

Concho Resources Inc

Ticker: CXO

Concho Resources Inc. acquires, develops, and explores for oil and natural gas properties. The Company operates in the Permian Basin area of Southeast New Mexico and West Texas.

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STOCK

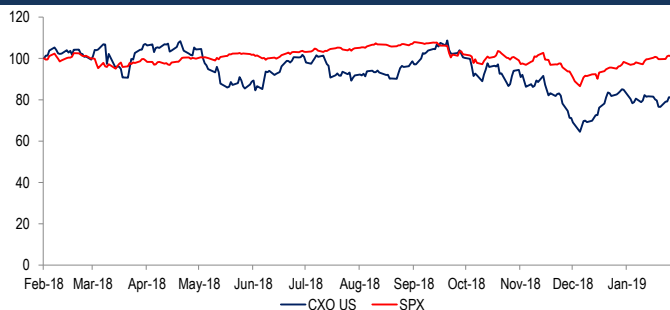
Stock Price (as of: 04/08/2019)

Price	112.00	1 Month Return	11.69%
52 Week High / Low	163.11 / 93.31	6 Month Return	-28.30%
Market Cap	22,466.81	1 Year Return	-16.09%
Enterprise Value	24,937.44	YTD Return	9.08%

VALUATION METRICS

	2017Y	2018Y	2019YE	2020YE	2021YE
P/E	73.3x	22.7x	26.2x	16.2x	13.7x
EV/EBIT	19.7x	13.3x	20.3x	13.0x	11.0x
EV/EBITDA	10.4x	7.4x	8.1x	5.9x	5.4x
P/S	8.3x	4.5x	4.7x	3.7x	3.3x
P/B	2.5x	1.1x	1.1x	1.1x	1.0x
Div Yield	0.0%	0.0%	0.4%	0.5%	0.3%
EBITDA	2,422	3,358	3,281	4,335	4,648

52-WEEK STOCK PERFORMANCE

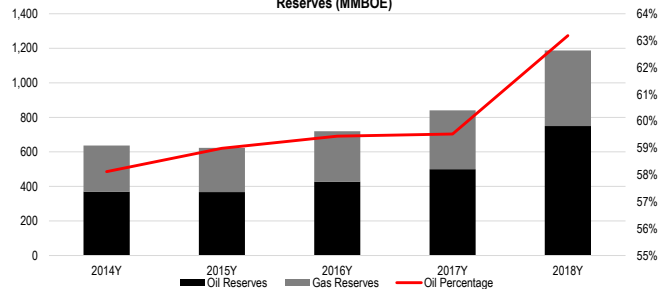


FINANCIAL STATEMENTS

Income Statement	2014Y	2015Y	2016Y	2017Y	2018Y
Revenue	2,732	2,436	2,260	2,665	3,933
Operating Profit (Loss)	271	260	-1,076	1,276	1,880
Pretax Income (Loss)	856	97	-2,339	881	2,889
Income Before XO	538	66	-1,462	956	2,286
Net Income	538	66	-1,462	956	2,286
Basic EPS Before Abnormal Items	4.01	0.90	0.81	2.06	4.53
Basic EPS	4.89	0.54	-10.85	6.44	13.28
Diluted EPS Before Abnormal Item	4.00	0.88	0.81	2.05	4.53
Diluted EPS	4.88	0.54	-10.85	6.41	13.25
Dividends Per Share	0.00	0.00	0.00	0.00	0.00
EBITDA	1,251	1,484	91	2,422	3,358
Balance Sheet	2014Y	2015Y	2016Y	2017Y	2018Y
Total Current Assets	1,188	1,315	562	592	1,409
Total Long-Term Assets	10,563	11,327	11,557	13,140	24,885
Total Assets	11,752	12,642	12,119	13,732	26,294
Total Current Liabilities	1,265	596	753	1,165	1,356
Total Long-Term Liabilities	5,206	5,103	3,743	3,652	6,170
Total Liabilities	6,471	5,699	4,496	4,817	7,526
Total Shareholders' Equity	5,281	6,943	7,623	8,915	18,768
Shares Outstanding	113.00	129.14	146.06	148.73	200.26
Cash Flow	2014Y	2015Y	2016Y	2017Y	2018Y
Net Income	538	66	-1,462	956	2,286
Cash From Operating Activities	1,674	1,530	1,384	1,695	2,558
Cash From Investing Activities	-2,546	-2,603	-2,225	-1,719	-2,216
Cash From Financing Activities	872	1,301	665	-29	-342
Net Changes in Cash	0	229	-176	-53	0
Free Cash Flow	-915	-981	-1,074	-838	-164
Free Cash Flow Per Basic Share	-8.41	-8.18	-7.97	-5.69	-0.96
Free Cash Flow Per Diluted Share	-8.39	-8.15	-7.97	-5.66	-0.96
Cash Flow Per Share	15.38	12.76	10.27	11.51	14.97

