

ModernGraham Valuation

Company Name:

Allstate Corp

Company Ticker ALL

Date of Analysis

10/29/2015



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	\$25,000,339,561	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	24.86%	Fail
5. Moderate PEmg Ratio	PEmg < 20	12.77	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.21	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	4.89
MG Growth Estimate	15.00%
MG Value	\$188.19
MG Value based on 3% Growth	\$70.88
MG Value based on 0% Growth	\$41.55
Market Implied Growth Rate	2.14%

MG Opinion

Current Price	\$62.44
% of Intrinsic Value	33.18%
Opinion	Undervalued

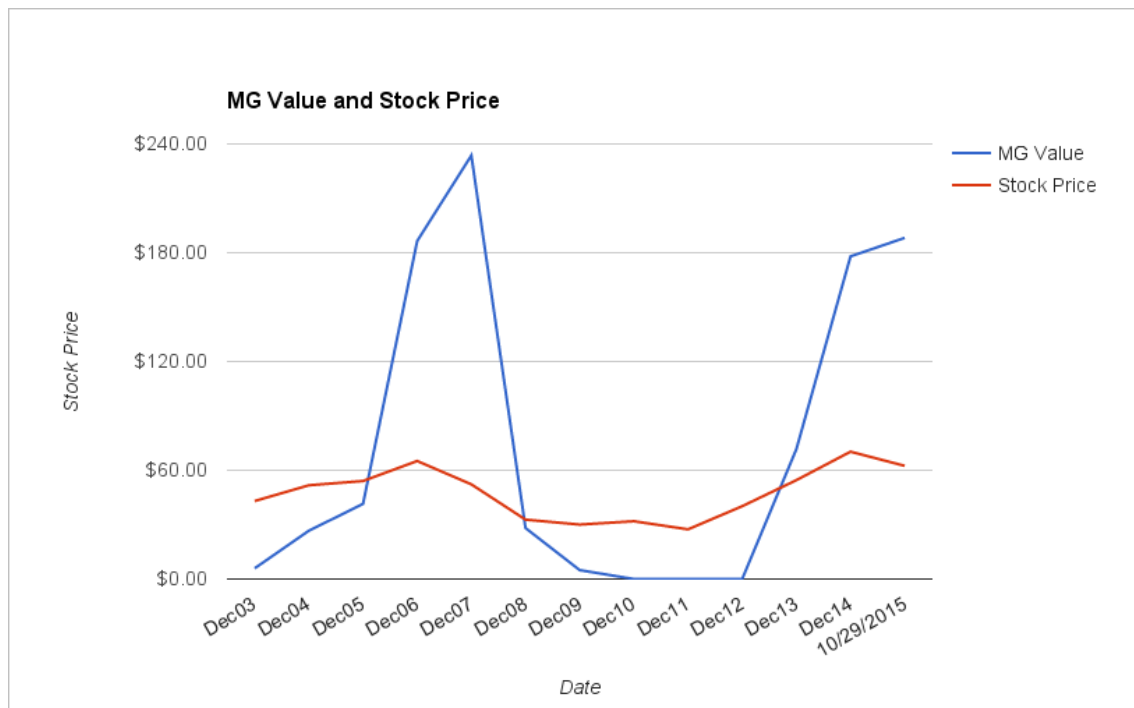
Stage 3: Information for Further Research

Graham Number	\$70.88
PEmg	12.77
PB Ratio	1.21
Dividend Yield	1.86%
Number of Consecutive Years of Dividend Growth	5

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	\$4.59	Next Fiscal Year Estimate	\$4.89
Dec14	\$6.27	Dec14	\$4.62
Dec13	\$4.81	Dec13	\$3.48
Dec12	\$4.68	Dec12	\$2.31
Dec11	\$1.50	Dec11	\$1.38
Dec10	\$1.71	Dec10	\$1.94
Dec09	\$1.58	Dec09	\$2.49
Dec08	-\$3.06	Dec08	\$3.27
Dec07	\$7.77	Dec07	\$6.07
Dec06	\$7.84	Dec06	\$4.84
Dec05	\$2.64	Dec05	\$3.18
Dec04	\$4.54	Dec04	\$3.26
Dec03	\$3.83	Dec03	\$2.64
Dec02	\$1.60	Dec02	\$2.26
Dec01	\$1.60	Dec01	\$2.76
Dec00	\$2.95	Dec00	\$3.30
Dec99	\$3.38	Dec99	\$3.34
Dec98	\$3.94	Balance Sheet Information Jun15	
Dec97	\$3.56	Long-Term Debt	\$5,186,000,000
Dec96	\$2.32	Total Assets	\$107,117,000,000
Dec95	\$2.12	Intangible Assets	\$1,219,000,000
		Total Liabilities	\$85,819,000,000
		Shares Outstanding (Diluted Average)	412,600,000





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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company

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[The 16 Best Stocks For Value Investors This Week – 8/1/15](#)

[Allstate Corporation Analysis – July 2015 Update \\$ALL](#)

[The Best Companies of the Insurance Industry – June 2015](#)

[Allstate Corporation Quarterly Valuation – April 2015 \\$ALL](#)

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[Cigna Corporation Analysis – October 2015 Update \\$CI](#)

[The Best Companies of the Insurance Industry – October 2015](#)

[Chubb Corporation Analysis – September 2015 Update \\$CB](#)

[Anthem Inc. Analysis – September 2015 Update \\$ANTM](#)

[Aflac Inc. Analysis – September 2015 Update \\$AFL](#)

[Marsh & McLennan Companies Analysis – September 2015 Update \\$MMC](#)