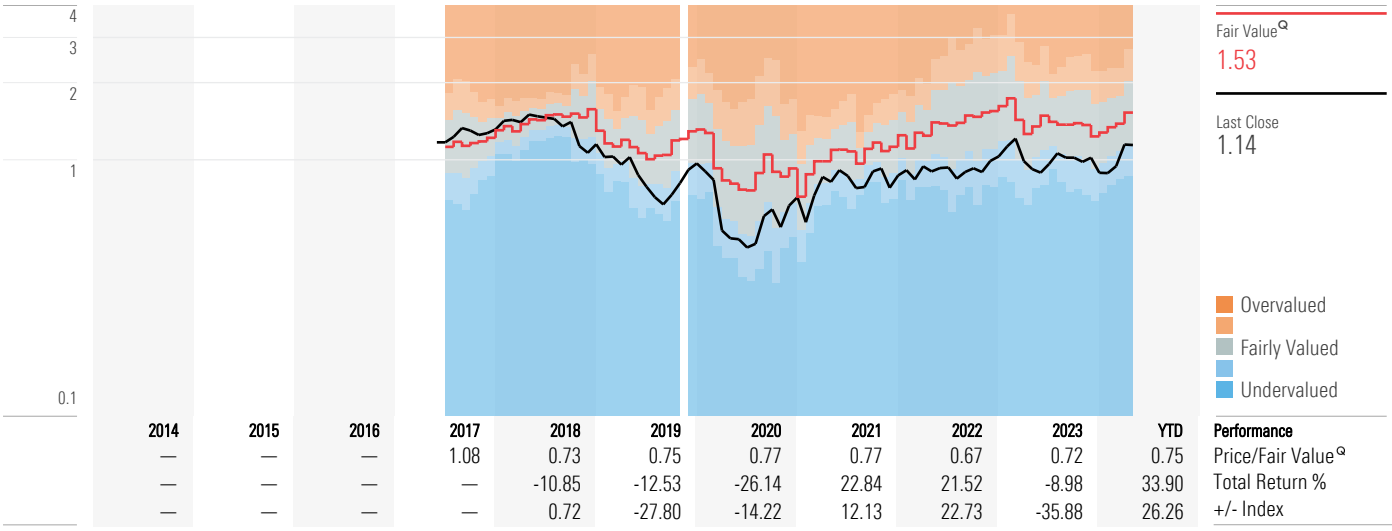
Unicaja Banco SA UNI ★★★★ Q 19 Apr 2024, 22:36 UTC

Economic Moat Q	Uncertainty Q	Price/Fair Value Q	ESG Risk Rating Assessment[1]	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
None	Very High	0.7	3 Apr 2024 05:00, UTC	4.35	3.0506 Bil	Mid Value	Financial Services	Banks - Regional



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
Price/Fair Value Q	—	—	—	1.08	0.73	0.75	0.77	0.77	0.67	0.72	0.75
Total Return %	—	—	—	—	-10.85	-12.53	-26.14	22.84	21.52	-8.98	33.90
+/- Index	—	—	—	—	0.72	-27.80	-14.22	12.13	22.73	-35.88	26.26

Performance

As of 19 Apr 2024 | Index: Morningstar Spain GR EUR. Fair Value data as of 19 Apr 2024, 22:36 UTC.

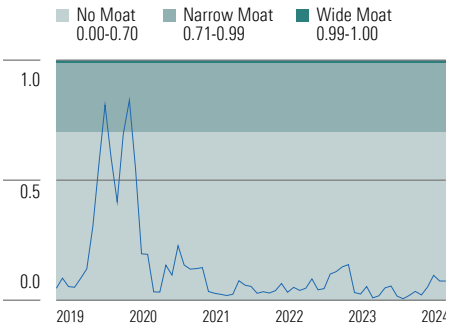
[1]The ESG Risk Rating Assessment is a representation of Sustainalytics' ESG Risk Rating. Lee Davidson, Chief Analytics Officer for Morningstar, Inc, oversees the methodology that supports Quantitative Fair Value Estimates and Quantitative Star Ratings. Mr. Davidson is guided by the Morningstar, Inc. Code of Ethics in carrying out his responsibilities. For information regarding Conflicts of Interests, visit http://global.morningstar.com/equitydisclosures.

