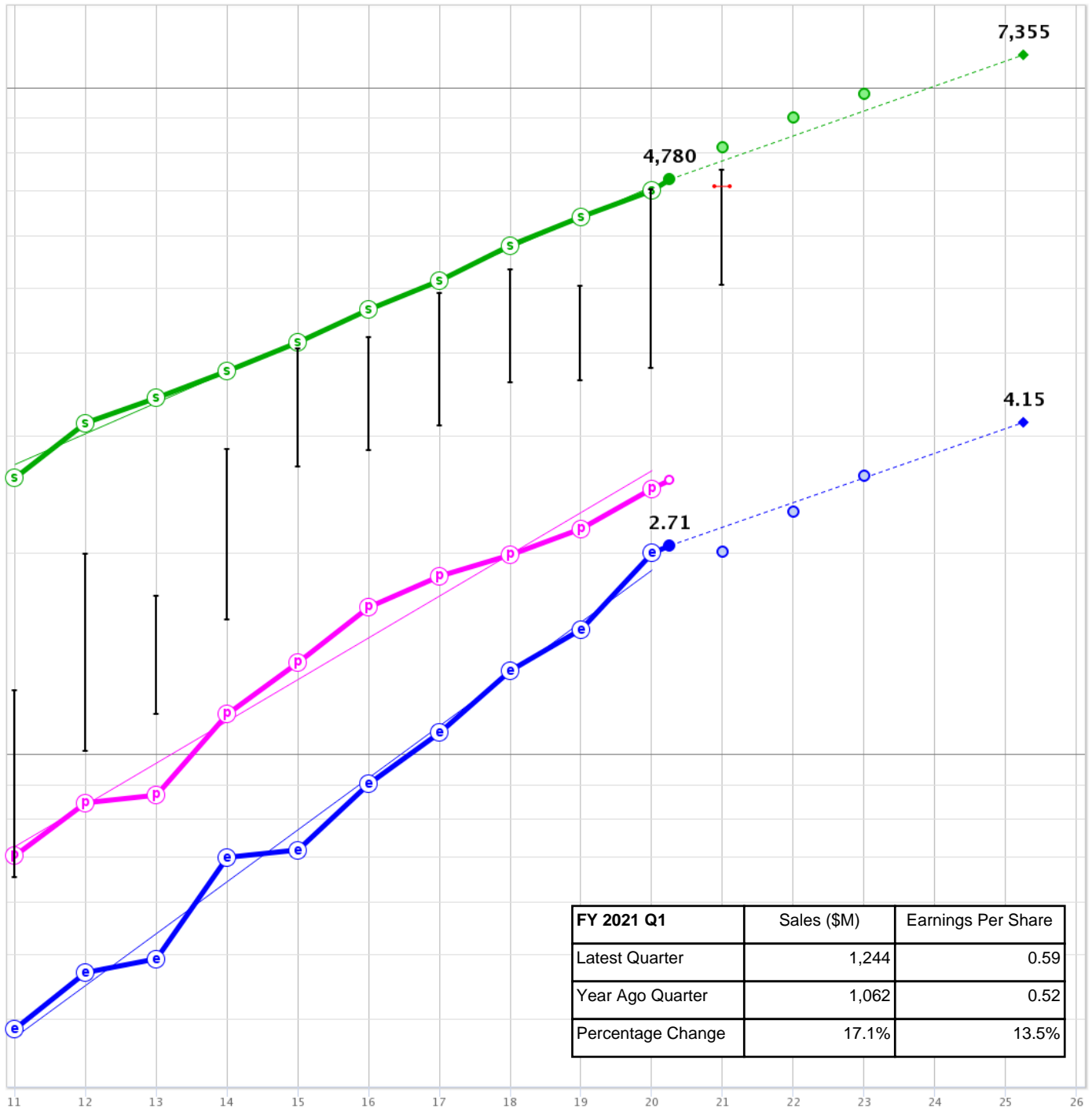


Company	Monster Beverage		Date	06/10/21	
Prepared by	HENRIKSON		Data taken from	BI Stock Data	
Where traded	NAS	Industry	Beverages - Non-Alcoholic		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	535.0		0.3	72.0	
Debt (\$M)	0.0	% to Tot Cap	0.0	% Pot Dil	1.3

