

ModernGraham Valuation

Company Name:

Nucor Corporation

Company Ticker

NUE

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	Fail
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	Pass
4. Dividend Record	Currently Pays Dividend	Pass
5. Earnings Growth	EPSmg greater than 5 years ago	Fail

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.69
MG Growth Estimate	-1.45%
MG Value	\$9.44
MG Value based on 3% Growth	\$24.46
MG Value based on 0% Growth	\$14.34
Market Implied Growth Rate	8.25%

MG Opinion

Current Price	\$42.17
% of Intrinsic Value	446.67%
Opinion	Overvalued

Stage 3: Information for Further Research

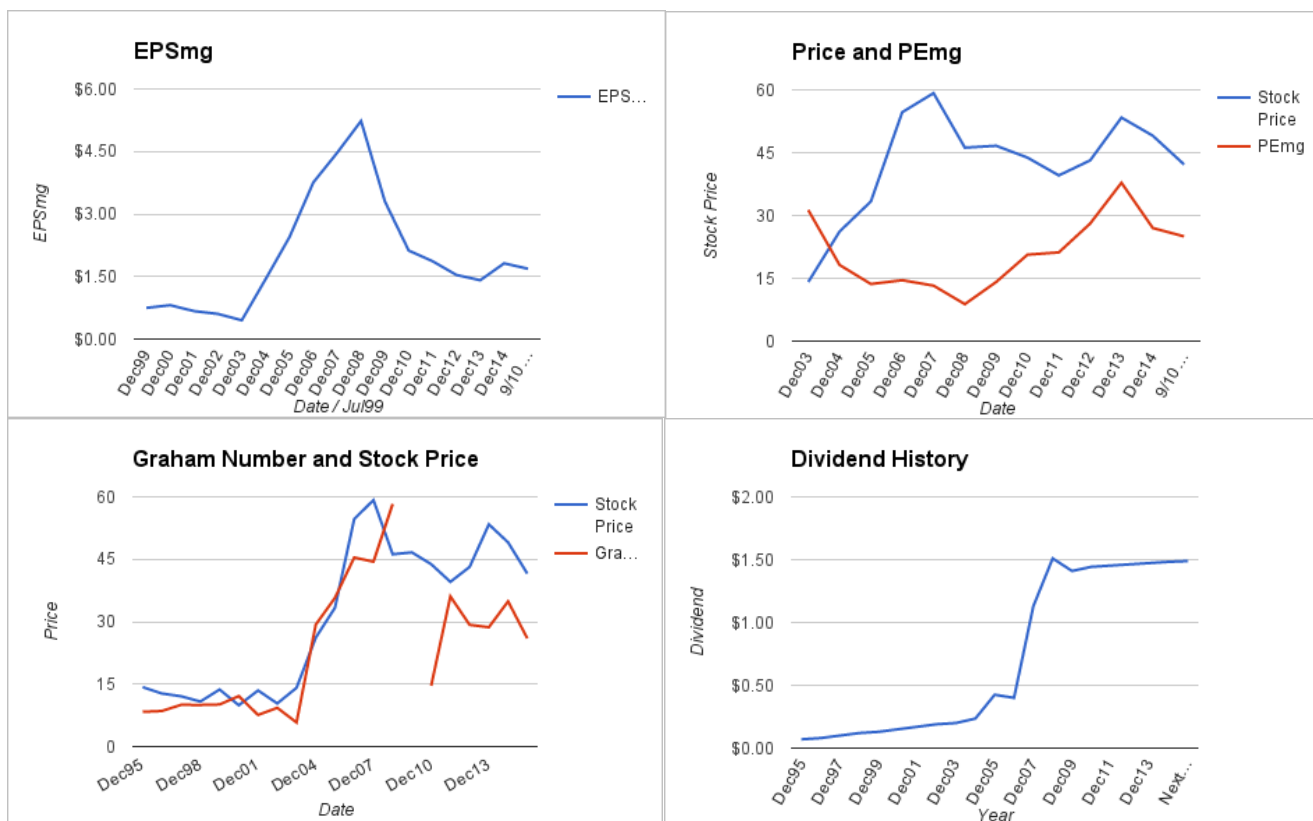
Net Current Asset Value (NCAV)	-\$3.91
Graham Number	\$25.98
PEmg	25.00
Current Ratio	3.64
PB Ratio	1.77
Dividend Yield	3.53%
Number of Consecutive Years of Dividend Growth	6

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	\$1.25	Next Fiscal Year Estimate	\$1.69
Dec14	\$2.22	Dec14	\$1.82
Dec13	\$1.52	Dec13	\$1.41
Dec12	\$1.58	Dec12	\$1.54
Dec11	\$2.45	Dec11	\$1.87
Dec10	\$0.42	Dec10	\$2.12
Dec09	-\$0.94	Dec09	\$3.30
Dec08	\$5.98	Dec08	\$5.23
Dec07	\$4.94	Dec07	\$4.47
Dec06	\$5.68	Dec06	\$3.76
Dec05	\$4.13	Dec05	\$2.45
Dec04	\$3.51	Dec04	\$1.44
Dec03	\$0.20	Dec03	\$0.45
Dec02	\$0.52	Dec02	\$0.60
Dec01	\$0.36	Dec01	\$0.67
Dec00	\$0.95	Dec00	\$0.81
Dec99	\$0.70	Dec99	\$0.75
Dec98	\$0.75	Balance Sheet Information Jun15	
Dec97	\$0.84	Total Current Assets	\$6,154,737,000
Dec96	\$0.71	Total Current Liabilities	\$1,690,077,000
Dec95	\$0.79	Long-Term Debt	\$4,360,600,000
		Total Assets	\$15,068,180,000
		Intangible Assets	\$2,865,148,000
		Total Liabilities	\$7,407,474,000
		Shares Outstanding (Diluted Average)	320,708,000





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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posts about the
company

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

[Nucor Corporation Quarterly Valuation – March 2015 \\$NUE](#)

[32 Companies in the Spotlight This Week – 12/6/14](#)

[Nucor Corporation Quarterly Valuation – December 2014 \\$NUE](#)

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[Cliffs Natural Resources Inc. Analysis – August 2015 Update \\$CLF](#)

[Nucor Corporation Analysis – June 2015 Update \\$NUE](#)

[Nucor Corporation Quarterly Valuation – March 2015 \\$NUE](#)

[United States Steel Corporation Annual Valuation – 2015 \\$X](#)

[Nucor Corporation Quarterly Valuation – December 2014 \\$NUE](#)

[Allegheny Technologies Inc. Annual Valuation – 2014 \\$ATI](#)

[Cliffs Natural Resources Inc. Annual Valuation – 2014 \\$CLF](#)