

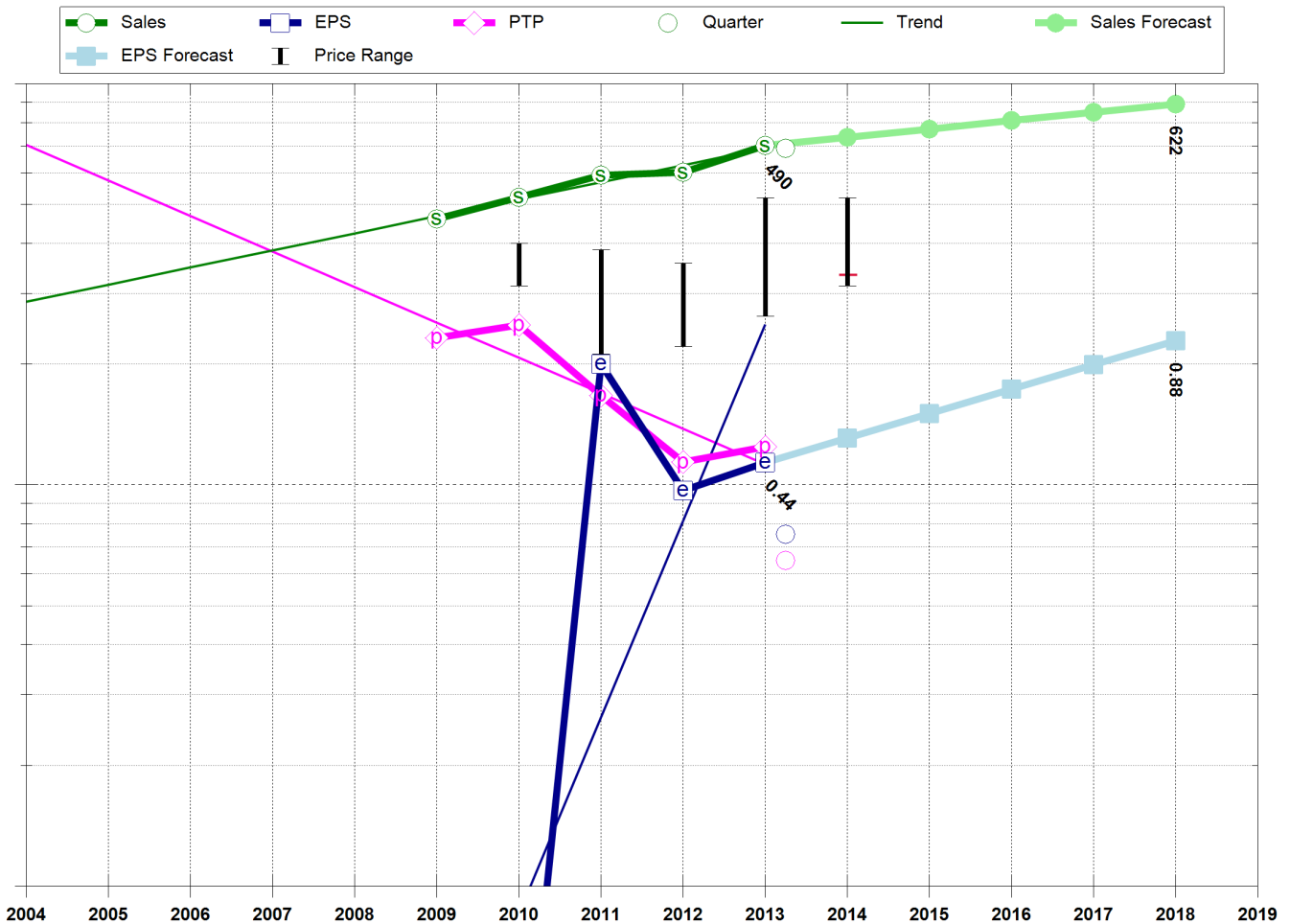
Company	FXCM Inc		Date	8/8/2014	
Prepared by	HARPER		Data taken from	BI Stock Data	
Where traded	NYSE	Industry	Financial Exchanges		
Capitalization ---	Outstanding Amounts	Reference			
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	39.1	0.3	97.7		
Debt (\$M)	207.4	% to Tot Cap	43.8	% Pot Dil	10.4

