



The Vintage Value Investing Portfolio

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The analysis for the valuation models reflects stock prices from dates between 1 – 7 January 2021.

1. Verizon Communications (VZ)



Verizon Communications is one of the worlds largest communications companies offering a range of different services to consumers, businesses, and governments. The company is based in New York City and in 2019 had over 135,000 employees worldwide.

Verizon has two primary business segments: the Verizon Consumer Group brings in over \$90 billion in revenue representing 69% of the company's sales, and the Verizon Business Group which had sales of \$31 billion in 2019, equal to 24% of the company's total revenue. The company's services consist mostly of wireless network technology and has been a leader in implementing 5G technology across the U.S.

Economic Moat: Efficient Scale & Network Effect.

Tailwinds: Nationwide 5G expansion will allow Verizon to continue to reap the benefits of their already strong network.

Valuation

INPUT	
Equity per Share	\$15.72
Earnings per Share	\$4.41
Dividend Payout Ratio	55%
Share Price	\$58.75
Estimated P/E	15

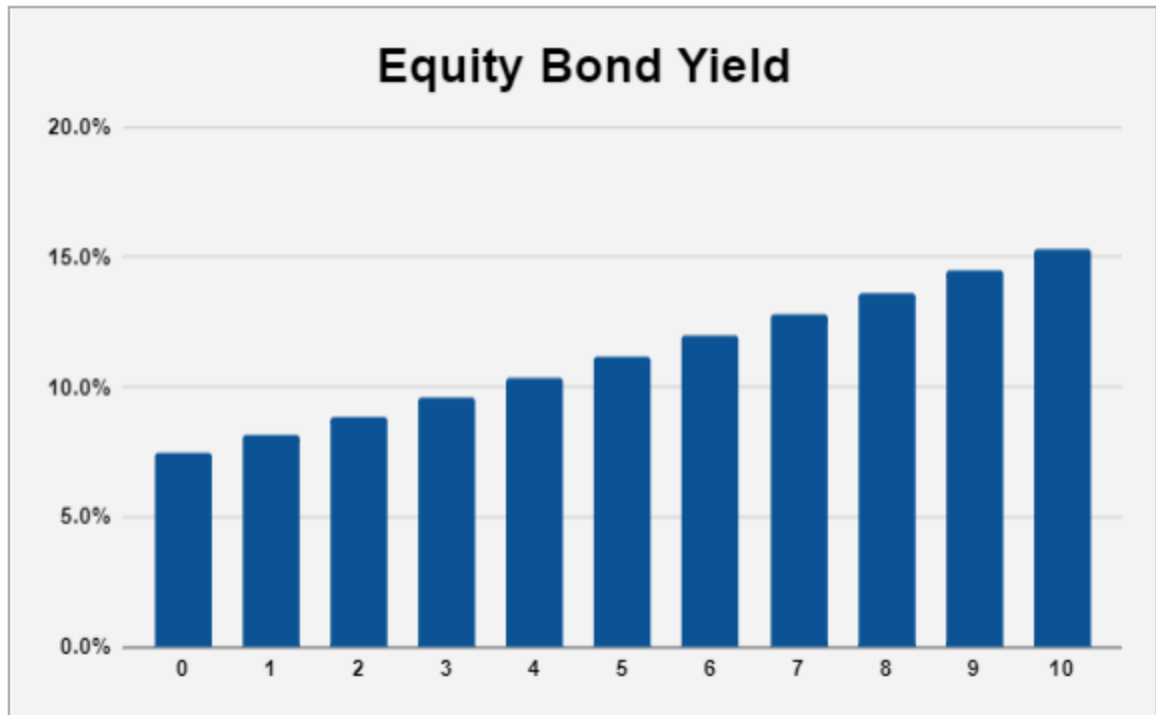
OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	28%	\$15.72	\$4.41	\$2.43	\$1.98	\$58.75	7.5%
1	28%	\$17.70	\$4.97	\$2.73	\$2.24	\$60.73	8.2%
2	28%	\$19.94	\$5.59	\$3.08	\$2.52	\$62.97	8.9%
3	28%	\$22.46	\$6.30	\$3.46	\$2.83	\$65.49	9.6%
4	28%	\$25.29	\$7.10	\$3.90	\$3.19	\$68.32	10.4%
5	28%	\$28.48	\$7.99	\$4.39	\$3.60	\$71.51	11.2%
6	28%	\$32.08	\$9.00	\$4.95	\$4.05	\$75.11	12.0%
7	28%	\$36.13	\$10.14	\$5.57	\$4.56	\$79.16	12.8%
8	28%	\$40.69	\$11.42	\$6.28	\$5.14	\$83.72	13.6%
9	28%	\$45.83	\$12.86	\$7.07	\$5.79	\$88.86	14.5%
10	28%	\$51.61	\$14.48	\$7.96	\$6.52	\$94.64	15.3%

Annual Return Rate
16.4%

Estimated Stock Price
\$217.19

Dividends Received
\$51.83

Equity Bond Yield



2. NVR Inc (NVR)



NVR operates as one of the largest homebuilders in the country, primarily doing business in the eastern part of the U.S. In 2019 over 20% of the company's home settlements were in the Washington D.C. metropolitan area, which represented roughly 27% of their homebuilding revenues.

NVR also operates a mortgage banking business conducted through their wholly owned subsidiary NVR Mortgage Finance, Inc. In 2019 the company had sales of \$7.3 billion with \$878 million coming through as profit.

