

# ModernGraham Valuation

Company Name:

Halliburton Company

Company Ticker

HAL

Date of Analysis

9/10/2015



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

*Defensive Investor; must pass 6 out of the following 7 tests.*

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

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	Pass
3. Earnings Stability	Positive EPS for 5 years prior	Fail
4. Dividend Record	Currently Pays Dividend	Pass
5. Earnings Growth	EPSmg greater than 5 years ago	Fail

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.10
MG Growth Estimate	-1.27%
<b>MG Value</b>	<b>\$12.50</b>
MG Value based on 3% Growth	\$30.38
MG Value based on 0% Growth	\$17.81
Market Implied Growth Rate	4.65%

### MG Opinion

Current Price	\$37.30
% of Intrinsic Value	298.39%
<b>Opinion</b>	<b>Overvalued</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$0.35
Graham Number	#NUM!
PEmg	17.80
Current Ratio	3.04
PB Ratio	2.03
Dividend Yield	1.85%
Number of Consecutive Years of Dividend Growth	3

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec14	-\$0.17	Dec14	\$2.10
Dec13	\$4.11	Dec13	\$3.11
Dec12	\$2.36	Dec12	\$2.51
Dec11	\$2.84	Dec11	\$2.45
Dec10	\$3.08	Dec10	\$2.29
Dec09	\$2.01	Dec09	\$1.99
Dec08	\$1.27	Dec08	\$2.06
Dec07	\$1.70	Dec07	\$2.22
Dec06	\$3.68	Dec06	\$2.06
Dec05	\$2.23	Dec05	\$0.92
Dec04	\$2.27	Dec04	\$0.18
Dec03	-\$1.13	Dec03	-\$0.70
Dec02	-\$0.95	Dec02	-\$0.33
Dec01	-\$1.16	Dec01	\$0.04
Dec00	\$0.94	Dec00	\$0.62
Dec99	\$0.56	Dec00	\$0.47
Dec98	\$0.50	Dec99	\$0.44
Dec97	-\$0.02	<b>Balance Sheet Information Jun15</b>	
Dec96	\$0.88	Total Current Assets	\$15,224,000,000
Dec95	\$0.60	Total Current Liabilities	\$5,005,000,000
Dec94	\$0.37	Long-Term Debt	\$7,838,000,000
		Total Assets	\$30,606,000,000
		Intangible Assets	\$1,983,000,000
		Total Liabilities	\$14,921,000,000
		Shares Outstanding (Diluted Average)	854,000,000





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  
ModernGraham  
posts about the  
company

[Halliburton Company Analysis – June 2015 Update \\$HAL](#)

[A Glimpse at the Oil & Gas Industry – May 2015](#)

[23 Companies in the Spotlight This Week – 3/9/15](#)

[Halliburton Company Quarterly Valuation – March 2015 \\$HAL](#)

[26 Companies in the Spotlight This Week – 12/13/14](#)

Other  
ModernGraham  
posts about related  
companies

[Kinder Morgan Inc. Analysis – September 2015 Update \\$KMI](#)

[Range Resources Corporation Analysis – August 2015 Update \\$RRC](#)

[Helmerich & Payne Inc. Analysis – August 2015 Update \\$HP](#)

[FMC Technologies Inc. Analysis – August 2015 Update \\$FTI](#)

[Denbury Resources Inc. Analysis – August 2015 Update \\$DNR](#)

[Western Refining Inc. Analysis – Initial Coverage \\$WNR](#)

[WPX Energy Inc. Analysis – 2015 Update \\$WPX](#)

[Marathon Petroleum Corporation Analysis – 2015 Update \\$MPC](#)

[Valero Energy Corporation Analysis – July 2015 Update \\$VLO](#)

[National Oilwell Varco Analysis – July 2015 Update \\$NOV](#)