Key Metrics as of 15 Apr 2024

Metrics		Percentile in Sector
Earnings Yield (%)	8.5	60.0
Sales Yield (%)	64.7	72.0
Book Value Yield (%)	218.2	90.0
Return on Assets (%)*	0.3	26.0
Revenue(Bil)*	2.1	73.0
Market Value (Bil)	3.3	70.0
Enterprise Value (Mil)	27.7	36.0
EVMV Ratio	0.0	19.0
Volatility TTM (%)	20.8	42.0
Drawdown TTM (%)	22.2	58.0
Volume (Mil)	8.0	89.0

*31 Dec 2023

Economic Moat Q History as of 19 Apr 2024



Business Description

Unicaja Banco SA is a financial institution. The company is engaged in financing activities that provide banking services to business and self-employed people. Its product categories include accounts and cards; mortgaged and loans; savings and investment; insurances and services. Geographically, it derives revenue from Spain.

Valuation Q as of 19 Apr 2024

Morningstar maintains a 4-star quantitative star rating for Unicaja Banco, derived from the firm's valuation and uncertainty scores.

The company's shares last closed at 1.15, below our quantitative fair value estimate of 1.56. These shares have traded between a 35.21% and 17.08% discount to their fair value estimate over the past year. In Morningstar's equity coverage universe for this methodology, the company's valuation rating lands at the 52nd percentile; in the financial services sector, the firm's score lies at the 35th percentile (higher percentile indicates more undervalued).

Furthermore, Unicaja Banco maintains a quantitative valuation uncertainty rating of Very High.

The company has held this star rating since the previous rating of 3, which was last assigned on 04/04/2024. The uncertainty rating for Unicaja Banco has remained Very High over the past year.

The key factors behind these ratings are the company's earnings yield and drawdown. The earnings yield is 8.50%, and its maximum trailing 12-month maximum drawdown is 25.86%. The earnings yield falls at the 60th percentile in the financial services sector while the drawdown is at the 58th percentile. Over the past year, the company's earnings yield has been between 7.95% and 11.89%; its drawdown has ranged between 17.44% and 25.86%.

Economic Moat Q as of 19 Apr 2024

With a Morningstar quantitative moat rating of None, the quantitative moat score for Unicaja Banco falls at the 10th percentile in the financial services sector and at the 8th in the equity coverage universe. The company has maintained its None quantitative moat rating for the last year.

We also assign a Strong quantitative financial health rating to Unicaja Banco. The company's raw score on this metric, termed Distance to Default, ranks at the 95th percentile overall and 82nd in the financial services sector. Furthermore, this financial health rating has stayed Strong over the last year.

Supporting these ratings are the company's book value yield and annualized trailing 12-month volatility. The book value yield of 217.78%, ranks at the 91st percentile in the covered equity universe and at the 89th percentile among its peers. Meanwhile, its annualized trailing 12-month volatility of 21.10%, falls at the 24th percentile in the universe and the 43rd percentile in the financial services sector.

Fundamentals as of 19 Apr 2024

Unicaja Banco reports earnings per share of 0.1. The company maintains a dividend yield of 4.22%, paying out 49.42% of earnings. These values are calculated over a trailing 12-month period.

As of last market close, Unicaja Banco has a price-to-earnings ratio of 11.77, falling at the 52nd percentile in its sector (where a lower percentile means a lower ratio) and ranging between 8.41 and 12.45 over the past year. The company's price-to-free cash flow ratio is 1.11, falling at the 9th percentile in its sector and ranging between 0.92 and 1.14 over the past year.

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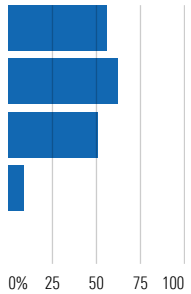
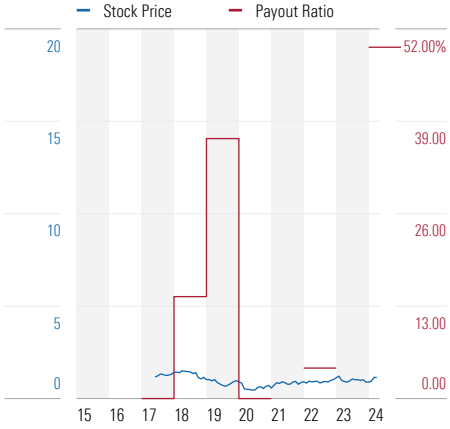
Earnings as of 15 Apr 2024

