.7%
NVS	Novartis	71	7.4%	86.8%	4.5%	7.4%	-2.2%	0.2%
MRK	Merck & Co	67	5.8%	-	6.4%	1.4%	13.1%	7.3%
JNJ	Johnson & Johnson	52	7.3%	27.8%	2.7%	6.5%	1.0%	0.9%
ABBV	AbbVie	29	-5.4%	-66.7%	6.2%	-6.4%	5.8%	10.6%

Valuation vs Peers

Ticker	Company	Valuation Rating vs. Peer	P/E	Forward P/E	PEG Trailing	P/S	P/B	5Y P/E Range
AZN	AstraZeneca	61	35.0	12.9	2.0	4.5	5.3	31.4 -
NVS	Novartis	50	24.6	12.8	-	4.5	4.4	7.0 - 33.1
JNJ	Johnson & Johnson	32	30.7	14.5	-	4.8	5.6	21.1 - 234.8
ABBV	AbbVie	18	65.8	14.7	-	5.8	30.5	13.9 - 66.6
MRK	Merck & Co	5	500+	12.7	-	5.2	8.3	13.1 - 500+

Efficiency vs Peers

Ticker	Company	Efficiency Rating vs. Peer	Gross Margin	Operating Margin	Net Margin	5Y ROE Range	5Y ROA Range
JNJ	Johnson & Johnson	100	68.8%	25.8%	41.3%	17.4% - 51.1%	7.0% - 19.8%
NVS	Novartis	92	73.3%	20.9%	31.8%	11.7% - 39.3%	5.6% - 19.3%
ABBV	AbbVie	87	62.4%	24.9%	9.0%	-113.2% - 85.8%	3.5% - 12.5%
MRK	Merck & Co	84	73.2%	4.9%	0.6%	1.0% - 39.5%	0.3% - 16.7%
AZN	AstraZeneca	76	82.0%	19.0%	13.0%	-3.5% - 27.6%	-1.3% - 6.4%

Financial Strength vs Peers

Ticker	Company	Financial Str. Rating vs. Peers	Debt / Equity	Interest Coverage	Quick Ratio	Intangibles %	Solvency Ratio	Short % of Float
AZN	AstraZeneca	79	0.7	5.3	0.6	57.5%	20%	-
NVS	Novartis	76	0.6	11.7	0.9	50.3%	50%	-
ABBV	AbbVie	73	5.7	3.8	0.8	65.3%	15%	0.8%
MRK	Merck & Co	72	0.9	2.6	1.0	36.8%	7%	0.7%
JNJ	Johnson & Johnson	69	0.4	20.5	0.9	42.2%	59%	0.5%

