

# Nick Lane: The Value Seeker Report Update- ViacomCBS (VIAC)

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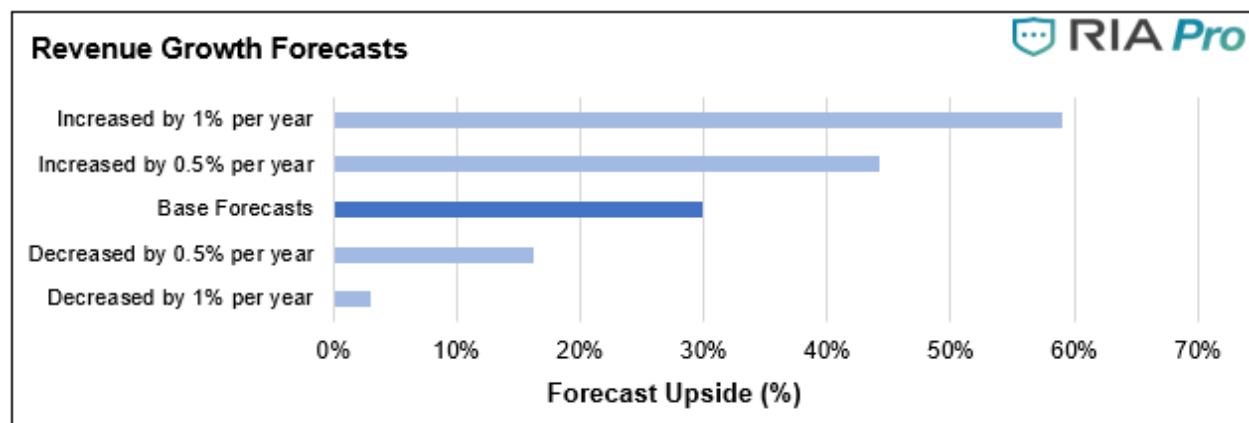
In this edition of the Value Seeker Report, we revisit an investment opportunity in ViacomCBS ([NasdaqGS: VIAC](#)) using fundamental and technical analysis.

## Overview

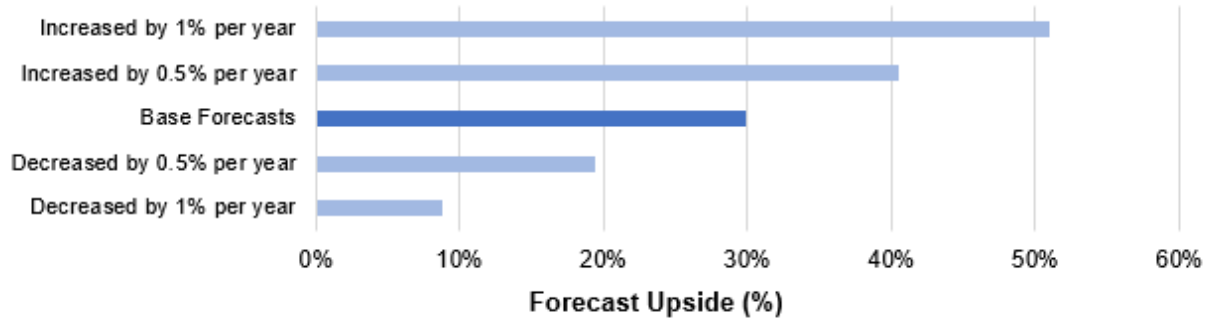
- In this edition of the Value Seeker Report, we introduce our new sensitivity analysis tool and look at VIAC's equity performance since our initial valuation. Click [here](#) to read our initial report on VIAC.
- This update to our forecasts translates to a 5% increase in the stock's intrinsic value. As a result, we now expect that upside of roughly 30% remains on VIAC shares.

## Sensitivity Analysis

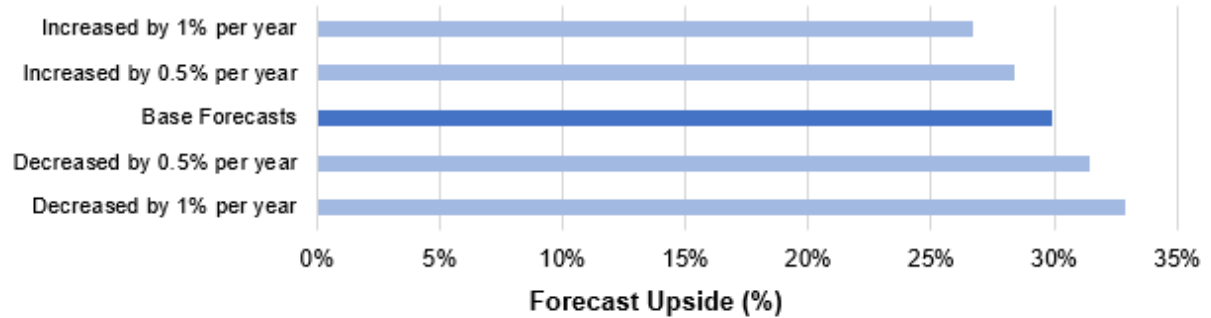
- Forecasts are always accompanied by a degree of uncertainty. To make our model more robust, we built a tool that allows us to gauge how a stock's intrinsic value changes given a range of input forecasts. Sensitivity analysis aides our investment team in evaluating the risk/reward profile of potential purchases.
- From this point forward, Value Seeker Reports will include sensitivity analysis.
- Below, we present a sensitivity analysis for some of the variables forecast in our model. In this case, the results reinforce our opinion that VIAC's stock warrants investment at the current price.