Economic Moat: Efficient Scale.

Tailwinds: Higher expected demand for homes.

Valuation

INPUT	
Equity per Share	\$784.58
Earnings per Share	\$216.98
Dividend Payout Ratio	0%
Share Price	\$4,079.86
Estimated P/E	15

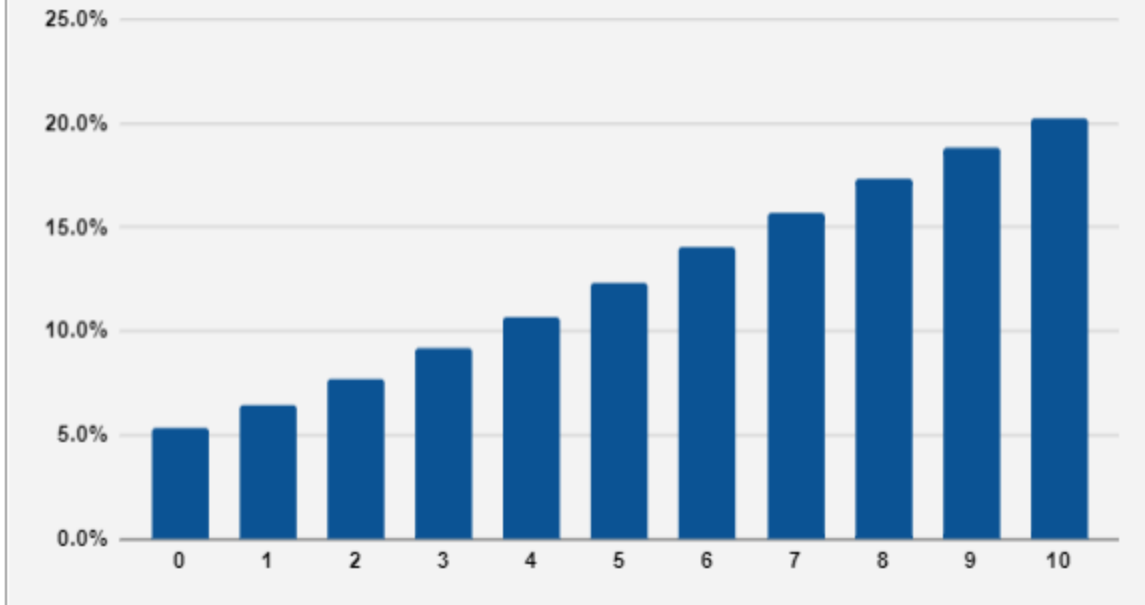
OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	28%	\$784.58	\$216.98	\$0.00	\$216.98	\$4,079.86	5.3%
1	28%	\$1,001.56	\$276.99	\$0.00	\$276.99	\$4,296.84	6.4%
2	28%	\$1,278.55	\$353.59	\$0.00	\$353.59	\$4,573.83	7.7%
3	28%	\$1,632.14	\$451.38	\$0.00	\$451.38	\$4,927.42	9.2%
4	28%	\$2,083.51	\$576.21	\$0.00	\$576.21	\$5,378.79	10.7%
5	28%	\$2,659.72	\$735.56	\$0.00	\$735.56	\$5,955.00	12.4%
6	28%	\$3,395.28	\$938.98	\$0.00	\$938.98	\$6,690.56	14.0%
7	28%	\$4,334.26	\$1,198.67	\$0.00	\$1,198.67	\$7,629.54	15.7%
8	28%	\$5,532.93	\$1,530.16	\$0.00	\$1,530.16	\$8,828.21	17.3%
9	28%	\$7,063.09	\$1,953.34	\$0.00	\$1,953.34	\$10,358.37	18.9%
10	28%	\$9,016.43	\$2,493.54	\$0.00	\$2,493.54	\$12,311.71	20.3%

Annual Return Rate
24.8%

Estimated Stock Price
\$37,403.16

Dividends Received
\$0.00

Equity Bond Yield



3. General Dynamics (GD)

The logo for General Dynamics, featuring the words "GENERAL" and "DYNAMICS" in a bold, blue, sans-serif font, stacked vertically.

General Dynamics offers a range of different aerospace and defense products and services and has become an increasingly large supplier to the U.S. military since the company's founding in 1952. Along with the company's offerings to the military they are also a leader in the business-jet industry through their Gulfstream and Jet Aviation divisions.

The company's second largest segment is their Combat Systems division which supplies military vehicles, weapons systems, and other services for military application. Collectively through the company's 5 different divisions they earned \$3.4 billion in 2019.

Economic Moat: High switching costs & Intangible (and in this case tangible) assets

Tailwinds: Deep relationship with the US Department of Defense and its ever-increasing naval budget