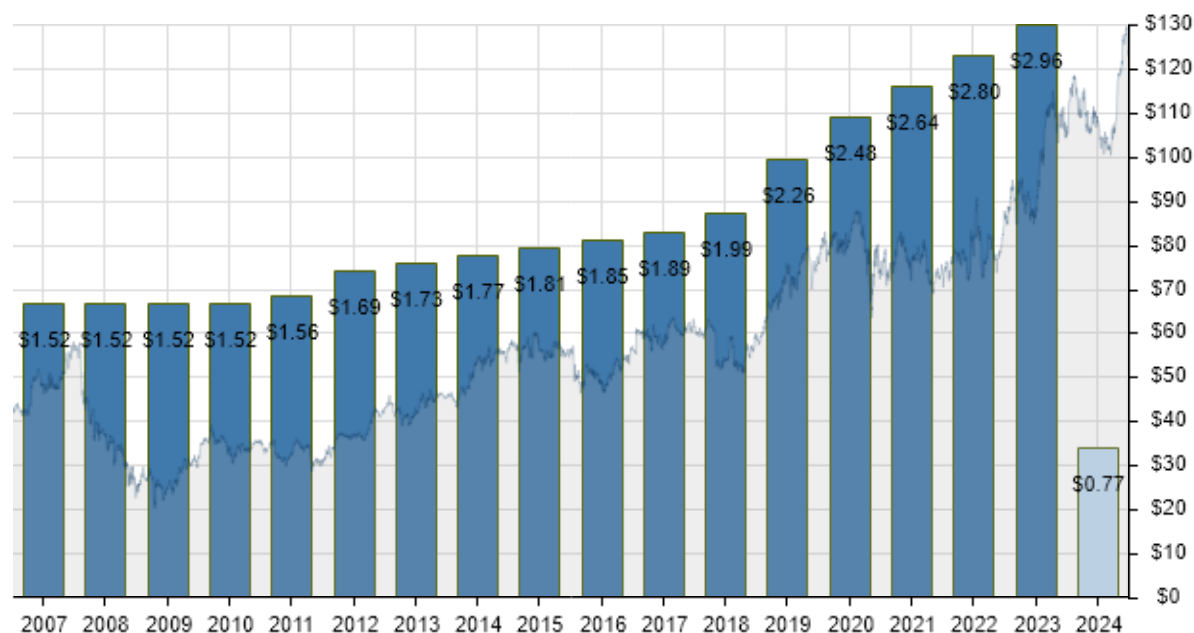
Dividends vs Peers

Ticker	Company	Dividends Rating vs. Peer	Div. Yield	TTM Yield	Price	Div. Per Share	Consecutive Div. Growth Years	Payout Ratio
JNJ	Johnson & Johnson	76	3.0%	3.0%	\$159.52	\$4.76	10+	33.9%
NVS	Novartis	69	3.8%	3.8%	\$100.71	\$3.78	4	48.9%
ABBV	AbbVie	40	3.5%	3.4%	\$178.85	\$6.20	10+	216.9%
MRK	Merck & Co	34	2.5%	2.4%	\$123.50	\$3.08	10+	2114.3%
AZN	AstraZeneca	8	2.2%	2.2%	\$66.50	\$1.45	0	75.5%

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 (%)
ABBV	AbbVie	71	2.3%	21.0%	22.4%	16.5%	24.4%	0.23	0.19	98.0%
NVS	Novartis	65	3.2%	8.6%	12.4%	3.6%	38.8%	0.37	0.18	92.6%
MRK	Merck & Co	59	-2.5%	19.9%	14.8%	13.3%	17.2%	0.32	0.17	94.8%
AZN	AstraZeneca	50	6.3%	6.8%	-1.0%	0.3%	6.0%	0.49	0.22	86.9%
JNJ	Johnson & Johnson	42	2.8%	4.1%	0.9%	2.5%	7.5%	0.25	0.15	90.7%

DIVIDEND DETAIL



CALENDAR YEAR DIVIDEND HISTORY

Year	Ex-Dividend	Pay Date	Text	Amount
2024 Dividends				\$0.77
	03/14/24	04/05/24	Regular	\$0.77
2023 Dividends				\$2.96
	12/14/23	01/08/24	Regular	\$0.77
	09/14/23	10/06/23	Regular	\$0.73
	06/14/23	07/10/23	Regular	\$0.73
	03/14/23	04/10/23	Regular	\$0.73
2022 Dividends				\$2.80
	12/14/22	01/09/23	Regular	\$0.73
	09/14/22	10/07/22	Regular	\$0.69
	06/14/22	07/08/22	Regular	\$0.69
	03/14/22	04/07/22	Regular	\$0.69
2021 Dividends				\$2.64
	12/14/21	01/07/22	Regular	\$0.69
	09/14/21	10/07/21	Regular	\$0.65
	06/14/21	07/07/21	Regular	\$0.65
	03/12/21	04/07/21	Regular	\$0.65
2020 Dividends				\$2.48
	12/14/20	01/08/21	Regular	\$0.65
	09/14/20	10/07/20	Regular	\$0.61
	06/12/20	07/07/20	Regular	\$0.61
	03/13/20	04/07/20	Regular	\$0.61
2019 Dividends				\$2.26
	12/13/19	01/08/20	Regular	\$0.61

UPCOMING DIVIDEND

Ex-Dividend Date	03/14/24
Payment Date	04/05/24
Amount	\$0.77
Type	Regular

DIVIDEND RATE

Regular Dividend	\$0.77
Annual Dividend Rate	\$3.08
Annual Dividend Yield	2.5%
Trailing 12 Months Dividends	\$2.96
Trailing 12 Months Yield	2.4%

STATISTICS

Payout Ratio	2114.3%
Dividend Coverage Ratio	4.7%
Consecutive Growth Years	10+
3 Year Growth Rate	5.8%
5 Year Growth Rate	7.0%
10 Year Growth Rate	5.8%




