ModernGraham Valuation

Company Name:

Company Ticker CB Date of Analysis

9/21/2015



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	\$27,243,277,311 Pass
2. Earnings Stability	Positive EPS for 10 years prior	Pass
3. Dividend Record	Dividend Payments for 10 years prior Increase of 33% in EPS in past 10 years using 3 year averages at	Pass
4. Earnings Growth	beginning and end	39.36% Pass
5. Moderate PEmg Ratio	PEmg < 20	15.77 Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.76 Pass

Chubb Corp

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	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	7.68
MG Growth Estimate	3.95%
MG Value	\$125.96
MG Value based on 3% Growth	\$111.40
MG Value based on 0% Growth	\$65.30
Market Implied Growth Rate	3.63%

MG Opinion			
	Current Price		\$121.14
	% of Intrinsic Value		96.17%
	Opinion	Fairly Valued	

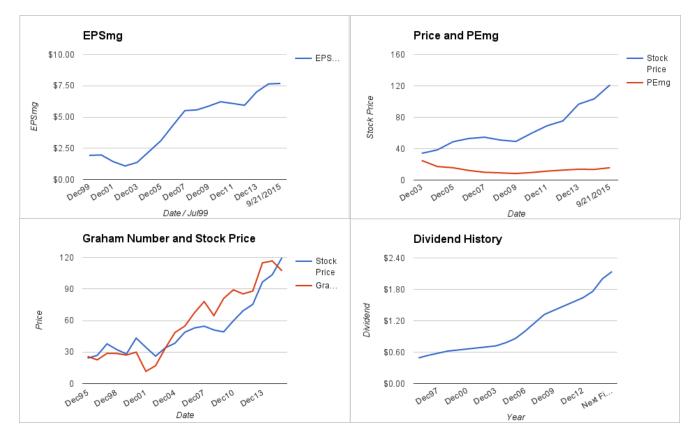
Stage 3: Information for Further Research

	Graham Number		\$107.33
	PEmg		15.77
	PB Ratio		1.76
	Dividend Yield		1.77%
	Number of Consecutive Years of Divid Growth	lend	20
Useful Links:	ModernGraham tagged articles	Morningstar	
	Google Finance	MSN Money	

Seeking Alpha
SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$7.30	Next Fiscal Year Estimate	\$7.68
Dec14	\$8.62	Dec14	\$7.64
Dec13	\$9.04	Dec13	\$7.00
Dec12	\$5.69	Dec12	\$5.94
Dec11	\$5.76	Dec11	\$6.08
Dec10	\$6.76	Dec10	\$6.22
Dec09	\$6.18	Dec09	\$5.87
Dec08	\$4.92	Dec08	\$5.57
Dec07	\$7.01	Dec07	\$5.51
Dec06	\$5.98	Dec06	\$4.33
Dec05	\$4.47	Dec05	\$3.11
Dec04	\$4.01	Dec04	\$2.23
Dec03	\$2.23	Dec03	\$1.37
Dec02	\$0.65	Dec02	\$1.08
Dec01	\$0.32	Dec01	\$1.43
Dec00	\$2.01	Dec00	\$1.96
Dec99	\$1.83	Dec99	\$1.93
Dec98	\$2.10	Balance Sheet Information	Jun15
Dec97	\$2.20	Long-Term Debt	\$3,300,000,000
Dec96	\$1.45	Total Assets	\$50,726,000,000
Dec95	\$1.96	Intangible Assets	\$467,000,000
		Total Liabilities	\$34,808,000,000
		Shares Outstanding (Diluted Average)	231,000,000





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:

Other	The 10 Best Stocks For Value Investors This Week – 6/20/15
ModernGraham posts about the	Chubb Corporation Analysis – June 2015 Update \$CB
company	18 Companies in the Spotlight This Week – 3/21/15
	Chubb Corporation Quarterly Valuation – March 2015 \$CB
	26 Companies in the Spotlight This Week – 12/13/14
Other ModernGraham	Anthem Inc. Analysis – September 2015 Update \$ANTM
posts about related	Aflac Inc. Analysis – September 2015 Update \$AFL
companies	Marsh & McLennan Companies Analysis – September 2015 Update \$MMC
	Berkshire Hathaway Analysis – August 2015 Update \$BRK/B
	Progressive Corporation Analysis – August 2015 Update \$PGR
	Ace Limited Analysis – August 2015 Update \$ACE
	Travelers Companies Analysis – August 2015 Update \$TRV
	Lincoln National Corporation Analysis – August 2015 Update \$LNC
	Unum Group Analysis – August 2015 Update \$UNM
	Principal Financial Group Analysis – August 2015 Update \$PFG