Source: Bloomberg, Enercom Analytics

Reserves (MMBOE)



PRODUCTION & COSTS

Production	2014Y	2015Y	2016Y	2017Y	2018Y
Oil (MMBL/Day)	72.1	94.4	92.5	119.1	167.8
NGL (MMBL/Day)	--	--	--	--	--
Gas (MMCF/Day)	239.3	293.1	348.3	441.3	570.8
Total (MBOE/Day)	112.0	143.3	150.5	192.7	262.9
Costs (\$/BOE)	2014Y	2015Y	2016Y	2017Y	2018Y
Production (LOE & Prod Tax)	13.17	10.35	8.21	8.61	9.33
G&A	4.99	4.41	4.11	3.46	3.24

RESERVES

Reserve Volumes (MMBOE)	2014Y	2015Y	2016Y	2017Y	2018Y
Starting Reserves	502.92	637.18	623.46	720.00	840.00
Changes	134.26	-13.72	96.54	120.00	347.00
Ending Reserves	637.18	623.46	720.00	840.00	1,187.00
Total Reserves					
Oil Reserves	370.35	367.78	428.00	500.00	750.00
Gas Reserves	266.84	255.68	292.00	340.50	437.33
Oil Percentage	58%	59%	59%	60%	63%
Reserves Metrics	2014Y	2015Y	2016Y	2017Y	2018Y
3-Yr F&D per BOE	17.90	21.55	18.53	16.10	13.23
Production Replacement	415%	54%	184%	229%	158%

DRILLING ACTIVITY

New Wells	2014Y	2015Y	2016Y	2017Y	2018Y
Exploration	190	154	83	112	124
Developed	128	116	76	76	80
Dry	11	3	1	4	1
Productive Wells	2014Y	2015Y	2016Y	2017Y	2018Y
Oil	4,195	4,493	4,683	5,144	6,006
Gas	280	296	267	280	317
Acres (Thousands)	2014Y	2015Y	2016Y	2017Y	2018Y
Developed	479	527	525	342	422
Undeveloped	217	150	62	243	218

RATIOS

Profitability	2014Y	2015Y	2016Y	2017Y	2018Y
Return on Assets	5.04	0.54	-11.81	7.40	11.42
Return on Equity	11.78	1.09	-20.08	11.48	16.39
Return on Capital	8.29	2.22	-12.89	9.52	13.80
Gross Margin	44.18	27.26	28.08	33.92	39.41
EBITDA Margin	45.77	60.89	4.05	90.88	85.38
Operating Margin	9.91	10.69	-47.58	47.88	47.80
Profit Margin	19.70	2.70	-64.70	35.87	58.12
Liquidity	2014Y	2015Y	2016Y	2017Y	2018Y
Quick Ratio	0.20	0.73	0.36	0.28	0.34
Current Ratio	0.94	2.20	0.75	0.51	1.04
Cash Ratio	0.00	0.38	0.07	0.00	0.00
Total Debt/Total Capital	40.28	32.43	26.45	23.95	18.83
Cash & Equiv/Current Asset	0.00	17.39	9.43	0.00	0.00
CFO/Total Debt	0.47	0.46	0.50	0.60	0.59
Working Capital	-76	718	-191	-573	53
Net Debt/EBITDA	2.85	2.09	29.38	1.16	1.30

