

ModernGraham Valuation

Company Name:

Chubb Corp

Company Ticker CB

Date of Analysis

2/15/2016



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	\$31,884,746,417	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. 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	39.71%	Pass
4. Earnings Growth	PEmg < 20	12.70	Pass
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.29	Pass
6. Moderate Price to Assets			

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	9.00
MG Growth Estimate	4.57%
MG Value	\$158.70
MG Value based on 3% Growth	\$130.47
MG Value based on 0% Growth	\$76.48
Market Implied Growth Rate	2.10%

MG Opinion

Current Price	\$114.31
% of Intrinsic Value	72.03%
Opinion	Undervalued
MG Grade	B+

Stage 3: Information for Further Research

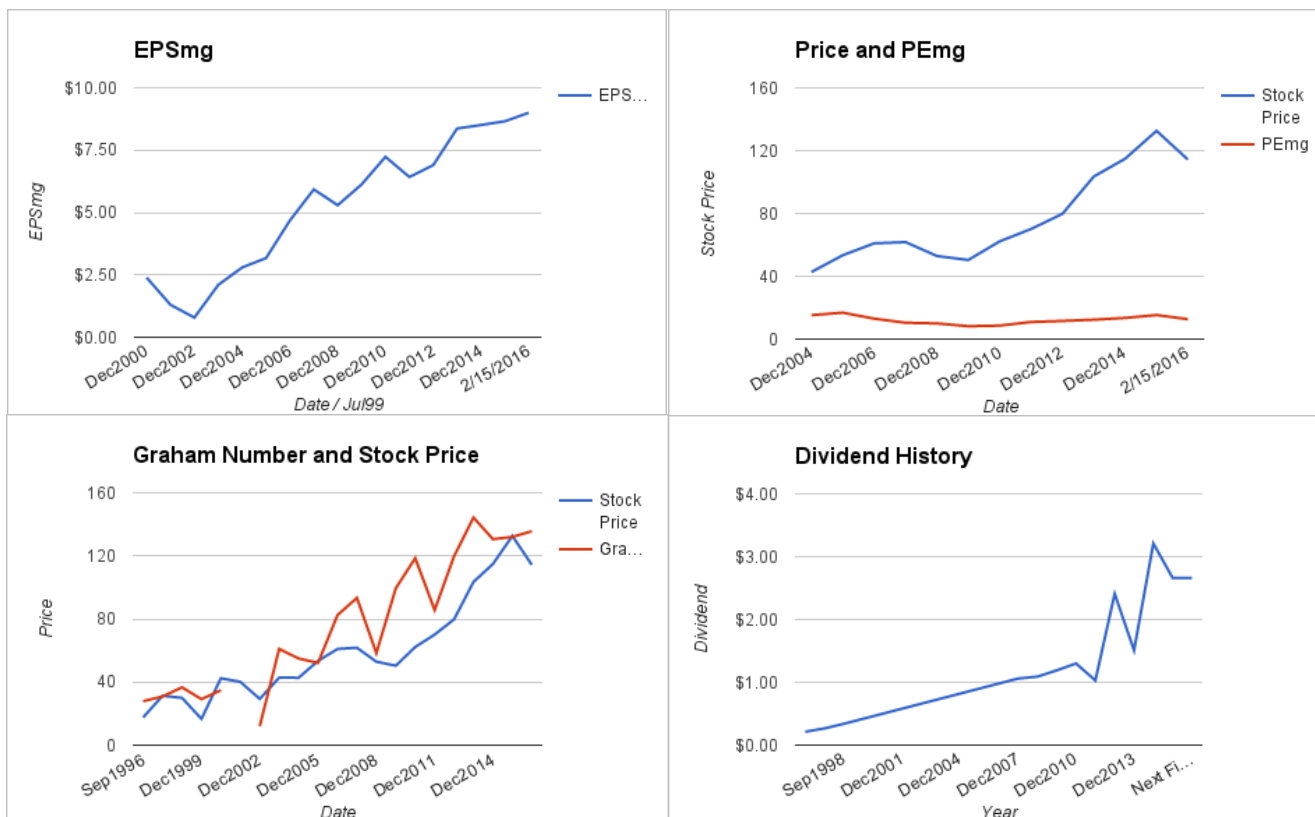
Graham Number	\$135.65
PEmg	12.70
PB Ratio	1.29
Dividend Yield	2.33%
Number of Consecutive Years of Dividend Growth	0

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	\$9.10	Next Fiscal Year Estimate	\$9.00
Dec2015	\$8.62	Dec2015	\$8.66
Dec2014	\$8.42	Dec2014	\$8.51
Dec2013	\$10.92	Dec2013	\$8.37
Dec2012	\$7.89	Dec2012	\$6.90
Dec2011	\$4.52	Dec2011	\$6.42
Dec2010	\$9.11	Dec2010	\$7.23
Dec2009	\$7.55	Dec2009	\$6.12
Dec2008	\$3.50	Dec2008	\$5.29
Dec2007	\$7.66	Dec2007	\$5.93
Dec2006	\$6.91	Dec2006	\$4.68
Dec2005	\$3.31	Dec2005	\$3.17
Dec2004	\$3.88	Dec2004	\$2.80
Dec2003	\$5.25	Dec2003	\$2.10
Dec2002	\$0.27	Dec2002	\$0.79
Dec2001	-\$0.78	Dec2001	\$1.30
Dec2000	\$2.31	Dec2000	\$2.39
Dec1999	\$1.85	Balance Sheet Information	
Sep1998	\$2.96	Dec2015	
Sep1997	\$2.69	Long-Term Debt	\$9,447,000,000
Sep1996	\$2.69	Total Assets	\$102,366,000,000
		Intangible Assets	\$5,683,000,000
		Total Liabilities	\$73,231,000,000
		Shares Outstanding (Diluted Average)	328,835,000





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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[10 Best Stocks For Value Investors This Week – 9/26/15](#)

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

[The 10 Best Stocks For Value Investors This Week – 6/20/15](#)

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

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[Marsh & McLennan Company Valuation – January 2016 Update \\$MMC](#)

[Aon PLC Valuation – January 2016 Update \\$AON](#)

[Progressive Corp Valuation – November 2015 Update \\$PGR](#)

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[Ace Limited Valuation – November 2015 Update \\$ACE](#)