Earnings	%	Percentile in Sector
Dividend Yield*	4.2	56.0
Payout Ratio*	49.4	62.0
Price to Earnings	11.7	51.0
Price to Cash Flow	1.1	9.0
ROIC**	—	—

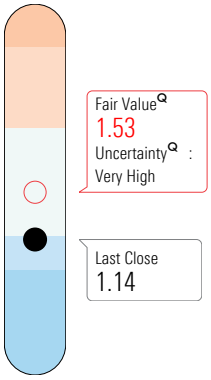


*28 Mar 2024
**31 Dec 2023

Dividends as of 19 Apr 2024



Valuation Q as of 19 Apr 2024



UNI is Undervalued at a 25% discount.

Economic Moat Q
None
Financial Health Q
Strong
1-Star Price Q
< 2.70
5-Star Price Q
< 0.86

Contact

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—
https://www.unicajabanco.com

Financials as of 19 Apr 2024 (Fiscal Year End 31 Dec 2022)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	Fiscal
1,438	1,670	1,219	1,093	1,105	1,083	1,033	1,248	1,743	1,977	1,977	Revenue (Mil)
—	—	—	—	—	—	—	—	—	—	—	Operating Income
—	—	—	—	—	—	—	—	—	—	—	Operating Margin (%)
475	187	142	142	146	165	71	1,106	271	260	260	Net Income (Mil)
0.51	0.19	0.15	0.11	0.09	0.10	0.05	0.54	0.10	0.10	0.10	Diluted Earnings/Share
-2.70	-4.63	4.35	1.12	0.46	-0.22	2.03	13.96	-17.35	2.83	2.83	Operating Cash Flow (Bil)
-3.88	-144.74	—	-24.35	-81.49	-27.19	-40.49	-31.53	-64.80	-68.74	-68.74	Capital Spending (Mil)
-2.70	-4.78	4.35	1.09	0.38	-0.25	1.99	13.93	-17.41	2.77	2.77	Free Cash Flow (Bil)
925	964	964	1,306	1,607	1,605	1,583	2,034	2,653	2,655	2,655	Avg Shares Outstand(Mil)

Valuation as of 19 Apr 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar
—	—	—	1.08	0.73	0.75	0.77	0.77	0.67	0.72	0.75	Price/Fair Value Q
—	—	—	2.95	1.81	1.35	1.09	1.63	2.15	1.24	1.53	Price/Sales
—	—	—	—	7.67	9.34	13.52	15.79	1.77	8.92	11.65	Price/Earnings
—	—	—	—	0.73	—	0.24	1.52	0.27	—	1.07	Price/Cash Flow
—	—	—	0.89	0.47	0.39	0.28	0.38	0.42	0.36	0.45	Price/Book

Operating Performance as of 19 Apr 2024 (Fiscal Year End 31 Dec 2022)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q3	Fiscal (%)
0.87	0.29	0.24	0.25	0.27	0.29	0.12	1.22	0.24	0.26	-0.02	Return on Assets
18.81	6.28	4.79	4.17	3.92	4.19	1.78	21.42	3.95	3.97	-0.29	Return on Equity
—	—	—	—	—	—	—	—	—	—	—	Rtn on Invested Capital

Dividends as of 19 Apr 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar (%)
—	—	—	—	0.02	0.04	—	0.01	0.03	0.05	0.05	Dividend Per Share
—	—	—	—	1.87	3.91	—	—	2.42	—	4.35	Trailing Dividend Yield
—	—	—	—	—	—	1.13	—	—	—	0.08	Buyback Yield

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Appendix

Economic Moat Q History as of 19 Apr 2024 (No Moat: 0.00-0.70, Narrow Moat: 0.70-0.99, Wide Moat: 0.99-1.00)

Year	January	February	March	April	May	June	July	August	September	October	November	December
2024	0.02	0.05	0.10	0.08	—	—	—	—	—	—	—	—
2023	0.15	0.03	0.03	0.06	0.01	0.02	0.05	0.06	0.02	0.01	0.02	0.04
2022	0.04	0.07	0.03	0.05	0.04	0.05	0.09	0.04	0.05	0.11	0.12	0.14
2021	0.14	0.04	0.03	0.02	0.02	0.02	0.08	0.06	0.06	0.03	0.04	0.03
2020	0.83	0.55	0.19	0.19	0.03	0.03	0.15	0.10	0.23	0.15	0.13	0.13
2019	0.05	0.09	0.06	0.05	0.09	0.13	0.31	0.57	0.81	0.59	0.41	0.69

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Quantitative Equity Ratings

Morningstar's quantitative equity ratings consist of: (i) Quantitative Fair Value Estimate, (ii) Quantitative Star Rating, (iii) Quantitative Uncertainty, (iv) Quantitative Economic Moat, and (v) Quantitative Financial Health (collectively the "Quantitative Ratings).