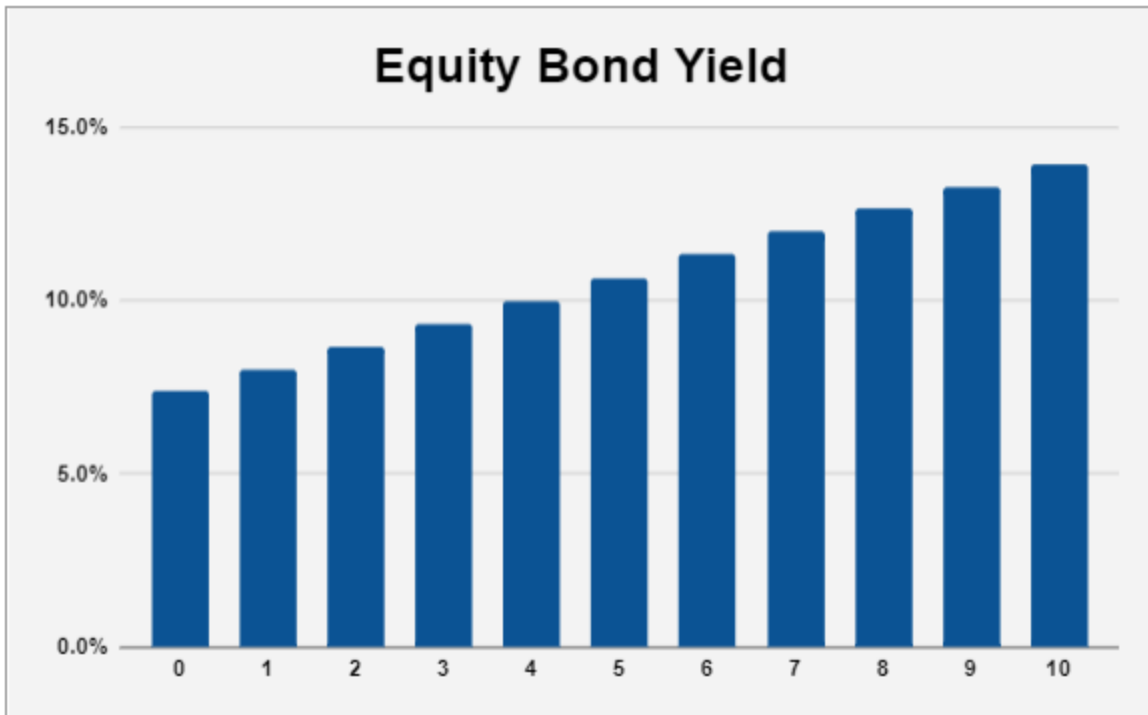
Valuation

INPUT	
Equity per Share	\$51.28
Earnings per Share	\$11.02
Dividend Payout Ratio	38%
Share Price	\$148.82
Estimated P/E	15

OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	21%	\$51.28	\$11.02	\$4.19	\$6.83	\$148.82	7.4%
1	21%	\$58.11	\$12.49	\$4.75	\$7.74	\$155.65	8.0%
2	21%	\$65.86	\$14.15	\$5.38	\$8.77	\$163.40	8.7%
3	21%	\$74.63	\$16.04	\$6.09	\$9.94	\$172.17	9.3%
4	21%	\$84.57	\$18.17	\$6.91	\$11.27	\$182.11	10.0%
5	21%	\$95.84	\$20.60	\$7.83	\$12.77	\$193.38	10.7%
6	21%	\$108.61	\$23.34	\$8.87	\$14.47	\$206.15	11.3%
7	21%	\$123.08	\$26.45	\$10.05	\$16.40	\$220.62	12.0%
8	21%	\$139.48	\$29.97	\$11.39	\$18.58	\$237.02	12.6%
9	21%	\$158.06	\$33.97	\$12.91	\$21.06	\$255.60	13.3%
10	21%	\$179.12	\$38.49	\$14.63	\$23.87	\$276.66	13.9%

Annual Return Rate	Estimated Stock Price	Dividends Received
16.2%	\$577.41	\$92.98

Equity Bond Yield



4. T. Rowe Price Group (TROW)



T. Rowe Price provides financial services such as investment trusts, open-end funds, annuities, and as well as a number of other financial products. In 2019 the company had a total of \$1.2 trillion of assets under management, mostly consisting of U.S. mutual funds.

The company's different investment products are divided into multiple sections such as the U.S. equity growth, foreign high-income bonds, multi-asset portfolios, etc. The company's earnings come mostly from fees charged to clients to the management of their portfolio. The company earned \$2.1 trillion in 2019 and had a return on equity of 28%.

