

MASTEC INC [US]

MasTec, Inc. is an infrastructure construction company. The Company operates primarily across North America through a range of industries. Its primary activities include the engineering, building, installation, maintenance and upgrade of communications, energy and utility infrastructure, such as wireless, wireline or fiber and satellite communications; petroleum and natural gas pipeline infrastructure; electrical utility transmission and distribution; power generation, and industrial infrastructure.

Company Facts [Website](#)

| Ticker | Market Cap | Sector | Exchange | Currency | Indices |
|--------|------------|--------------|----------|----------|---------|
| MTZ | \$2.97bn | Construction | NYSE | \$ | n/a |

Key Features

- Activities include the engineering, building, installation, maintenance and upgrade of: Petroleum and natural gas pipelines and facilities; Wireless, wireline/fiber, install-to-the-home & customer fulfillment; Electrical transmission & distribution; Power generation and industrial ;
- MasTec has a high-quality, diversified customer base, served by about 21,400 employees across approximately 500 locations
- Significant End Market Opportunities in 2017 and Beyond including ;
- New US Administration has a focus on U.S. energy independence and infrastructure projects.
- Wireless and wireline data growth and speed requirements drive long-term network upgrade spending
- Expected significant financial and execution improvement in 2017, with continuing improvement in 2018.
- Wireless CAPEX demand expected to accelerate due to increased mobile data traffic and speed requirements
- MasTec has a small presence in Mexico today, providing wireless and pipeline infrastructure services which may be affected by new US administration policy initiatives on potential border tax implications.
- MasTec is ideally positioned to benefit from the growth in Fiber communications. North America has experienced record growth in Fiber to homes for the last 3 years with 2016 year over year growth totaling 16%. [Broadband Communities News, October 28, 2016]
- Exclusive Master Service Agreement install-to-the-home provider for AT&T's DIRECTV™ unit in all markets MasTec serves.
- MasTec is one of the nation's leading contractors for the construction and engineering of wind farms, solar energy facilities and geothermal power plants
- From national defense to civilian infrastructure, MasTec Inc has the geographical footprint, technical expertise, and hard assets to serve the U.S. government agencies in designing, building, installing and maintaining the most challenging infrastructure project requirements
- Year on year share performance increase 144.23%. (14 Jan 2016 \$14.74 13 Jan 2017 \$36.00)

Key Statistics [HERE](#)

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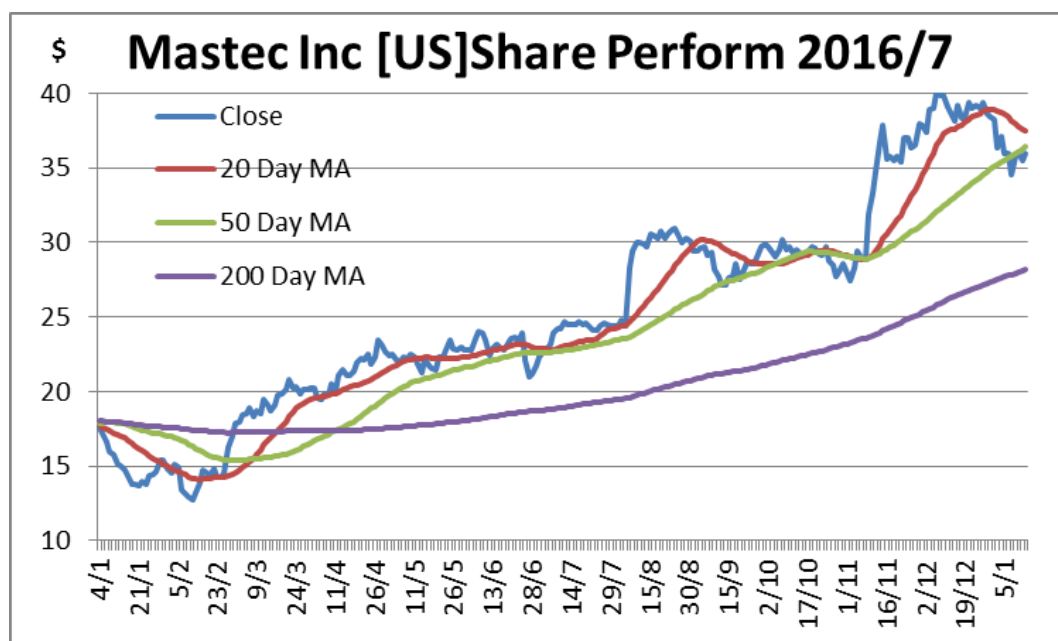
- [Corporate Presentation 4 January 2017](#)