CREDIT

S&P	BBB-	Outlook	STABLE
Moody's	--	Outlook	STABLE
Fitch	BBB	Outlook	STABLE

MAJOR SHAREHOLDERS

Holder Name	Portfolio Name	Source	Amt Held	% Out	Latest Chg	File Dt	Inst Type	Country	Metro Area
Vanguard Group Inc/T	n/a	ULT-AGG	21,413,863	10.69	-	12/31/2018	Investment Advisor	United States	Philadelphia
Capital Group Cos In	n/a	13G	21,066,295	10.52	(31,081,180)	12/31/2018	Investment Advisor	United States	Los Angeles/Pasadena
BlackRock Inc	n/a	13G	13,635,329	6.81	-	12/31/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
T Rowe Price Group I	n/a	ULT-AGG	11,218,318	5.6	3,039,253	12/31/2018	Investment Advisor	United States	Baltimore
State Street Corp	n/a	ULT-AGG	9,949,337	4.97	2,001	12/31/2018	Investment Advisor	United States	Boston
Wellington Management	Wellington Management	13F	6,370,730	3.18	(1,054,417)	12/31/2018	Investment Advisor	United States	Boston
Teachers Insurance &	n/a	ULT-AGG	5,076,163	2.53	181,248	1/31/2019	Investment Advisor	United States	New York City/Southern CT/Northern NJ
JPMorgan Chase & Co	n/a	ULT-AGG	4,489,671	2.24	(540,716)	12/31/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
Dodge & Cox	Dodge & Cox	13F	3,901,302	1.95	(150,721)	12/31/2018	Investment Advisor	United States	San Francisco/San Jose
FMR LLC	n/a	ULT-AGG	3,400,508	1.7	(1,504,151)	12/31/2018	Investment Advisor	United States	Boston
Jennison Associates	Jennison Associates	13F	2,916,135	1.46	(2,401,399)	12/31/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
Geode Capital Manage	Geode Capital Manage	13F	2,548,154	1.27	181,294	12/31/2018	Investment Advisor	United States	Boston
Harbor Capital Advis	Multiple Portfolios	MF-AGG	2,495,544	1.25	(66,234)	9/30/2018	Investment Advisor	United States	Chicago
Wells Fargo & Co	n/a	ULT-AGG	2,317,684	1.16	(407,015)	12/31/2018	Investment Advisor	United States	San Francisco/San Jose
Northern Trust Corp	Northern Trust Corp	13F	2,308,339	1.15	23,914	12/31/2018	Investment Advisor	United States	Chicago
Dimensional Fund Adv	Dimensional Fund Adv	13F	2,052,880	1.03	(87,759)	12/31/2018	Investment Advisor	United States	Austin
American Century Cos	American Century Cos	13F	2,052,847	1.03	(155,247)	12/31/2018	Investment Advisor	United States	Kansas City
FIL Ltd	n/a	ULT-AGG	1,555,196	0.78	239,836	12/31/2018	Investment Advisor	Bermuda	Unclassified
Invesco Ltd	n/a	ULT-AGG	1,544,512	0.77	86,904	12/31/2018	Investment Advisor	United States	Atlanta
Voya Investment Mana	Voya Investment Mana	13F	1,463,992	0.73	220,794	12/31/2018	Investment Advisor	United States	Atlanta