Economic Moat: High switching costs & Efficient Scale

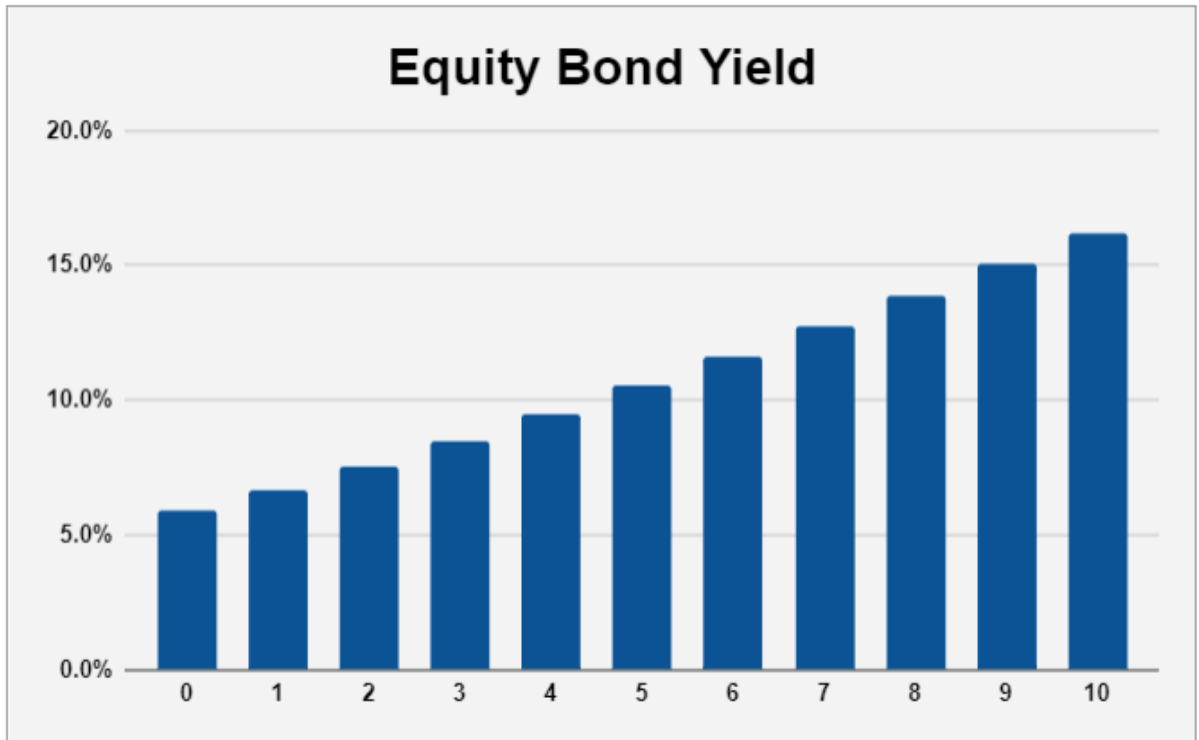
Tailwinds: T. Rowe's is focused on delivering high-quality asset management by creating increasingly diverse funds, while maintaining their sticky customer base of retirees.

Valuation

INPUT	
Equity per Share	\$31.48
Earnings per Share	\$8.93
Dividend Payout Ratio	38%
Share Price	\$151.39
Estimated P/E	15

OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	28%	\$31.48	\$8.93	\$3.39	\$5.54	\$151.39	5.9%
1	28%	\$37.02	\$10.50	\$3.99	\$6.51	\$156.93	6.7%
2	28%	\$43.53	\$12.35	\$4.69	\$7.66	\$163.44	7.6%
3	28%	\$51.18	\$14.52	\$5.52	\$9.00	\$171.09	8.5%
4	28%	\$60.18	\$17.07	\$6.49	\$10.58	\$180.09	9.5%
5	28%	\$70.77	\$20.08	\$7.63	\$12.45	\$190.68	10.5%
6	28%	\$83.22	\$23.61	\$8.97	\$14.64	\$203.13	11.6%
7	28%	\$97.85	\$27.76	\$10.55	\$17.21	\$217.76	12.7%
8	28%	\$115.06	\$32.64	\$12.40	\$20.24	\$234.97	13.9%
9	28%	\$135.30	\$38.38	\$14.58	\$23.80	\$255.21	15.0%
10	28%	\$159.09	\$45.13	\$17.15	\$27.98	\$279.00	16.2%

Annual Return Rate	Estimated Stock Price	Dividends Received
17.7%	\$676.96	\$95.36



5. Hershey (HSY)



The Hershey company traces its roots back to 1894 and has since become a staple in consumer's minds across the globe. The company has over 80 different brand names worldwide and splits its operations between two segments.

Their North American segment consists of their traditional chocolate and non-chocolate candies sold within the United States and Canada. The company's international segment consists of sales to all other countries. The company earned \$1.1 billion in 2019 with sales increasing 2.5% due to higher prices on certain products.

Economic Moat: Intangible assets (brands) & Cost advantage

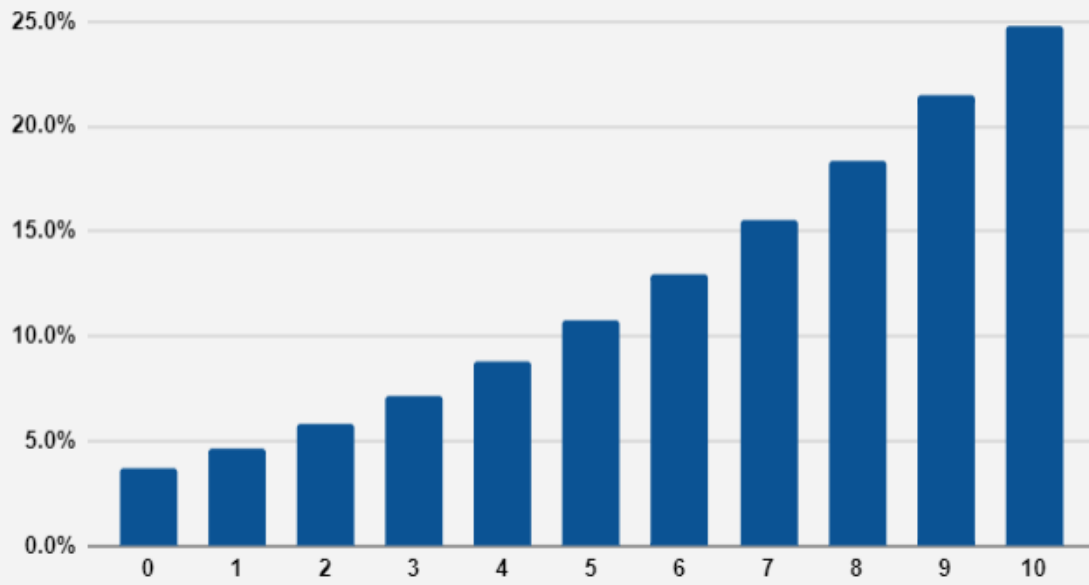
Tailwinds: Hershey's strong brands and core business will allow them to make compounding acquisitions, especially into healthier alternatives.

