

ModernGraham Valuation

Company Name:

Citigroup Inc

Company Ticker C

Date of Analysis

9/1/2015



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	Pass
2. Earnings Stability	Positive EPS for 10 years prior	Fail
3. Dividend Record	Dividend Payments for 10 years prior	Fail
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	Fail
5. Moderate PEmg Ratio	PEmg < 20	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	Pass

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior	Pass
2. Dividend Record	Currently Pays Dividend	Pass
3. Earnings Growth	EPSmg greater than 5 years ago	Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	3.80
MG Growth Estimate	15.00%
MG Value	\$146.33
MG Value based on 3% Growth	\$55.11
MG Value based on 0% Growth	\$32.31
Market Implied Growth Rate	2.44%

MG Opinion

Current Price	\$50.89
% of Intrinsic Value	34.78%

Opinion **Undervalued**

Stage 3: Information for Further Research

Graham Number	\$93.27
PEmg	13.39
PB Ratio	0.70
Dividend Yield	0.16%
Number of Consecutive Years of Dividend Growth	1

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$5.33	Next Fiscal Year Estimate	\$3.80
Dec14	\$2.20	Dec14	\$3.10
Dec13	\$4.35	Dec13	\$2.77
Dec12	\$2.44	Dec12	-\$2.33
Dec11	\$3.63	Dec11	-\$6.47
Dec10	\$3.54	Dec10	-\$8.38
Dec09	-\$8.00	Dec09	-\$7.33
Dec08	-\$56.30	Dec08	\$0.28
Dec07	\$7.20	Dec07	\$30.02
Dec06	\$43.10	Dec06	\$40.07
Dec05	\$47.50	Dec05	\$37.10
Dec04	\$32.60	Dec04	\$31.24
Dec03	\$34.20	Dec03	\$29.62
Dec02	\$29.40	Dec02	\$26.06
Dec01	\$27.20	Dec01	\$23.05
Dec00	\$26.20	Dec00	\$19.77
Dec99	\$21.70	Dec99	\$15.69
Dec98	\$13.10	Balance Sheet Information Jun15	
Dec97	\$13.70	Long-Term Debt	\$211,845,000,000
Dec96	\$12.10	Total Assets	\$1,829,370,000,000
Dec95	\$9.20	Intangible Assets	\$29,007,000,000
		Total Liabilities	\$1,609,930,000,000
		Shares Outstanding (Diluted Average)	3,025,000,000



Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

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ModernGraham
posts about the
company**

[A Glimpse at the Banking Industry – May 2015](#)
[21 Companies in the Spotlight This Week – 5/9/15](#)
[Citigroup Inc. Quarterly Valuation – May 2015 \\$C](#)
[58 Companies in the Spotlight This Week – 1/31/15](#)
[Citigroup Inc. Quarterly Valuation – January 2015 \\$C](#)

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[M&T Bank Corporation Analysis – August 2015 Update \\$MTB](#)
[KeyCorp Analysis – August 2015 Update \\$KEY](#)
[State Street Corporation Analysis – August 2015 Update \\$STT](#)
[BB&T Corporation Analysis – August 2015 Update \\$BBT](#)
[PNC Financial Services Group Inc. Analysis – August 2015 Update \\$PNC](#)
[US Bancorp Analysis – August 2015 Update \\$USB](#)
[Comerica Incorporated Analysis – July 2015 Update \\$CMA](#)
[Starwood Property Trust Inc. Analysis – Initial Coverage \\$STWD](#)
[Fifth Third Bancorp Analysis – July 2015 Update \\$FITB](#)