ANALYST COVERAGE & RECOMENDATIONS

Firm Name	Analyst	Recommendation	Weighting	Δ	Target Price	Date	Date	BARR	1 Yr Rtn
Tudor Pickering & Co	MATTHEW PORTILLO	buy	5	M	\$170.00	Not Provided	2/15/2019		
SunTrust Robinson Humphrey	NEAL DINGMANN	buy	5	M	\$160.00	Not Provided	2/13/2019	6	-16.39
Morningstar, Inc	DAVID MEATS	hold	3	D	\$134.00	Not Provided	2/13/2019	2	7.36
Coker & Palmer	NOEL PARKS	not rated		M	\$130.00	12 month	2/13/2019		
Macquarie	PAUL GRIGEL	neutral	3	M	\$128.00	12 month	2/12/2019	4	0
Mizuho Securities USA Inc	PAUL SANKEY	buy	5	M	\$156.00	12 month	2/12/2019		
Williams Capital	GABRIELE SORBARA	buy	5	M	\$182.00	Not Provided	2/11/2019		
MKM Partners	John Gerdes	buy	5	M	\$161.00	Not Provided	2/11/2019		
IFS Securities	ELI KANTOR	strong buy	5	M	\$144.00	12 month	2/11/2019		
Wolfe Research	JOSH SILVERSTEIN	outperform	5	M	\$180.00	Not Provided	2/10/2019	5	-16.07
Susquehanna Financial	BIJU PERINCERIL	Positive	4	M	\$151.00	12 month	2/8/2019		
RBC Capital Markets	SCOTT HANOLD	outperform	5	M	\$158.00	12 month	2/7/2019	5	-16.07
Barclays	JEANINE WAI	overweight	5	M	\$162.00	Not Provided	2/7/2019		
Capital One Securities, Inc.	RICHARD TULLIS	overweight	5	M	\$119.00	Not Provided	2/6/2019	5	-16.07
KeyBanc Capital Markets	Leo Mariani	overweight	5	M	\$118.00	Not Provided	2/6/2019		
US Capital Advisors	CAMERON HORWITZ	buy	5	M	\$195.00	Not Provided	2/6/2019	5	-16.07
Ladenburg Thalmann & Co	MICHAEL SCHMITZ	buy	5	M	\$185.00	Not Provided	2/5/2019	5	-16.07
Stifel	DERRICK WHITFIELD	buy	5	M	\$262.00	Not Provided	2/4/2019	9	-21.08
Evercore ISI	STEPHEN RICHARDSON	outperform	5	M	\$180.00	Not Provided	2/3/2019	5	-16.07
Jefferies	MARK LEAR	buy	5	M	\$190.00	12 month	1/30/2019	5	-16.07
Morgan Stanley	DREW VENKER	Overwt/Attractive	5	M	\$154.00	12 month	1/29/2019		
Stephens Inc	GAIL NICHOLSON	overweight	5	U	\$184.00	Not Provided	1/29/2019		
Seaport Global Securities	MIKE KELLY	buy	5	M	\$160.00	Not Provided	1/29/2019	3	2.09
BMO Capital Markets	PHILLIP JUNGWIRTH	outperform	5	M	\$175.00	Not Provided	1/28/2019	5	-16.07
Wells Fargo Securities	NITIN KUMAR	outperform	5	M	\$174.00	Not Provided	1/24/2019		
Raymond James	JOHN FREEMAN	strong buy	5	M	\$185.00	Not Provided	1/23/2019	5	-16.07
Zacks Investment Research	TEAM COVERAGE	hold	3	M		Not Provided	1/22/2019		
J.P. Morgan	ARUN JAYARAM	overweight	5	M	\$158.00	12 month	1/18/2019	5	-16.07
Credit Suisse	WILLIAM FEATHERSTON	neutral	3	M	\$135.00	Not Provided	1/11/2019	4	0
Piper Jaffray	RYAN TODD	overweight	5	M	\$148.00	12 month	1/9/2019		
Johnson Rice & Co	CHARLES MEADE	accumulate	4	M	\$155.00	Not Provided	1/8/2019	5	-16.07
TD Securities	JUAN JARRAH	hold	3	M	\$130.00	Not Provided	1/7/2019		
Goldman Sachs	BRIAN SINGER	buy/attractive	5	M	\$161.00	12 month	1/6/2019	7	-17.83
MUFG Securities Americas, Inc	MICHAEL MCALLISTER	overweight	5	M	\$208.00	12 month	1/2/2019	5	-16.07
Scotia Howard Weil Inc	PETER KISSEL	sector outperform	5	M	\$190.00	Not Provided	12/20/2018		

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