Valuation

INPUT	
Equity per Share	\$9.93
Earnings per Share	\$5.70
Dividend Payout Ratio	53%
Share Price	\$152.33
Estimated P/E	20

OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	57%	\$9.93	\$5.70	\$3.02	\$2.68	\$152.33	3.7%
1	57%	\$12.61	\$7.24	\$3.84	\$3.40	\$155.01	4.7%
2	57%	\$16.01	\$9.19	\$4.87	\$4.32	\$158.41	5.8%
3	57%	\$20.33	\$11.67	\$6.19	\$5.48	\$162.73	7.2%
4	57%	\$25.82	\$14.82	\$7.85	\$6.96	\$168.22	8.8%
5	57%	\$32.78	\$18.82	\$9.97	\$8.84	\$175.18	10.7%
6	57%	\$41.62	\$23.89	\$12.66	\$11.23	\$184.02	13.0%
7	57%	\$52.85	\$30.34	\$16.08	\$14.26	\$195.25	15.5%
8	57%	\$67.11	\$38.52	\$20.42	\$18.11	\$209.51	18.4%
9	57%	\$85.22	\$48.92	\$25.93	\$22.99	\$227.62	21.5%
10	57%	\$108.21	\$62.11	\$32.92	\$29.19	\$250.61	24.8%
Annual Return Rate		Estimated Stock Price			Dividends Received		
24.7%		\$1,242.28			\$143.75		

Equity Bond Yield



6. Progressive Insurance (PGR)



Progressive was started in 1937 and has grown to become one of the world's largest property casualty insurance companies, behind only State Farm and Berkshire Hathaway. In 2019 the company had 19 million policies in force with a premium volume of \$37 billion. The company's revenue has grown by roughly 15% per year over the past 5 years and had net income of \$3.9 billion in 2019.

Economic Moat: Cost advantage & Switching Costs

Tailwinds: As a classic "toll bridge" type company, Progressive stands to gain from its low cost premiums and solid brand reputation

Valuation

INPUT	
Equity per Share	\$30.06
Earnings per Share	\$8.62
Dividend Payout Ratio	33%
Share Price	\$98.88
Estimated P/E	10

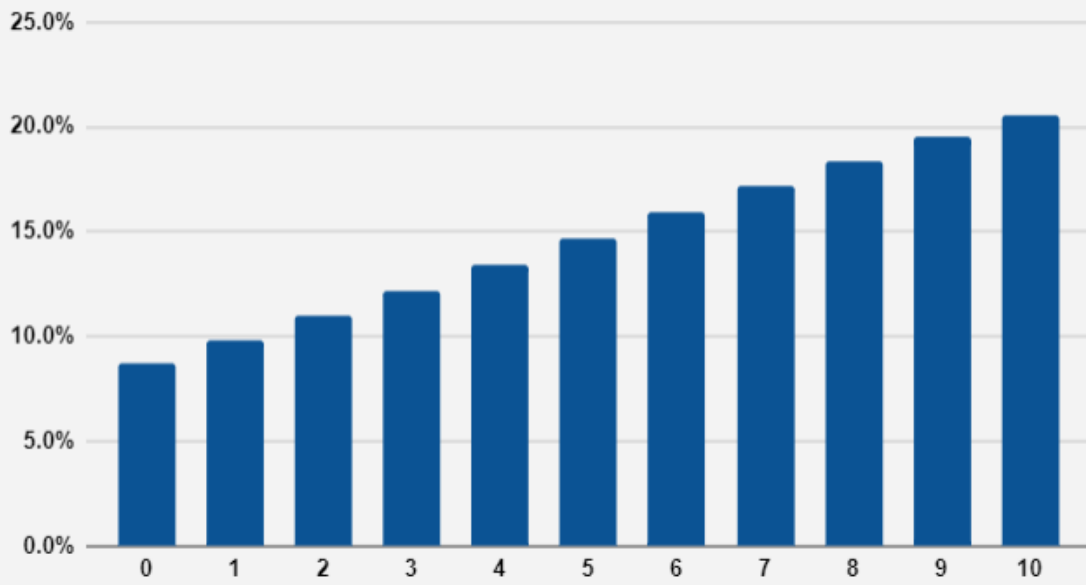
OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	29%	\$30.06	\$8.62	\$2.84	\$5.78	\$98.88	8.7%
1	29%	\$35.84	\$10.28	\$3.39	\$6.89	\$104.66	9.8%
2	29%	\$42.72	\$12.25	\$4.04	\$8.21	\$111.54	11.0%
3	29%	\$50.93	\$14.60	\$4.82	\$9.78	\$119.75	12.2%
4	29%	\$60.71	\$17.41	\$5.75	\$11.66	\$129.53	13.4%
5	29%	\$72.38	\$20.76	\$6.85	\$13.91	\$141.20	14.7%
6	29%	\$86.28	\$24.74	\$8.17	\$16.58	\$155.10	16.0%
7	29%	\$102.86	\$29.50	\$9.73	\$19.76	\$171.68	17.2%
8	29%	\$122.62	\$35.16	\$11.60	\$23.56	\$191.44	18.4%
9	29%	\$146.18	\$41.92	\$13.83	\$28.09	\$215.00	19.5%
10	29%	\$174.27	\$49.97	\$16.49	\$33.48	\$243.09	20.6%

Annual Return Rate
19.5%

Estimated Stock Price
\$499.74

Dividends Received
\$87.52

Equity Bond Yield



7. Dollar General (DG)



Dollar General is a franchised discounted retailer that operates mostly in the Midwest and eastern parts of the US. They offer reduced price merchandise like regular food items, toys, cosmetics and hygiene products, cookware, and much more. Dollar General mostly operates its store in rural areas.