Stock Selection Guide

Symbol: MNST

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- | | | | |
|-----------------------------------|-------|--|-------|
| (1) Historical Sales Growth | 11.3% | (3) Historical Earnings Per Share Growth | 19.6% |
| (2) Estimated Future Sales Growth | 9.0% | (4) Estimated Future Earnings Per Share Growth | 8.9% |

2 EVALUATING Management

Monster Beverage

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Last 5 Year Avg.
Pre-tax Profit on Sales	26.8%	26.6%	25.1%	30.3%	32.7%	35.4%	35.7%	34.0%	33.7%	35.4%	34.8%
% Earned on Equity	28.6%	47.9%	33.9%	33.5%	12.4%	19.8%	21.3%	24.6%	26.5%	30.1%	24.5%
% Debt To Capital	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CLOSING PRICE 93.77 (06/10/21)

HIGH THIS YEAR 99.24

LOW THIS YEAR 66.62

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2016	55.5	37.7	1.19	46.6	31.7	0.00	0.0	0.0
2017	64.8	41.0	1.42	45.6	28.9	0.00	0.0	0.0
2018	70.2	47.6	1.76	39.9	27.1	0.00	0.0	0.0
2019	66.4	47.8	2.03	32.7	23.6	0.00	0.0	0.0
2020	92.5	50.1	2.64	35.1	19.0	0.00	0.0	0.0
AVERAGE		44.8		40.0	26.0		0.0	
CURRENT/TTM			2.71			0.00	0.0	
AVERAGE PRICE EARNINGS RATIO: 33.0				CURRENT PRICE EARNINGS RATIO: 34.6				

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 34.6 X Estimate High Earnings/Share 4.15 = Forecasted High Price \$ 143.6

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 26.0 X Estimate Low Earnings/Share 2.64 = Forecasted Low Price \$ 68.6

(b) Avg. Low Price of Last 5 Years 44.8

(c) Recent Market Low Price 47.8

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.00}{0.00\%} = 0.0$

Selected Forecasted Low Price \$ 68.6

C ZONING using 25%-50%-25%

Forecasted High Price 143.6 Minus Forecasted Low Price 68.6 = 75.0 Range. 25% of Range 18.7

Buy Zone 68.6 to 87.3

Hold Zone 87.3 to 124.8

Sell Zone 124.8 to 143.6

Present Market Price of 93.77 is in the **HOLD** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price} - \text{Low Price}} = \frac{143.6 - 93.77}{93.77 - 68.6} = \frac{49.82}{25.17} = 2.0$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Closing Price}}{\text{Closing Price}} = \frac{143.6 - 93.77}{93.77} = 1.5313$ X 100 = 153.13 - 100 = 53.1 % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend}}{\text{Closing Price}} = \frac{0.00}{93.77} = 0.0000 = 0.0\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{0.0\%}{34.60} = 0.0\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{0.0\%}{30.30} = 0.0\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 8.9 %
Average Yield 0.0 %
Annualized Rate of Return 8.9 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation 6.0 %
Average Yield 0.0 %
Annualized Rate of Return 6.0 %

