

Conversation with Antonio Velardo on John Menzies success story

Antonio Velardo has been covering the story of John Menzies plc for some time now and had forecasted the recent news for the company more than a year ago.

MIAMI, FLORIDA, USA, February 21, 2022 /EINPresswire.com/ -- [Antonio Velardo](#), Chief Financial Officer at Moat Investing, known for being a value investor and internet top stock picker, made it again. In early January of last year, Antonio posted an interesting article about John Menzies (LSE: MNZS) on his blog, where he approached the company with a multi-model valuation and explained the reasons behind every assumption.

Velardo, who in the early stages of the pandemic was known to triple with Park Hotels and Resorts (NYSE: PK) during COVID lockdown, was at the time wiring and reporting on Menzies, piling up stock for less than 100 pence, and wrote the value report with a price target between 450 to 500 pence.



Antonio Velardo

Antonio has been covering the story for some time now, and, as you can check below, there have been different articles on [SeekingAlpha](#) and his blog covering the main ideas behind the stock.

- January 4, 2021: Multiple Valuation Models - John Menzies plc (LSE: MNZS)
- January 19, 2021: Assessing Menzies risk to go bankrupt after breaching covenants
- March 7, 2021: John Menzies: A Multiple Approach On A Foreign Opportunity
- Jun 5, 2021: Menzies: Transformation From Recovery Play To A Post-Covid Winner
- November 4, 2021: Menzies: On The Highway To Recovery

Velardo studied Value Investing at Colombia University's Business School, where the famous Warren Buffet went to and has specialized in Greenwald's approach that considers EPV (Earning Power Value), which is a measure of sustainable earnings. The method is very conservative and tends to don't account for growth in the valuation model unless the company enjoys a strong moat.



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Menzies was out of favor, and the price was heavily hammered. The stock lost about 70% during the COVID crisis for obvious motivations related to travel restrictions and the whole industry's uncertainties.

Velardo constantly affirmed that "as long Menzies has the liquidity to support itself through the pandemic period, which we have verified through an attentive analysis of the balance sheet, then I have no doubt that as soon the restrictions are softened, the company has strong

possibilities of been acquired at around 8 to 10 times EV/EBITDA."

Value Investing and crypto are on the opposite side of the investing spectrum and probably have nothing in common. However, Velardo has the particularity to value and invest in crypto projects; when reached about this, he says that "the best value investor is the one that does not fall into value traps, cheap doesn't mean good; indeed most of the time, a cheap stock is just a trap."

Velardo explains that the capacity to strategically understand the ability of a company to grow in its ecosystem and identify its competitive advantages is the key to Value Investing. Low P/E and Book Value are just old misunderstood concepts that do not really apply to seeking suitable investments.

In this sense, according to Antonio, his crypto investment approach has similarities to what he does in the value investing world in the order of identifying the potential of some blockchain projects through a strategic assessment based on the knowledge of the technology and the market.

Antonio also tackles the issue that valuation in crypto has a different meaning than in the stock market. While one can calculate a stock value by discounting its future cash flows by a hurdle rate, the crypto approach is much more similar to macro analysis and tokenomics its the key to value a blockchain project as it is related to how the token would create demand and ho supply and if it is constrained or limited. According to Velardo, that sort of strategical frame of mind works in crypto, too, even if it is a totally different beast.

"I think that, in general, equity analysts with a good technical blockchain background have great possibilities of success in the space." Said Antonio Velardo.

[On Twitter](#), Velardo received multiple congratulations and messages of joy from his followers. Apparently, Velardo owned a large number of shares above the current executive and is enjoying a healthy profit. When asked if he sold some of his shares, he declined to comment.

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