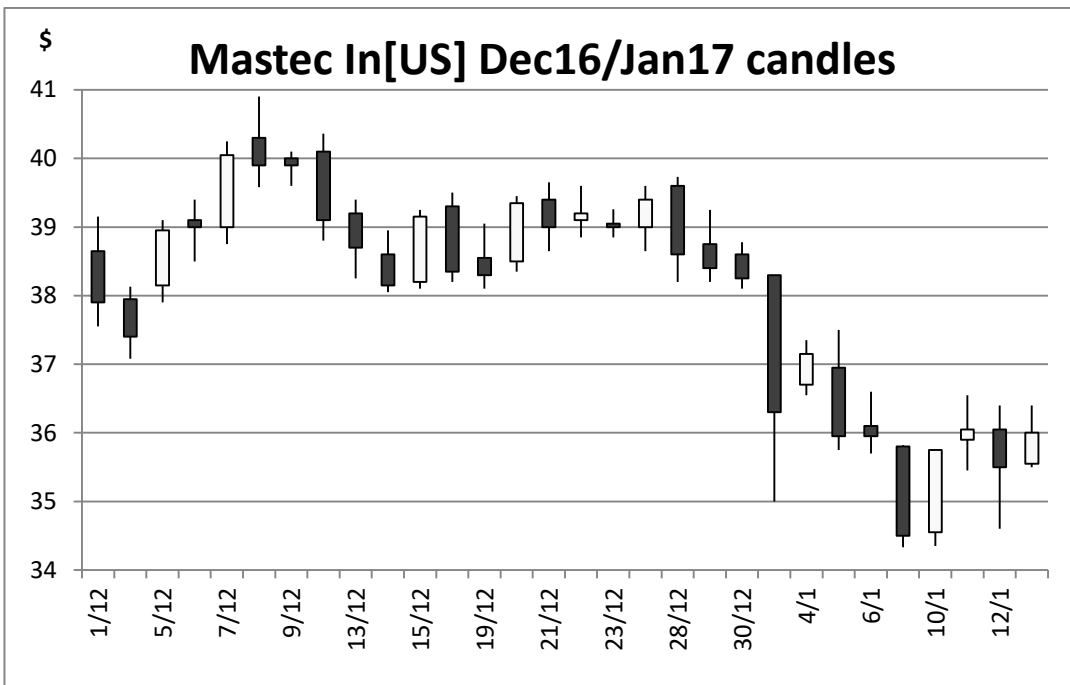
Financial Performance

- [Analyst Estimates](#)
- [Third Quarter 2016 Results Above Expectation.](#)

| Snapshot | 31-Dec-14 \$m | 31-Dec-15 \$m | Change \$m |
|---|----------------------|------------------|-------------------|
| Revenue | 4,611.80 | 4,208.33 | -8.75% |
| Normalized EBITDA | 403.65 | 228.6 | -43.37% |
| Total Assets | 3,563.98 | 2,927.35 | -17.86% |
| Total Liabilities | 2,420.32 | 1,987.78 | -17.87% |
| Current Ratio | 1.56 | 1.5 | -3.85% |
| Net Debt | 1,115.15 | 1,009.11 | -9.51% |
| Diluted EPS Including Extraordinary Items | 1.35 | -0.98 | |
| 2017 | | Score | Analysis |
| Altman Z Score | | 2.80 | Stress |
| Benish 'M score | | -2.60 | Not a manipulator |
| Pitoski F score | | +5.0 | Stable |
| PEG ratio (5-yr expected) | Here | 1.46 | Average |

TECHNICAL ANALYSIS – Technical Diagnosis – Moving Averages are traditionally used as lagging indicators on the general trend of a share. All moving averages have been upward sloping since March 2016 with a golden cross appearing [where the 50 crosses the 200] in April 2016. The 200 Day Moving Average has been on gradual rising momentum since April 2016. The recent closing price passed below its 20 Day Moving Average and currently found support at its 50 Day Moving Average. The recent fall in its price from a high of \$40.90 on the 8th Dec to \$34.33 on 9th January, has seen significant retracement against recent favorable market optimism, implying divergence against the market. Both the 50 and 200 Day Moving Averages still show medium to long term price appreciation. The downside in the recent period from 16 Nov16 to 13 Jan17 is the possibility that a head and shoulders technical pattern has formed with future downside a possibility. Since the beginning of December bearish candlesticks has seen the share price retrace to a low of \$34.33 on 9th January. The most recent January candlesticks appeared to have seen a price being supported around the \$34.33/\$34.50 low with a bullish marubozu and harami on the 10th and 13th January respectively. The upward channel price appreciation as evidenced might well suggest that the recent retracement is an opportunity to jump on the possible future elevation price to resume towards its previous high of \$40 a share. Mastec Inc is a US company involved in Infrastructure and this would benefit from reported policy initiatives from the new US administration. I bought 211 shares at \$35.05 on 12th January 2017 on the basis that long term share price performance would again see the share recover to its previous high of \$40 and beyond thereby benefiting from a continually upward trend, *although this may not be guaranteed*. **Please note this analysis is not advice but interpretation of potential market moves.** Performance is no guide to the future. First Share Reviewed on 15 January 2017 at \$35.95 Current Price 27 Feb 2017 \$40.05





Visitors are advised to conduct independent research