Dollar General has had a longstanding operational history, beginning in 1939 with just one store. Since then, the chain has expanded to over 17,000 stores in 46 states, bringing in revenues of over \$30 billion.

Economic Moat: Efficient Scale

Tailwinds: As a discounted retailer, Dollar General is considered a recession proof business. In fact, during recession years (even in 2020) it's earnings usually increase. Management will continue to capitalize on prime areas in new markets.

Valuation

INPUT	
Equity per Share	\$28.51
Earnings per Share	\$10.09
Dividend Payout Ratio	13%
Share Price	\$209.71
Estimated P/E	10

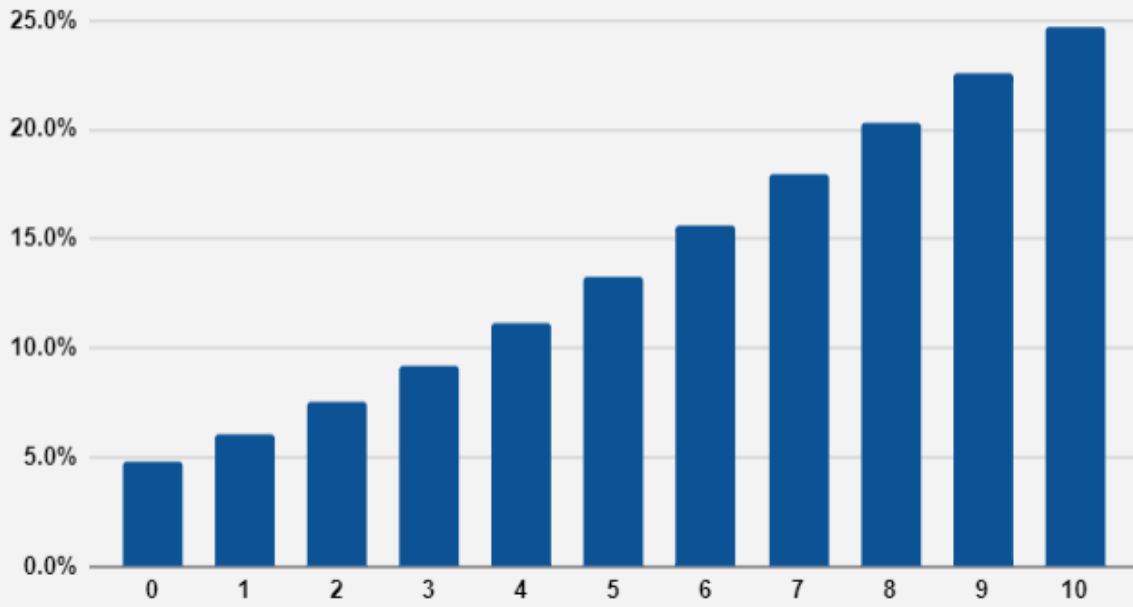
OUTPUT							
Year	ROE	Equity per	Earnings per	Dividends per	Retained	Per Share	Equity Bond
0	35%	\$28.51	\$10.09	\$1.31	\$8.78	\$209.71	4.8%
1	35%	\$37.29	\$13.20	\$1.72	\$11.48	\$218.49	6.0%
2	35%	\$48.77	\$17.26	\$2.24	\$15.02	\$229.97	7.5%
3	35%	\$63.79	\$22.57	\$2.93	\$19.64	\$244.99	9.2%
4	35%	\$83.43	\$29.53	\$3.84	\$25.69	\$264.63	11.2%
5	35%	\$109.11	\$38.62	\$5.02	\$33.60	\$290.31	13.3%
6	35%	\$142.71	\$50.51	\$6.57	\$43.94	\$323.91	15.6%
7	35%	\$186.65	\$66.06	\$8.59	\$57.47	\$367.85	18.0%
8	35%	\$244.12	\$86.40	\$11.23	\$75.16	\$425.32	20.3%
9	35%	\$319.28	\$113.00	\$14.69	\$98.31	\$500.48	22.6%
10	35%	\$417.59	\$147.79	\$19.21	\$128.58	\$598.79	24.7%

Annual Return Rate
22.2%

Estimated Stock Price
\$1,477.90

Dividends Received
\$77.35

Equity Bond Yield



8. Booz Allen Hamilton (BAH)

Booz | Allen | Hamilton

Booz Allen operates as an information technology company which aims to empower businesses and governments with the tools and resources to develop needed solutions. The company was founded in 1940 and has since advised the U.S. government on countless military operations and has developed deep relationships with each level of the U.S. military branches bringing a strong competitive advantage to the company's business model. The company had \$7.4 billion in revenue in fiscal year 2020 and \$482 million in net income.

Economic Moat: High switching costs.

Tailwinds: With Booz Allen's long standing contractual relationship with the US government, much like General Dynamics, they benefit from ever growing government spending.