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i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to http://global.morningstar.com/equitydisclosures for information about Fair Value Estimate Morningstar's equity analysts assign to companies.

ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

Narrow – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.

Wide – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.

None – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.

iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, Quantitative Uncertainty Rating, and momentum. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

★ – the stock is overvalued with a reasonable margin of safety.
*Log (Quant FVE/Price) < -1*Quantitative Uncertainty*
*Micro-Caps: Log (Quant FVE/Price) < -1.5*Quantitative Uncertainty*

★★ - the stock is somewhat overvalued.
*Log (Quant FVE/Price) between (-1*Quantitative Uncertainty, -0.5*Quantitative Uncertainty)*
*Micro-Caps: Log (Quant FVE/Price) between (-1.5*Quantitative Uncertainty, -0.75*Quantitative Uncertainty)*

★★★ – the stock is approximately fairly valued.
*Log (Quant FVE/Price) between (-0.5*Quantitative Uncertainty, 0.5*Quantitative Uncertainty)*
*Micro-Caps: Log (Quant FVE/Price) between (-0.75*Quantitative Uncertainty, 0.75*Quantitative Uncertainty)*

★★★★ – the stock is somewhat undervalued.
*Log (Quant FVE/Price) between (0.5*Quantitative Uncertainty, 1*Quantitative Uncertainty)*
*Micro-Caps: Log (Quant FVE/Price) between (0.75*Quantitative Uncertainty, 1.5*Quantitative Uncertainty)*

★★★★★ – the stock is undervalued with a reasonable margin of safety.
*Log (Quant FVE/Price) > 1*Quantitative Uncertainty*
*Micro-Caps: Log (Quant FVE/Price) > 1.5*Quantitative Uncertainty*

After the initial calculation for the star rating, there is a final filtering step based on the momentum of the company. We rank the companies based on their 12-1 month momentum, then restrict those below the 30th percentile to a maximum of 3 stars.

iv. **Quantitative Uncertainty:** Intended to represent Morningstar's level of uncertainty about the accuracy of the Quantitative Fair Value Estimate. Generally, the lower the Quantitative Uncertainty, the narrower the potential range of outcomes for that particular company. The rating is expressed as Low, Medium, High, Very High, and Extreme.

Low – the interquartile range for possible fair values is less than 10%

Medium – the interquartile range for possible fair values is less than 15% but greater than 10%

High – the interquartile range for possible fair values is less than 35% but greater than 15%

Very High – the interquartile range for possible fair values is less than 80% but greater than 35%

Extreme – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

Weak – assigned when Quantitative Financial Health < 0.2

Moderate – assigned when Quantitative Financial Health is between 0.2 and 0.7

Strong – assigned when Quantitative Financial Health > 0.7

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i. **Last Close** – Price of the stock as of the close of the market of the last trading day before date of the report.

ii. **Quantitative Valuation**– Using the below terms, intended to denote the relationship between the security's **Last Price** and Morningstar's quantitative fair value estimate for that security.

Undervalued – Last Price is below Morningstar's quantitative fair value estimate.

Farily Valued – Last Price is in line with Morningstar's quantitative fair value estimate.

Farily Valued – Last Price is in line with Morningstar's quantitative fair value estimate.

Overvalued – Last Price is above Morningstar's quantitative fair value estimate.

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Sustainalytics analyzes over 1,300 data points to assess a company's exposure to and management of ESG risks. In other words, ESG Risk Ratings measures a company's unmanaged ESG Risks represented as a quantitative score. Unmanaged Risk is measured on an open-ended scale starting at zero (no risk) with lower scores representing less unmanaged risk and, for 95% of cases, the unmanaged ESG Risk score is below 50.

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of unmanaged ESG risk across all subindustries covered.

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