Stock Selection Guide

Symbol: FXCM

1 VISUAL ANALYSIS of Sales, Earnings, and Price

FY2013 Quarter Ending (03/14)	Sales (\$M)	Earnings Per Share
Latest Quarter	115.0	0.05
Year Ago Quarter	122.9	0.23
Percentage Change	-6.4%	-79.2%



(1) Historical Sales Growth	10.3%	(3) Historical Earnings Per Share Growth	208.8%
(2) Estimated Future Sales Growth	4.9%	(4) Estimated Future Earnings Per Share Growth	15.0%

2 EVALUATING Management

FXCM Inc

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Last 5 Year Avg.
Pre-tax Profit on Sales						30.1%	29.0%	16.7%	11.4%	10.6%	19.5%
% Earned on Equity							0.1%	12.0%	7.1%	7.6%	6.7%
% Debt To Capital						0.0%	0.0%	0.0%	37.3%	37.8%	15.0%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

PRESENT PRICE 12.8

HIGH THIS YEAR 19.97

LOW THIS YEAR 12.05

	A	B	C	D	E	F	G	H	
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield	
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100	
1 2009						0.00			
2 2010	15.3	12.1	0.01	1,917.5	1,506.3	0.00	0.0	0.0	
3 2011	14.8	8.1	0.77	19.2	10.6	0.24	31.2	3.0	
4 2012	13.7	8.5	0.37	36.8	22.8	0.24	64.5	2.8	
5 2013	20.0	10.1	0.44	45.7	23.1	0.24	54.9	2.4	
AVERAGE		9.7		504.8	390.7		50.2		
CURRENT/TTM			0.29			0.24	83.0		
AVERAGE PRICE EARNINGS RATIO 447.8					CURRENT PRICE EARNINGS RATIO 44.4				

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 504.80 X Estimate High Earnings/Share 0.88 = Forecasted High Price \$ 444.2

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 390.70 X Estimate Low Earnings/Share 0.44 = Forecasted Low Price \$ 171.9

(b) Avg. Low Price of Last 5 Years 9.7

(c) Recent Market Low Price 8.50

(d) Price Dividend Will Support $\frac{\text{Present Dividend}}{\text{High Yield}} = \frac{0.240}{2.40\%} = 10.0$

Selected Forecasted Low Price \$ 8.5

C ZONING using 25%-50%-25%

Forecasted High Price 444.2 Minus Forecasted Low Price 8.5 = 435.7 Range. 25% of Range 108.9

Buy Zone 8.5 to 117.4

Hold Zone 117.4 to 335.3

Sell Zone 335.3 to 444.2

Present Market Price of 12.84 is in the **Buy** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price}} = \frac{444.2 - 12.84}{12.84} = 34.60$
 $\frac{\text{High Price} - \text{Present Price}}{\text{Present Price}} = \frac{444.2 - 12.84}{12.84} = 34.60$
 $\frac{\text{Present Price} - \text{Low Price}}{\text{Present Price} - \text{Low Price}} = \frac{12.84 - 8.5}{12.84 - 8.5} = 4.34$
 = 99.4 To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Present Market Price}}{\text{Present Market Price}} \times 100 = \frac{444.2 - 12.84}{12.84} \times 100 = 3,459.69 - 100 = 3,359.7$ % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Present Full Year's Dividend \$}}{\text{Present Price of Stock}} = \frac{0.24}{12.84} = 0.02 = 1.9\%$ Present Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{50.2\%}{504.80} = 0.1\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{50.2\%}{447.75} = 0.1\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 103.1 %
 Average Yield 0.1 %
 Annualized Rate of Return 103.2 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation 98.3 %
 Average Yield 0.1 %
 Annualized Rate of Return 98.4 %