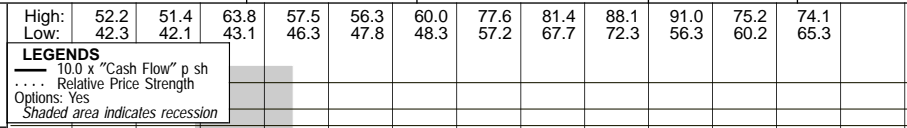


WAL-MART STORES NYSE-WMT

RECENT PRICE **73.89** P/E RATIO **17.1** (Trailing: 16.8 Median: 15.0) RELATIVE P/E RATIO **0.87** DIV'D YLD **2.8%** VALUE LINE

TIMELINESS 3 Lowered 4/14/17
SAFETY 1 Raised 2/15/02
TECHNICAL 5 Lowered 3/24/17
BETA .65 (1.00 = Market)



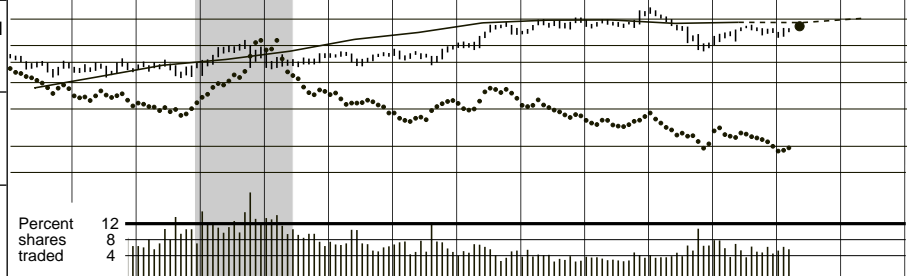
High: 52.2 51.4 63.8 57.5 56.3 60.0 77.6 81.4 88.1 91.0 75.2 74.1
 Low: 42.3 42.1 43.1 46.3 47.8 48.3 57.2 67.7 72.3 56.3 60.2 65.3

Target Price Range
 2020 2021 2022

2020-22 PROJECTIONS
 Price 105 Gain (+40%) Ann'l Total Return 12%
 High 105 Low 85 (+15%) 7%

Insider Decisions
 J J A S O N D J F
 to Buy 0 0 0 0 0 0 0 0 0 0
 Options 12 6 0 1 5 1 0 14 0
 to Sell 0 1 1 0 0 1 0 1 0

Institutional Decisions
 2Q2016 3Q2016 4Q2016
 to Buy 655 703 683
 to Sell 689 631 732
 Hlds(000) 920655 892093 893069



% TOT. RETURN 3/17
 THIS STOCK INDEX
 1 yr. 8.3 20.2
 3 yr. 23.2 22.0
 5 yr. 78.0 78.0

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
49.36	56.09	60.00	68.02	75.79	84.40	95.34	103.34	107.82	119.98	130.76	141.57	147.32	150.45	152.48	159.41	165.00	173.90	Sales per sh ^A	209.45
2.25	2.61	2.95	3.47	3.78	4.27	4.83	5.16	5.64	6.42	6.92	7.69	7.92	7.64	7.72	7.72	7.70	8.10	"Cash Flow" per sh	10.15
1.50	1.81	2.03	2.41	2.63	2.92	3.16	3.42	3.66	4.07	4.45	5.02	5.11	5.07	4.57	4.32	4.30	4.50	Earnings per sh ^{A B}	5.90
.28	.30	.36	.52	.60	.67	.88	.95	1.09	1.21	1.46	1.59	1.88	1.92	1.96	2.00	2.04	2.08	Div'ds Decl'd per sh ^{■C}	2.65
7.88	8.95	10.12	11.67	12.77	14.91	16.26	16.63	18.69	19.49	20.86	23.04	23.59	25.22	25.47	25.52	22.00	25.00	Book Value per sh	32.00
4453.0	4395.0	4311.0	4234.0	4165.0	4131.0	3973.0	3925.0	3786.0	3516.0	3418.0	3314.0	3233.0	3228.0	3162.0	3048.0	3000.0	2910.0	Common Shs Outst'g ^D	2700.0
34.9	30.3	26.9	22.8	18.3	16.0	14.9	16.2	13.9	13.1	12.4	13.5	14.9	15.4	15.5	16.2	16.2	16.2	Avg Ann'l P/E Ratio	16.0
1.79	1.66	1.53	1.20	.97	.86	.79	.97	.93	.83	.78	.86	.84	.81	.78	.85	.85	.85	Relative P/E Ratio	1.00
.5%	.5%	.7%	.9%	1.2%	1.4%	1.9%	1.7%	2.1%	2.3%	2.7%	2.3%	2.5%	2.5%	2.8%	2.9%	2.8%	2.9%	Avg Ann'l Div'd Yield	2.8%