FINANCIAL STATEMENT SUMMARY

USD in Millions	Chart	2019	2020	2021	2022	2023	TTM	CAGR
Income Statement								
Revenue		39,121	41,518	48,704	59,283	60,115	60,115	10.8%
Operating Income		7,926	5,548	13,199	18,282	2,954	2,954	-21.0%
Net income		9,843	7,067	13,049	14,519	365	365	-54.5%
Earnings per share diluted		\$2.21	\$1.78	\$4.86	\$5.71	\$0.14	\$0.14	-48.3%
Average shares diluted		2,580	2,541	2,538	2,542	2,547	2,547	-0.3%
P/E Ratio		25.4	18.1	23.0	18.4	802.5	909.1	135.1%
Balance Sheet								
Cash		10,450	8,050	8,096	13,192	7,093	7,093	-8.8%
Current assets		27,483	27,764	30,266	35,722	32,168	32,168	3.8%
Net Property, Plant and Equipm...		15,053	17,000	19,279	21,422	23,051	23,051	10.7%
Working Capital		5,263	437	6,394	11,483	6,474	6,474	5.1%
Net Debt		15,896	23,741	25,006	17,499	27,962	27,962	14.4%
Stockholders' Equity		25,907	25,317	38,184	45,991	37,581	37,581	9.3%
Cash Flow								
Operating Cash Flow		13,440	10,253	14,109	19,095	13,006	13,006	-0.8%
Cap Ex		-3,369	-4,429	-4,448	-4,388	-3,863	-3,863	3.3%
Free Cash Flow		10,071	5,824	9,661	14,707	9,143	9,143	-2.3%
Free Cash Flow per share		\$3.90	\$2.29	\$3.81	\$5.79	\$3.59	\$3.59	-2.0%
Profitability								
Operating Margin		20.3%	13.4%	27.1%	30.8%	4.9%	4.9%	-28.7%
Return on Assets		11.8%	8.0%	13.2%	13.5%	0.3%	0.3%	-57.2%
Return on Equity		38.0%	27.9%	34.2%	31.6%	1.0%	1.0%	-58.4%
Return on Invested Capital		19.8%	14.0%	21.4%	20.6%	1.3%	1.3%	-47.7%
Dividends								
Dividends Per Share		\$2.26	\$2.48	\$2.64	\$2.80	\$2.96	\$3.08	7.7%
Dividend Yield		2.7%	3.2%	3.6%	2.6%	2.8%	2.5%	-1.7%
Dividend Growth		-	9.7%	6.5%	6.1%	5.7%	10.0%	0.8%
Dividend Coverage		1.7x	1.1x	2.0x	2.0x	0.0x	0.0x	-57.5%

VALUATION & PROFITABILITY HISTORY

Date →		TTM	1 Yr Ago	2 Yrs. Ago	3 Yrs. Ago	4 Yrs. Ago
Price / Earnings		500+	18.0	23.1	16.4	22.9
Price / Cash Flow		24.2	14.0	14.9	17.1	17.5
Price / Book		8.3	6.2	5.4	6.4	7.8
Price / Tangible B...		-	142.4	54.8	-	-
Price / Sales		5.2	4.7	3.7	4.0	4.7
EV / EBITDA		49.3	14.1	11.8	19.7	19.1
Dividend Yield		2.5%	2.7%	3.6%	3.5%	3.0%
Shareholder Yield		2.9%	2.7%	4.0%	4.2%	5.4%
Gross Margin		73.2%	70.6%	72.0%	67.2%	69.3%
Net Margin		0.6%	24.5%	26.8%	17.0%	25.2%
Return on Assets		0.3%	13.5%	13.2%	8.0%	11.8%
Return on Equity		1.0%	31.6%	34.2%	27.9%	38.0%
ROIC		1.3%	20.6%	21.4%	14.0%	19.9%

WARNINGS

Name	Severity	Details
GAAP Earnings vs. Pro Forma	Medium 	Official EPS: -\$0.48; Announced EPS: \$0.03
<p>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.</p>		
Negative Sales Growth Years	Medium 	Number of Years: 6; Sales 1Y Chg (%): 1.4%
<p>In the last decade this company has had several years with negative revenue growth. If the top-line sales are shrinking this company could be a value trap that looks inexpensive on some measures but never outperforms the market.</p>		
Declining EPS Growth	Low 	EPS 1Y Chg (%): -97.5%; EPS 3Y Avg (%): -57.1%; EPS 5Y Avg (%): -42.9%
<p>EPS growth has declined. Comparing EPS 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 earnings growth puts pressure on the stock price.</p>		

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

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