

Franklin Resources (BEN: \$17.61)

Franklin Resources increases after finding support Thursday
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Franklin Resources, Inc.'s (NYSE: BEN \$17.62) stock price increased 0.4% after hitting the lower Bollinger Band twice in the last ten days. This is a bullish signal. The lower Bollinger Band marks the trajectory of support on a stock price.

Franklin Resources' stock price increased 7.50c (0.4%) from its previous trading session to close at \$17.62.

Compared with the S&P 500 Index which rose 13.8 points (0.3%) in the day, the relative price increase was 0.2%.

There were 3,044,528 shares worth \$53.7 million traded today; the volume was 0.7 times the average daily trading volume of 4.3 million shares.

QUARTERLY REPORT

Franklin Resources (NYSE:BEN), announced total revenue of \$2.3b for the quarter-ended 31 December 2024 [Q1/2025], up 1.8% from the previous quarter [Q4/2024] and up 13% from the year-earlier period [Q1/2024].

Quarterly Report (Q1 2025)

Quarter-ended	31 Dec [Q1/2025]	30 Sep [Q4/2024]	30 Jun [Q3/2024]
EPS, c	29.0	-20.0	32.0
Revenue, \$ billion	2.3	2.2	2.1
Sequential growth in Revenue %	1.8	4.2	-1.4
Net Profit, \$ million	164	-84.7	174

Compared with the Previous Corresponding Period [PCP; Q1/2024], year-over-year [y.o.y.] EPS was down 42%, Revenue was up 13.1% and Net Profit was down 34.9%.

Quarter-ended	31 Dec [Q1/2025]	31 Dec [Q1/2024]
EPS, c	29.0	50.0
PCP growth in EPS %	-42	56
Revenue, \$ billion	2.3	2.0
PCP growth in Revenue %	13.1	1.2
Net Profit, \$ million	164	251
PCP growth in Net Profit %	-34.9	52

FRANKLIN RESOURCES DIVIDENDS

The shares slid 8.4% in the 13 trading sessions since the ex-dividend date of March 31. The company paid a dividend of 32.0c per share. Based on dividends of \$1.26 per share for the trailing twelve months and the last price of \$17.62 the dividend yield is 7.2%.

Figure 1: Stock Summary

52-Week Range	\$16.25-\$24.16
Market Cap	\$9.3 billion
Shares Outstanding	525,400,000
Relative Strength (3 mo)	58

Fig 2: Technical Indicators

Name	Value	Comment
RSI	40.3	Neutral
William % R	-58.3	Neutral
MFI	28.7	Neutral

Fig 3: Financials Summary

Year ended Sep 30	FY2024	FY2023	FY2022
Sales (\$ B)	8.5	7.8	8.3
Pretax (\$)	823.2M	1.3B	1.7B
Net (\$)	464.8M	882.8M	1.3B
EPS (\$)	0.85	1.72	2.53

EPS down 50.6% to 85.0c in FY2024 [y.e. 30 Sep 2024]

Net profit was down 47.3% from \$882.8 million in FY2023 to \$464.8 million in FY2024. Earnings Per Share (EPS) was down 50.6% from \$1.72 in FY2023 to 85.0c in FY2024.

Bullish Signals

Undervaluation [compared with sector average]

Dividend Yield:

- The relative yield of BEN, defined by its yield of 7.2%, divided by average yield of dividend yielding stocks in the S&P 500 Index of 1.1% is 639.3%. This suggests Franklin Resources stock is undervalued in dividend yield terms.

Price to Sales:

- Price/Sales of 1.1 [3.3]. We estimate Franklin Resources stock is trading at a current year Price/Sales of 1.1 and a forward year Price/Sales of 1.1.

Price to Book:

- Price to Book of 3.4 [4.7]. We estimate Franklin Resources stock is trading at a current year Price to Book of 3.2 and a forward year Price to Book of 3.

MCap/Total Assets:

- Tobin's Q Ratio, defined as MCap divided by Total Assets, is 0.3.

Compared with the rest of the market the stock is undervalued and ranks in the top quartile of stock by value of Q Ratio.

Undervaluation Indicators and rank of Franklin Resources in the NYSE market:

Description	Value	Rank In Market
Dividend Yield %	7.2	In Top 22%
* EV/EBITDA	19.9	In Top 22%

* Enterprise value of \$23.1 billion is divided by Earnings before interest tax depreciation and amortization of \$1.2 billion.

Fig 4: Short-Term Technical Ranking: 4 out of 5 [5 is best]



Stocks are scored on a set of technical parameters reflecting price performance and trading volumes. They are ranked according to the average values of those parameters. The highest ranking is 5 and the lowest ranking is 1.