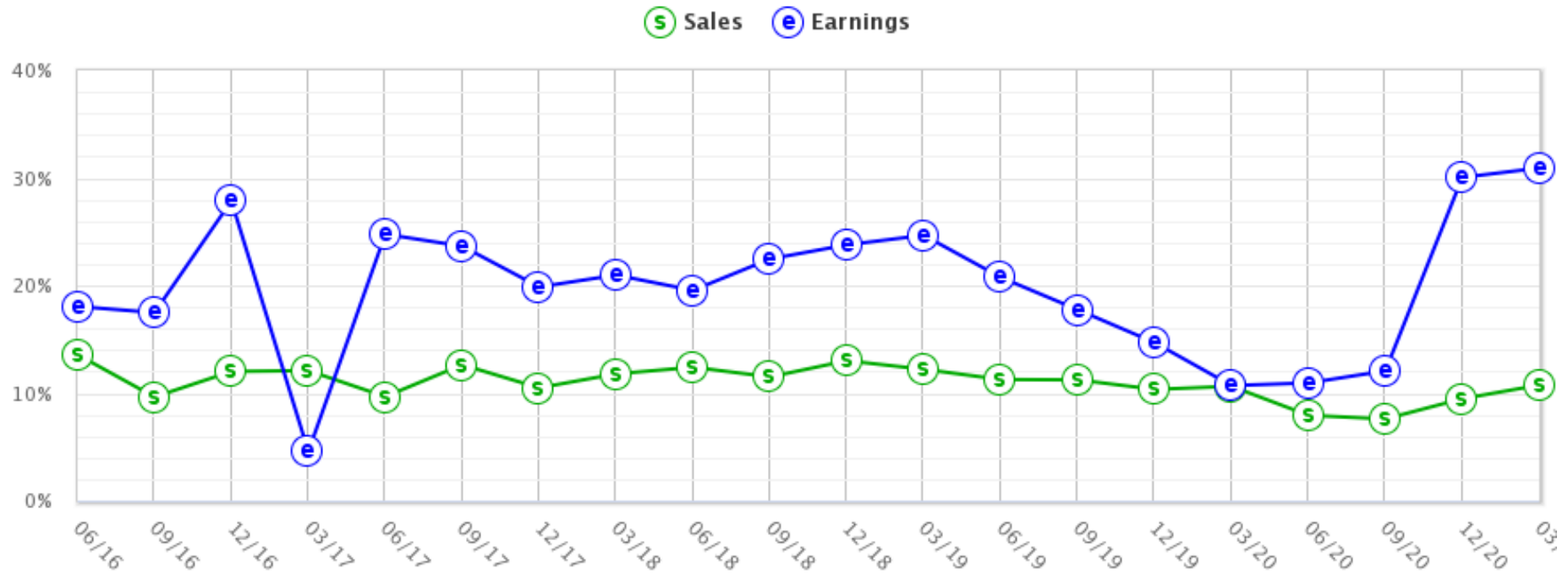
Notes: MNST 6/11/2021

Date	Subject	Description	Type
06/13/21	Judgments for 6/13/21 Monster Stock Study	Sales = 9 % -a little below analysts' and BI Member estimates; EPS = 9%, same consensus. While analysts praise current 17% sales growth, they say with narrow energy drink market and competition, and current logistical challenges with ingredients and regulations, not clear how sustainable this rate of growth is. Used High PE for high Stock is in the Hold range for long-term investors.	Study
04/18/21	MNST Judgements as of Y/E 2020	I used average of Analysts' estimates for sales and eps growth:: Value Line from March 2021 report, Morningstar and CFRA from April 2021, and Zacks and Yahoo consensus, plus BI member sentiment. Both MorningStar and Value Line consider MNST overvalued at this time, while CFRA considers it undervalued. As a result of these averages, I used 7% sales growth, 9% EPS growth (note recent quarterly data as well as analysts' projections), Hi PE of 37 (it has been dropping from 40 a couple of years ago) to give a high price of \$150/share (slightly higher than VL. but inline with BI member sentiment) and low price of \$50.1 (the low price of 2020). This, places stock in the HOLD zone.	Study
03/09/21	Q4 2020	Monster exceeded analysts expectations with record Q4 results despite the pandemic. EPS up 87% and sales up 18% after product returns. Supply chain is intact, managing industry wide constraints on aluminum cans, operating expenses down due to less legal, cancelled events and less sponsorships. New brand launches performing well. No shares buybacks.	Community
02/17/20	MNST 2-17-20	VL 1-17-20 This stock is neutrally ranked. The price has increased by 15% over the past 3 months but the stock price remains volatile for the short term. 2019 sales and earnings estimates remain on target. The company continues to pursue growth opportunities through innovation and adjusting to trends in changing consumer tastes in both national and international markets. They are looking to enter the coffee market. The P/E remains a bit high but appears to be decreasing. Long term outlook for MNST remains positive and bullish. High single digit sales growth and low double digit EPS growth is expected as well as above average appreciation for the patient investor. The stock is currently a BUY with a reward to risk ratio of 5.4:1.	Community

