



Investment research firm

Investing on solid foundations.

For entrepreneurs and private investors



Stone City Capital

Research on companies and financial markets.

We study how businesses earn money and use capital. We explain business valuations and the risks investors face.

SCC is an independent investment research firm.

Who our research is for

For owners of substantial capital who take a long-term approach to investment.

Business owners

Business owners who want to understand the companies they are considering investing in.

Executives

Executives who need well-supported findings without studying large volumes of financial reporting.

Family capital

Families planning for the next 10–20 years, including the transfer of capital to the next generation.

How we research a company

The business model

We examine how a company earns money and what supports its competitive position.

Returns on capital

We study financial results and the returns generated by capital invested in the business.

Price and value

We assess business value in light of its prospects and compare it with the market price.

What we assess in a company

Area of analysis	What we study	The question we address
Profitability	Return on capital	How much profit does invested capital generate?
Competition	Competitive advantages	What helps the company sustain its position?
Valuation	Market price and value	How does the price compare with our valuation?

ROIC measures return on invested capital. A valuation depends on its assumptions.

What supports our findings

Financial reports

We use reported data on revenue, profit and capital invested in the business.

Primary sources

We consult company documents, including disclosures available through SEC EDGAR.

Assumptions

We distinguish reported figures from assumptions about future business performance.

Market price and business value

Market price

The price at which market participants are willing to transact at a given time.

Estimated value

An estimate based on business analysis and assumptions about future performance.

Valuation limits

The future may differ from expectations. A gap between price and estimated value does not rule out analytical errors.

The risks we consider

Business performance

Profits may fall short of expectations and competitive advantages may weaken.

Market price

Investments can lose value. A long holding period does not eliminate the risk of loss.

Options strategies

Selling an option creates obligations. Losses on the position may exceed the premium received.

What readers gain from our research

Business insight

How a company earns money, uses capital and sustains its competitive advantages.

Valuation basis

The data and assumptions that support our estimate of company value.

Risk awareness

What could weaken business performance and change our research findings.

Which news matters to our analysis

Revenue and profit

We examine whether company revenue is growing and how business profitability is changing.

Competition

We identify events that strengthen or weaken a company's competitive position.

Price movements

We consider price changes alongside business data and the basis of our valuation.



Investment research firm

**We research businesses.
We explain our findings.**

Stone City Capital