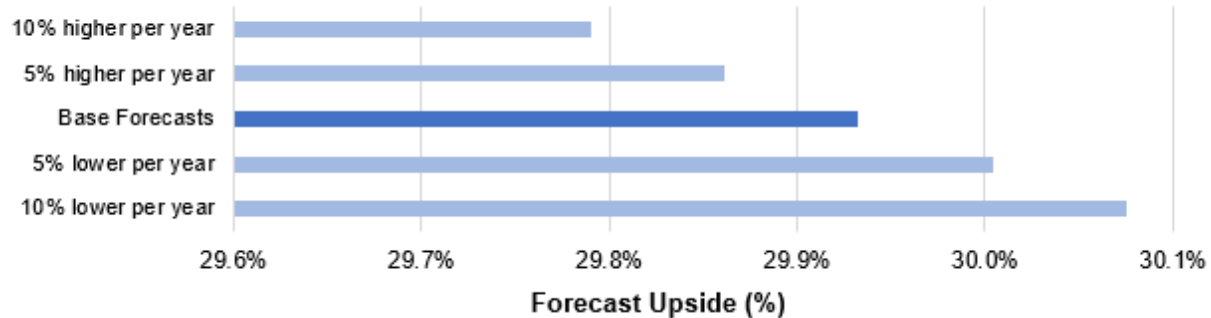
### EBITDA Margin Forecasts



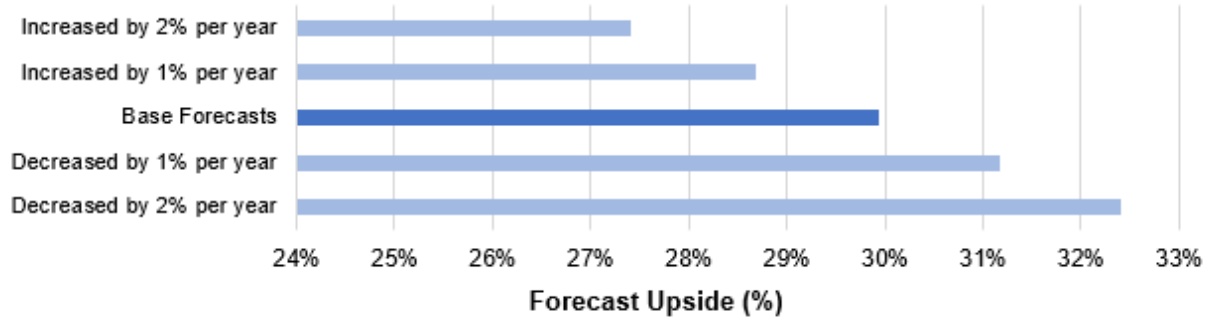
### Capital Expenditure Growth Forecasts

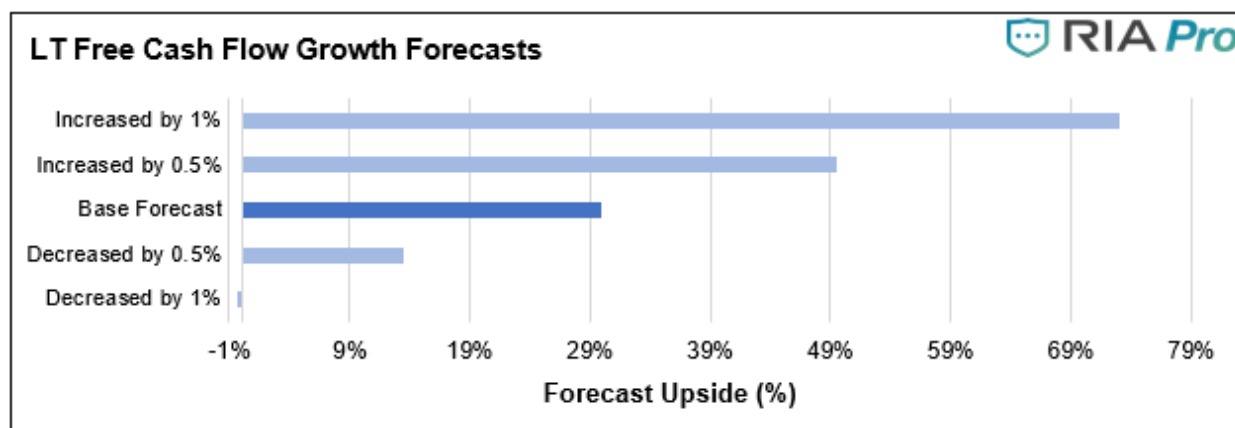


### Cash Acquisition Forecasts



### Tax Rate Forecasts





## Performance Review

- VIAC's stock price is up by roughly 4.4% since our purchase on August 18<sup>th</sup> and continues to form a bullish technical pattern.
- VIAC's shares were recently upgraded to equal weight from under-weight by Wells Fargo on August 27<sup>th</sup>.

## Technical Review

- When we published our first report, VIAC had just crossed above its 200-day moving average. At that point, we identified resistance around \$28 per share.
- As of market close on August 27<sup>th</sup>, VIAC's price has held above its 200-day moving average and is testing the previously mentioned resistance. If VIAC can break above that level and confirm the trend, it has room to run before it encounters more resistance around \$34.75.

## Value Seeker Report Conclusion On VIAC

- According to our current forecast, VIAC's intrinsic value is 29.9% above the current market price.
- The price has appreciated roughly 4.4% since we purchased VIAC, and we expect the stock to continue to outperform, barring any major setbacks.
- The current dividend yield on VIAC is 3.18%.

*For the Value Seeker Report, we utilize RIA Advisors' Discounted Cash Flow (DCF) valuation model to evaluate the investment merits of selected stocks. Our model is based on our multiple forecasts of free cash flow over the next ten years.*