Valuation

INPUT	
Equity per Share	\$7.05
Earnings per Share	\$3.68
Dividend Payout Ratio	32%
Share Price	\$87.18
Estimated P/E	15

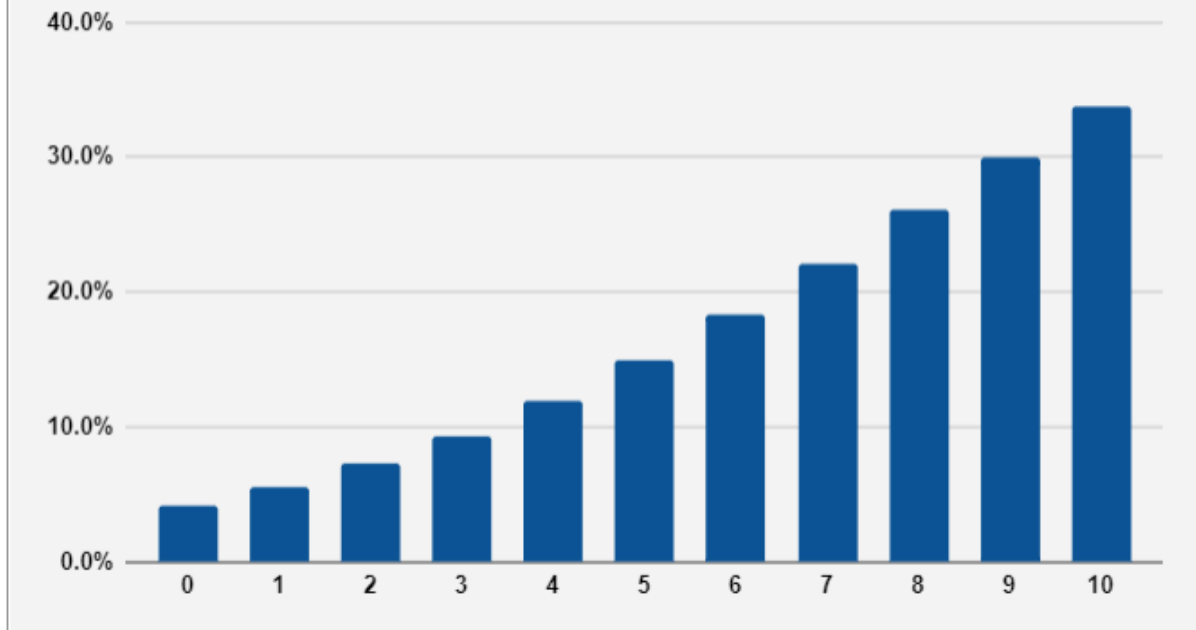
OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	52%	\$7.05	\$3.68	\$1.18	\$2.50	\$87.18	4.2%
1	52%	\$9.55	\$4.99	\$1.60	\$3.39	\$89.68	5.6%
2	52%	\$12.94	\$6.76	\$2.16	\$4.59	\$93.07	7.3%
3	52%	\$17.54	\$9.15	\$2.93	\$6.22	\$97.67	9.4%
4	52%	\$23.76	\$12.40	\$3.97	\$8.43	\$103.89	11.9%
5	52%	\$32.20	\$16.81	\$5.38	\$11.43	\$112.33	15.0%
6	52%	\$43.62	\$22.77	\$7.29	\$15.48	\$123.75	18.4%
7	52%	\$59.11	\$30.85	\$9.87	\$20.98	\$139.24	22.2%
8	52%	\$80.09	\$41.81	\$13.38	\$28.43	\$160.22	26.1%
9	52%	\$108.52	\$56.64	\$18.13	\$38.52	\$188.65	30.0%
10	52%	\$147.04	\$76.75	\$24.56	\$52.19	\$227.17	33.8%

Annual Return Rate
30.4%

Estimated Stock Price
\$1,151.26

Dividends Received
\$90.44

Equity Bond Yield



9. Tractor Supply (TSCO)



Tractor Supply Company is a large retailer for outdoor rural lifestyle products. The company serves a customer base of ranchers, farmers, and outdoor enthusiasts. Tractor Supply has been operating for over 80 years with 1,900 stores in 49 states. They sell a diverse range of products from towing gear to pet toys. Speaking of pets, Tractor Supply also owns the retailer PetSense, which is a supplier of pet products.

In 2019, Tractor Supply had revenues of almost \$9 billion, with net income of \$562 million. Tractor Supply has been able to steadily increase its ROE each year, all while adding hundreds of stores.

Economic Moat: Intangible assets & Efficient scale.

Tailwinds: Tractor Supply's strong brand, customer loyalty, and unique products enables the company to grow more stores every year.

Valuation

INPUT	
Equity per Share	\$16.10
Earnings per Share	\$6.44
Dividend Payout Ratio	22%
Share Price	\$140.58
Estimated P/E	15

OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	40%	\$16.10	\$6.44	\$1.42	\$5.02	\$140.58	4.6%
1	40%	\$21.12	\$8.45	\$1.86	\$6.59	\$145.60	5.8%
2	40%	\$27.71	\$11.09	\$2.44	\$8.65	\$152.19	7.3%
3	40%	\$36.36	\$14.54	\$3.20	\$11.34	\$160.84	9.0%
4	40%	\$47.70	\$19.08	\$4.20	\$14.88	\$172.18	11.1%
5	40%	\$62.59	\$25.04	\$5.51	\$19.53	\$187.07	13.4%
6	40%	\$82.12	\$32.85	\$7.23	\$25.62	\$206.60	15.9%
7	40%	\$107.74	\$43.09	\$9.48	\$33.61	\$232.22	18.6%
8	40%	\$141.35	\$56.54	\$12.44	\$44.10	\$265.83	21.3%
9	40%	\$185.45	\$74.18	\$16.32	\$57.86	\$309.93	23.9%
10	40%	\$243.31	\$97.32	\$21.41	\$75.91	\$367.79	26.5%