12/17/19	Review 12/17/19	<p>MNST is a BUY. It passes the deep dive acid test. It has had consecutive yr over yr increases on sales, earnings, and profits. These increases have continued in the last 3 quarters of this year. SSG: Used Future earnings growth=10% and Future sales growth =12%. Pretax profit is even, ROE continues to increase, and there is no debt. Used Future Low EPS=21 and Future High EPS=37.8 to estimate future High and Low Price. Value Line has downgraded the technical from 2 to 4 and Timeliness from 2 to 3 since the last report. New VL due next month. Cons: Some investors worried because of a slowdown in US trends, threatening competition from Coca-Cola Energy (NYSE:KO), and a dependence on lower margin international growth and currency headwinds. Pros: Resolution of dispute with KO regarding distribution of KO energy drink as competition, continuing to us KO's massive distribution system to distribute their product, and securing major price increases with retailers.</p>	Community
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Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data



Period	Quarterly Data								Last 12 Months Data								
	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change		\$	\$ Mil	%Sales		\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales
03/21	0.59	13.5	413.4	33.2	13.0	1,243.8	17.1	23.8	2.71	1,673.7	35.0	4,780.4	220.5	13.2	30.9	14.0	10.7
12/20	0.88	87.2	400.8	33.5	24.8	1,196.3	17.6	-17.7	2.64	1,626.2	35.4	4,598.6	214.4	13.2	30.0	14.8	9.5
09/20	0.65	18.2	454.0	36.4	13.9	1,246.4	9.9	23.4	2.23	1,546.6	35.0	4,419.6	352.1	22.8	12.1	10.0	7.6
06/20	0.59	11.3	405.5	37.1	6.2	1,093.9	-0.9	23.2	2.13	1,491.1	34.6	4,306.8	345.3	23.2	10.9	10.5	7.9
03/20	0.52	8.3	365.9	34.4	16.4	1,062.1	12.3	23.8	2.07	1,467.6	34.0	4,316.9	340.7	23.2	10.7	10.7	10.6
12/19	0.47	9.3	321.2	31.6	3.3	1,017.2	10.1	20.6	2.03	1,416.0	33.7	4,200.8	303.9	21.5	14.7	9.5	10.3
09/19	0.55	14.6	398.6	35.2	16.3	1,133.6	11.6	25.0	1.99	1,405.6	34.2	4,107.8	310.3	22.1	17.8	12.4	11.2
06/19	0.53	10.4	382.0	34.6	6.7	1,104.0	8.7	23.4	1.92	1,349.6	33.8	3,990.4	287.3	21.3	20.8	9.8	11.3
03/19	0.48	26.3	314.2	33.2	11.5	946.0	11.2	16.8	1.87	1,325.8	34.0	3,902.3	286.0	21.6	24.7	8.8	12.2
12/18	0.43	22.9	310.9	33.6	16.1	924.2	14.1	23.1	1.77	1,293.3	34.0	3,807.2	300.1	23.2	23.8	7.6	13.0