CAPITAL STRUCTURE as of 1/31/17
 Total Debt \$45938 mill. Due in 5 Yrs \$10689 mill.
 LT Debt \$42018 mill. LT Interest \$2300 mill.
 Incl. \$6003 mill. capitalized leases.
 (Total interest coverage: 10.0x) (35% of Cap'l)

Leases, Uncapitalized Annual rentals \$2270 mill.

No Defined Benefit Pension Plan
 Pfd Stock None

Common Stock 3,033,009,079 shs.
 as of 3/29/17

MARKET CAP: \$224 billion (Large Cap)

378799	405607	408214	421849	446950	469162	476294	485651	482130	485873	495000	506000	Sales (\$mill) ^A	565500
24.4%	24.5%	25.4%	25.3%	25.0%	24.9%	24.8%	24.8%	25.1%	25.6%	25.0%	25.0%	Gross Margin	25.0%
7.5%	7.3%	7.6%	7.9%	7.7%	7.7%	7.7%	7.6%	7.0%	6.7%	6.5%	6.5%	Operating Margin	7.0%
7262	7720	8416	8970	10130	10773	10942	11453	11528	11695	11925	12090	Number of Stores	12950
12884	13512	14204	14921	15523	16999	16728	16426	14694	13452	12950	13150	Net Profit (\$mill)	16125
34.2%	34.2%	34.1%	34.0%	33.4%	33.0%	31.0%	32.2%	31.9%	30.6%	32.0%	32.0%	Income Tax Rate	33.0%
3.4%	3.3%	3.5%	3.5%	3.5%	3.6%	3.5%	3.4%	3.0%	2.8%	2.6%	2.6%	Net Profit Margin	2.9%
d10869	d6441	d7230	d6591	d7325	d11878	d8160	d1994	d4380	d9239	d8500	d5800	Working Cap'l (\$mill)	5300
33402	34549	36401	43842	47079	41417	44559	43692	44030	42018	42500	45200	Long-Term Debt (\$mill)	48000
64608	65285	70749	68542	71315	76343	76255	81394	80546	77798	66000	72750	Shr. Equity (\$mill)	86400
14.1%	14.5%	14.1%	14.1%	14.0%	15.3%	14.7%	14.0%	12.6%	12.1%	12.0%	11.0%	Return on Total Cap'l	12.0%
19.9%	20.7%	20.1%	21.8%	21.8%	22.3%	21.9%	20.2%	18.2%	17.3%	19.5%	18.0%	Return on Shr. Equity	18.5%
14.4%	15.0%	14.1%	15.3%	14.7%	15.2%	13.9%	12.6%	10.4%	9.3%	10.0%	9.5%	Retained to Com Eq	10.0%
28%	28%	30%	30%	33%	32%	37%	38%	43%	46%	48%	48%	All Div'ds to Net Prof	45%

CURRENT POSITION	2014	2015	1/31/17
Cash Assets	9135	8705	6867
Receivables	6778	5624	5835
Inventory (LIFO)	45141	44469	43046
Other	2224	1441	1941
Current Assets	63278	60239	57689
Accts Payable	38410	38487	41433
Debt Due	6402	6004	3920
Other	20460	20128	21575
Current Liab.	65272	64619	66928