Annual Return Rate

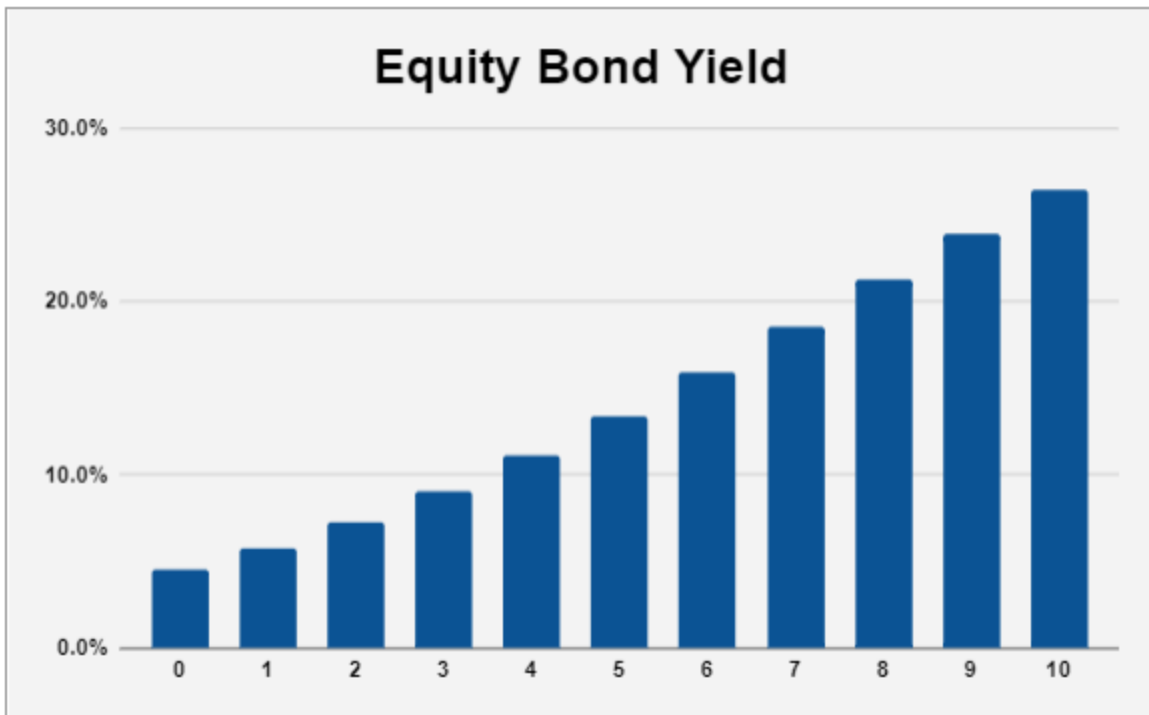
27.1%

Estimated Stock Price

\$1,459.87

Dividends Received

\$85.50



10. Chemed (CHE)



Chemed provides a range of different services from hospice care to plumbing and water restoration. Through their Roto-Rooter segment, Chemed offers drain cleaning, excavation, plumbing, and other services to residential and commercial customers. Their VITAS segment provides healthcare services to elderly patients needing hospice care. The company earned \$219 million in 2019, with 66% of sales coming from their VITAS segment, and 34% coming from Roto-Rooter.

Economic Moat: Efficient Scale.

Tailwinds: With Chemed stands to gain from taking care of an aging American population, with plenty of room for growth. The additional Roto-Rooter business is almost an added bonus company.

Valuation

INPUT	
Equity per Share	\$50.24
Earnings per Share	\$16.49
Dividend Payout Ratio	7%
Share Price	\$532.61
Estimated P/E	15

OUTPUT							
Year	ROE	Equity per Share	Earnings per Share	Dividends per Share	Retained Earnings	Per Share Investment	Equity Bond Yield
0	33%	\$50.24	\$16.49	\$1.15	\$15.34	\$532.61	3.1%
1	33%	\$65.58	\$21.52	\$1.51	\$20.02	\$547.95	3.9%
2	33%	\$85.59	\$28.09	\$1.97	\$26.13	\$567.96	4.9%
3	33%	\$111.72	\$36.67	\$2.57	\$34.10	\$594.09	6.2%
4	33%	\$145.82	\$47.86	\$3.35	\$44.51	\$628.19	7.6%
5	33%	\$190.33	\$62.47	\$4.37	\$58.10	\$672.70	9.3%
6	33%	\$248.43	\$81.54	\$5.71	\$75.83	\$730.80	11.2%
7	33%	\$324.27	\$106.43	\$7.45	\$98.98	\$806.64	13.2%
8	33%	\$423.25	\$138.92	\$9.72	\$129.20	\$905.62	15.3%
9	33%	\$552.45	\$181.33	\$12.69	\$168.63	\$1,034.82	17.5%
10	33%	\$721.08	\$236.68	\$16.57	\$220.11	\$1,203.45	19.7%

Annual Return Rate	Estimated Stock Price	Dividends Received
21.1%	\$3,550.14	\$67.06

Equity Bond Yield

