



PARKER HANNIFIN (NYSE: PH)

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**Company Profile:**

Parker-Hannifin Corporation manufactures and sells motion and control technologies and systems for various mobile, industrial, and aerospace markets worldwide. It operates in two segments, Diversified Industrial and Aerospace Systems. The Diversified Industrial segment offers static and dynamic sealing devices; filters, systems, and diagnostics solutions to monitor and remove contaminants from fuel, air, oil, water, and other liquids and gases; connectors, which control, transmit, and contain fluid; control solutions for extreme corrosion resistance, temperatures, pressures, and precise flow; and hydraulic, pneumatic, and electromechanical components and systems for builders and users of mobile and industrial machinery and equipment. This segment sells its products to original equipment manufacturers (OEMs) and distributors who serve the replacement markets in manufacturing, packaging, processing, transportation, mobile construction, refrigeration and air conditioning, agricultural, and military machinery and equipment industries. The Aerospace Systems segment offers products for use in commercial and military airframe and engine programs, such as control actuation systems and components, engine systems and components, fluid conveyance systems and components, fuel systems and components, fuel tank inerting systems, hydraulic systems and components, lubrication components, pneumatic control components, power conditioning and management systems, thermal management products, and wheels and brakes, as well as fluid metering, delivery, and atomization devices. This segment markets its products directly to OEMs and end users. The company markets its products through direct-sales employees, independent distributors, and sales representatives. Parker-Hannifin Corporation was founded in 1917 and is headquartered in Cleveland, Ohio.

**Key Statistics**

Market Cap	25.12B
Enterprise Value	33.77B
Revenue [TTM]	14.20B
Net Income [TTM]	1.37B
Dividend Yield	1.9%
Historical Volatility	23.27%
Beta [3 year]	1.53

**The Story:**

Parker Hannifin is one of the most dominant companies in the business of supplying industrial components and materials. It got its start making parts for vehicles and aircraft but today it supplies a hugely diverse group of customers with an almost limitless list of products. The company owns more than 8,000 patents – and counting.

Amazingly, no single product generates more than 1% of the company's total net sales and with 459,000+ customers, no customer makes up more than 3% of total net sales.

Parker Hannifin is a member of the Dividend Aristocrats® as it has increased its dividend payment for 63 consecutive years.

**Exit Strategy:**

This is a long-term investment. We will use a dynamic trailing stop derived from actual historical volatility in the security to exit the position. As of this writing our stop is set at 19.69% - if the share price closes 19.69% below its high since our entry this will trigger our stop and we will sell the next day. We will also sell if the story changes.