

ModernGraham Valuation

Company Name:

Comerica
Incorporated

Company Ticker CMA

Date of Analysis

10/21/2015



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	\$7,626,193,941	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	-27.86%	Fail
5. Moderate PEmg Ratio	PEmg < 20	16.38	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.00	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	2.60
MG Growth Estimate	15.00%
MG Value	\$100.02
MG Value based on 3% Growth	\$37.67
MG Value based on 0% Growth	\$22.08
Market Implied Growth Rate	3.94%

MG Opinion

Current Price	\$42.55
% of Intrinsic Value	42.54%
Opinion	Undervalued

Stage 3: Information for Further Research

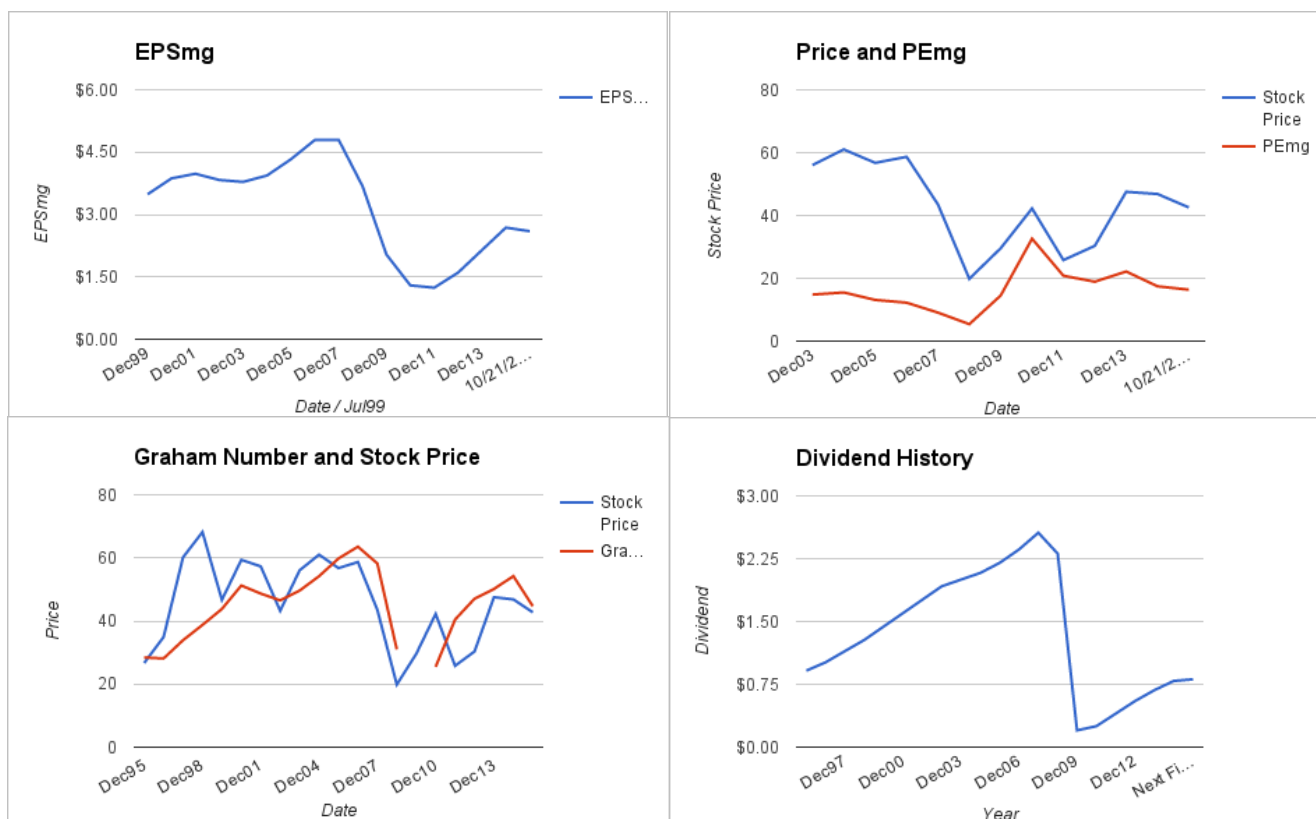
Graham Number	\$44.67
PEmg	16.38
PB Ratio	1.00
Dividend Yield	1.90%
Number of Consecutive Years of Dividend Growth	6

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	\$2.07	Next Fiscal Year Estimate	\$2.60
Dec14	\$3.16	Dec14	\$2.68
Dec13	\$2.85	Dec13	\$2.14
Dec12	\$2.67	Dec12	\$1.60
Dec11	\$2.09	Dec11	\$1.24
Dec10	\$0.88	Dec10	\$1.30
Dec09	-\$0.79	Dec09	\$2.04
Dec08	\$1.28	Dec08	\$3.68
Dec07	\$4.43	Dec07	\$4.79
Dec06	\$5.49	Dec06	\$4.79
Dec05	\$5.11	Dec05	\$4.33
Dec04	\$4.36	Dec04	\$3.94
Dec03	\$3.75	Dec03	\$3.78
Dec02	\$3.40	Dec02	\$3.83
Dec01	\$3.88	Dec01	\$3.98
Dec00	\$4.31	Dec00	\$3.87
Dec99	\$4.14	Dec99	\$3.49
Dec98	\$3.72	Balance Sheet Information Sep15	
Dec97	\$3.19	Long-Term Debt	\$3,100,000,000
Dec96	\$2.38	Total Assets	\$71,012,000,000
Dec95	\$2.37	Intangible Assets	\$0
		Total Liabilities	\$63,390,000,000
		Shares Outstanding (Diluted Average)	178,360,000





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

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[Comerica Incorporated Analysis – July 2015 Update \\$CMA](#)
[27 Companies in the Spotlight This Week – 4/4/15](#)
[Comerica Inc. Quarterly Valuation – April 2015 \\$CMA](#)
[5 Undervalued Companies for the Enterprising Investor Near 52 Week Lows – January 2015](#)

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[Fifth Third Bancorp Analysis – October 2015 Update \\$FITB](#)
[Huntington Bancshares Inc. Analysis – October 2015 Update \\$HBAN](#)
[JPMorgan Chase & Co. Analysis – September 2015 Update \\$JPM](#)
[Citigroup Inc. Analysis – September 2015 Update \\$C](#)
[Wells Fargo & Co. Analysis – September 2015 Update \\$WFC](#)
[People's United Financial Inc. Analysis – August 2015 Update \\$PBCT](#)
[M&T Bank Corporation Analysis – August 2015 Update \\$MTB](#)
[KeyCorp Analysis – August 2015 Update \\$KEY](#)
[State Street Corporation Analysis – August 2015 Update \\$STT](#)