EXXON MOBIL Financial Analysis

Student’s Name

Institution

**Exxon Mobile Overview**

Exxon Mobile Company is a leading oil and gas producer. It has a strong financial performance in the market. Exxon Mobile liquidity ratio is good and therefore, it can pay its debtor without seeking outside assistant. Exxon Mobile current ratio is 74%, quick ratio is 45% and cash ratio is 6% for the financial year ended June 31, 2019. High current ratio and quick ratio means that Exxon Mobile Company is not at any financial risk. This is a good situation for investors because it indicates that Exxon Mobile is not at any risk of collapsing. Exxon Mobile can still get credit facilities from financial institution for its business expansion.

**Name of the Company and ticker**: Exxon Mobile Corporation**(XOM)**

**10-K Report** <https://www.sec.gov/Archives/edgar/data/34088/000003408818000015/xom10k2017.htm>

**Company’s Website**: <https://corporate.exxonmobil.com/>

**Industrial name and NAICS Code**: Oil and Gas Industry and211111

**2018 and 2019 Industrial Average**

**Liquidity Ratio 2018 2019**

Current Ratio 73% 77%

Quick Ratio 28% 23%

Cash ratio 14% 15.5%

**Evaluation**: The liquidity ratio indicates that there is an increase in current liability in 2019 and therefore, it means that the quick ratio reduced to 0.23 or 23%. It indicates that integration of oil and gas industry is very low during the first and second quarter of 2019. The liquidity ratio of Exxon Mobile Company indicates a stable growth with higher current ratio and quick ratio, the industry liquidity ratio is not stable. It is established that industrial ratio reduced in the second quarter of 2019. However, Exxon Mobile Corporation is not in any financial risk and can be able to secure both long term and short term debts for its expansion to other region for the future business.

References

10-Report <https://www.sec.gov/Archives/edgar/data/34088/000003408818000015/xom10k2017.htm>