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16
of change (per sh)			to '20-'22
Sales	7.5%	5.0%	5.0%
"Cash Flow"	7.5%	4.0%	4.5%
Earnings	6.0%	3.0%	4.0%
Dividends	12.5%	9.5%	5.0%
Book Value	7.0%	5.0%	4.0%

Fiscal Year Begins	QUARTERLY SALES (\$ mill.) ^A				Full Fiscal Year
	Apr.30	Jul.31	Oct.31	Jan.31	
2014	114960	120125	119001	131565	485651
2015	114826	120229	117408	129667	482130
2016	115904	120854	118179	130936	485873
2017	118000	122500	121000	133500	495000
2018	120625	125250	123700	136425	506000

Fiscal Year Begins	EARNINGS PER SHARE ^{A B}				Full Fiscal Year
	Apr.30	Jul.31	Oct.31	Jan.31	
2014	1.10	1.21	1.15	1.61	5.07
2015	1.03	1.08	1.03	1.43	4.57
2016	.98	1.07	.98	1.30	4.32
2017	.97	1.07	.98	1.28	4.30
2018	1.02	1.11	1.06	1.31	4.50

Calendar	QUARTERLY DIVIDENDS PAID ^{■C}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	.47	.47	.47	.47	1.88
2014	.48	.48	.48	.48	1.92
2015	.49	.49	.49	.49	1.96
2016	.50	.50	.50	.50	2.00
2017	.51				

BUSINESS: Wal-Mart Stores, Inc. owns the world's largest retail chain, operating 3,522 supercenters (includes grocery departments), 415 discount stores, 660 Sam's Clubs, and 735 Neighborhood Markets in the U.S., plus 6,363 foreign stores, many in Latin America, with the rest in Asia, Canada, and the U.K. as of 1/31/17. Total store space: 1.164 billion square feet. Retail space is largely

Wal-Mart continues to report encouraging top-line results. Revenue advanced 1% year over year in the January quarter, and 3% on a constant-currency basis. Domestic same-store sales increased 1.8% on a 1.4% rise in traffic, the ninth-consecutive quarter with a higher number of transactions. It appears customers are responding well to cleaner stores, friendlier service, better inventory availability, and faster check-out times enabled by new technology and associate training programs. Comps may have slowed in the April quarter, though, due to a delay in tax refunds compared to last year. Wal-Mart expects domestic comps to land between 1.0% and 1.5% in the period.

Deflation should continue to impact results ahead. The company is passing off lower food prices onto customers. This created a 90-basis-point headwind in the first quarter. Management expects deflation to moderate some this year, but to remain a headwind.

Wal-Mart is making moves to better compete with Amazon. The company launched a free two-day shipping program on orders of \$35 or more to counter

Amazon's similar offer on orders of \$50 or more. Too, Wal-Mart will discount one million online-only items if customers agree to pick them up in-store. Elsewhere, the company continues to buy up trendy e-commerce shops. In addition to last year's purchase of Amazon rival Jet.com for \$3 billion, WMT recently bought home furnishing e-tailer Hayneedle, ShoeBuy, Women's clothing outfit ModCloth, and outdoor goods seller MooseJaw. Too, the company is reportedly in talks to purchase popular men's clothing startup Bonobos for \$300 million. We applaud this strategy and think it will help support an already strong e-commerce business. Indeed, e-commerce sales were up 15.5% in January, thanks to a 36% rise in domestic activity.

Conservative investors may find these neutrally ranked shares appealing. The company continues to invest heavily to improve its online and in-store experiences, which will likely keep a lid on near-term earnings growth. However, we think this should eventually pay off and lead to decent risk-adjusted long-term price appreciation.

Kevin Downing
 April 28, 2017

(A) Fiscal year ends Jan. 31st of following calendar year. Sales exclude rentals from licensed depts. (B) Based on diluted shares. May not sum due to rounding. Excls. n/r (losses)/gains: '01, (\$0.01); '05, \$0.03; '08, (\$0.07); '09, \$0.04; '10, \$0.40; '11, \$0.03; '13, (\$0.23); '15 (\$0.08). Next earnings report due Mar., May, Aug., and Dec. Dividend reinvestment plan available. (D) In millions.