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change			\$	\$ Mil		%Sales	\$ Mil	%Rate	EPS	Pre-Tax Profit
09/18	0.48	26.3	342.6	33.7	6.6	1,016.2	11.7	21.8	1.69	1,250.2	33.9	3,693.3	295.6	23.6	22.5	5.9	11.5
06/18	0.48	23.1	358.1	35.3	3.1	1,015.9	12.0	24.6	1.59	1,229.0	34.3	3,586.6	321.5	26.2	19.5	7.0	12.4
03/18	0.38	22.6	281.7	33.1	6.3	850.9	14.7	23.3	1.50	1,218.4	35.0	3,477.8	353.4	29.0	21.0	11.9	11.8
12/17	0.35	16.7	267.8	33.1	8.6	810.4	7.5	24.8	1.43	1,201.6	35.7	3,369.0	377.1	31.4	19.9	11.3	10.5
09/17	0.38	15.2	321.4	35.3	11.1	909.5	15.4	31.9	1.38	1,180.5	35.6	3,312.5	385.4	32.6	23.7	11.1	12.6
06/17	0.39	30.0	347.5	38.3	20.5	907.1	9.6	35.9	1.33	1,148.5	36.0	3,190.9	380.2	33.1	24.8	8.2	9.7
03/17	0.31	17.9	264.9	35.7	3.8	742.1	9.1	32.8	1.24	1,089.3	35.0	3,111.4	361.1	33.1	4.6	-4.3	12.1
12/16	0.30	34.5	246.7	32.7	7.5	753.8	16.8	29.9	1.19	1,079.7	35.4	3,049.4	366.0	33.9	27.9	21.1	12.0
09/16	0.33	17.9	289.3	36.7	0.4	788.0	4.1	33.8	1.12	1,062.4	36.1	2,941.1	385.7	36.3	17.5	24.4	9.6
06/16	0.30	-28.6	288.3	34.8	-21.0	827.5	19.3	36.1	1.07	1,061.2	36.5	2,909.7	400.2	37.7	18.1	40.6	13.6
03/16	0.26	2,530.0	255.3	37.5	2,781.1	680.2	8.5	35.8	1.19	1,138.0	41.0	2,776.0	432.6	38.0	57.5	87.9	8.6
12/15	0.22	-7.1	229.5	35.6	19.6	645.4	6.6	39.5	0.93	891.5	32.7	2,722.6	370.9	41.6	0.8	19.5	10.5
09/15	0.28	20.2	288.1	38.1	52.5	756.6	19.0	39.4	0.95	854.0	31.8	2,682.7	344.9	40.4	14.0	24.6	11.8
06/15	0.42	55.6	365.1	52.6	69.0	693.7	0.9	37.3	0.90	754.8	29.5	2,562.1	297.7	39.4	16.2	16.6	8.8
03/15	0.01	-94.5	8.9	1.4	-94.1	626.8	16.9	50.2	0.75	605.6	23.7	2,555.5	235.0	38.8	5.5	-0.3	11.2
12/14	0.24	63.3	191.9	31.7	45.7	605.6	12.0	34.7	0.93	745.8	30.3	2,464.9	263.1	35.3	41.6	32.3	9.7
09/14	0.23	31.6	188.9	29.7	25.3	636.0	7.7	35.6	0.83	685.6	28.6	2,400.1	254.8	37.2	30.8	26.1	10.2
06/14	0.27	30.4	216.0	31.4	22.7	687.2	8.9	34.7	0.78	647.5	27.5	2,354.6	245.8	38.0	25.9	21.2	10.6
03/14	0.18	48.8	149.0	27.8	41.4	536.1	10.7	36.1	0.71	607.5	26.4	2,298.3	237.6	39.1	17.6	15.1	10.0
12/13	0.15	13.1	131.7	24.4	18.1	540.8	14.7	42.2	0.65	563.9	25.1	2,246.4	225.7	40.0	5.3	2.7	9.0
09/13	0.18	12.7	150.7	25.5	6.7	590.4	8.9	38.8	0.64	543.7	25.0	2,177.1	213.4	39.2	5.1	0.3	8.9
06/13	0.21	5.1	176.0	27.9	3.7	630.9	6.5	39.3	0.62	534.2	25.1	2,128.6	209.9	39.3	3.5	0.4	10.2
03/13	0.12	-10.2	105.4	21.8	-16.8	484.2	6.5	39.8	0.61	527.9	25.3	2,090.3	202.1	38.3	10.6	6.6	16.0
12/12	0.13	13.0	111.6	23.7	6.7	471.5	15.0	39.1	0.62	549.2	26.6	2,060.7	210.4	38.3	21.8	20.1	21.0
09/12	0.16	6.8	141.2	26.1	7.6	541.9	14.2	39.0	0.61	542.1	27.1	1,999.1	206.7	38.1			
06/12	0.20	31.3	169.7	28.6	27.8	592.6	28.2	35.3	0.60	532.1	27.5	1,931.9	200.4	37.7			
03/12	0.14	39.8	126.6	27.9	42.7	454.6	27.5	39.9	0.55	495.1	27.5	1,801.4	188.0	38.0			
12/11	0.12		104.5	25.5		410.0		38.3									
09/11	0.15		131.2	27.6		474.7		37.2									
06/11	0.15		132.8	28.7		462.1		36.5									
03/11	0.10		88.8	24.9		356.4		38.0									