

# ModernGraham Valuation

Company Name:

SunTrust Banks,  
Inc.

Company Ticker STI  
Date of Analysis

2/17/2016



## 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	\$17,943,677,781	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	272.12%	Pass
5. Moderate PEmg Ratio	PEmg < 20	10.67	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.76	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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	3.23
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$124.28</b>
MG Value based on 3% Growth	\$46.81
MG Value based on 0% Growth	\$27.44
Market Implied Growth Rate	1.08%

### MG Opinion

Current Price	\$34.43
% of Intrinsic Value	27.70%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B</b>

## Stage 3: Information for Further Research

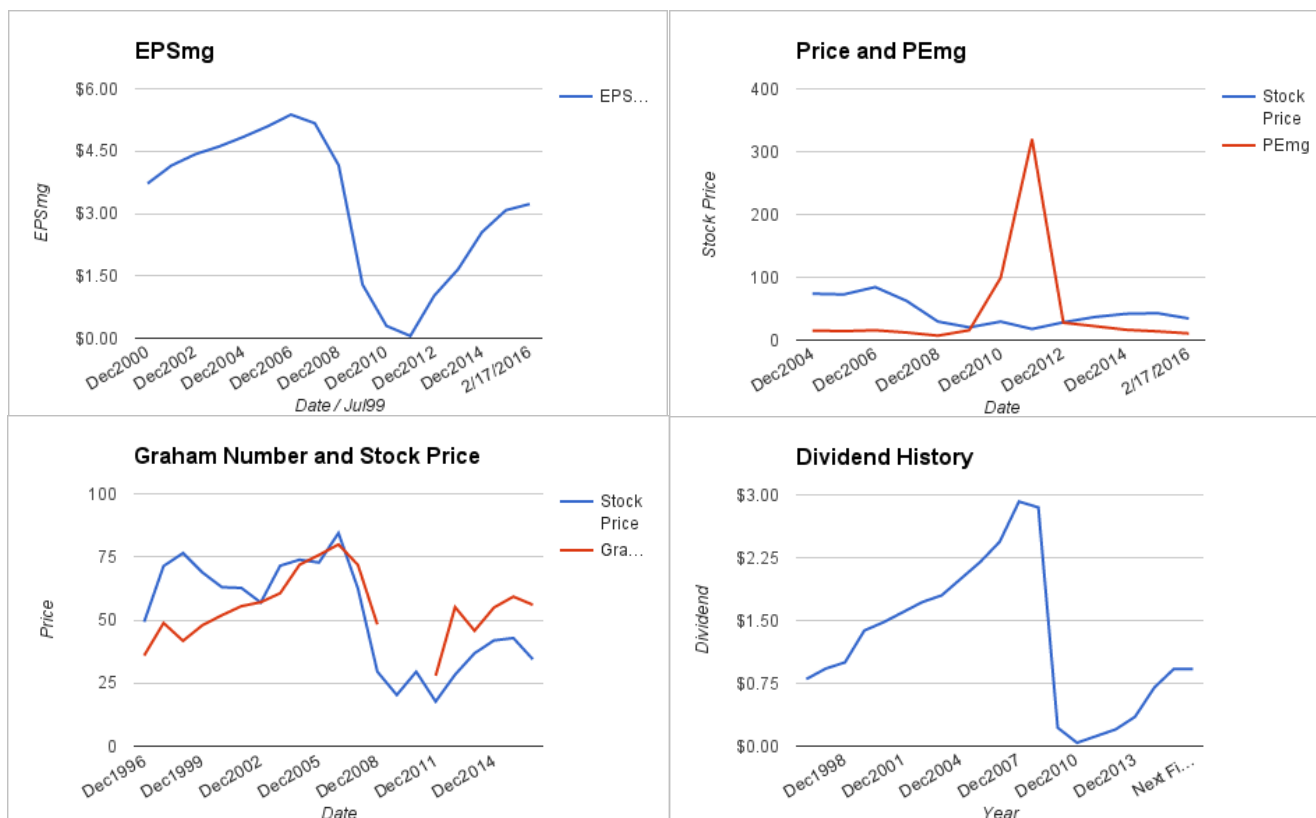
Graham Number	\$56.02
PEmg	10.67
PB Ratio	0.76
Dividend Yield	2.67%
Number of Consecutive Years of Dividend Growth	6

### 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	\$3.20	Next Fiscal Year Estimate	\$3.23
Dec2015	\$3.58	Dec2015	\$3.08
Dec2014	\$3.23	Dec2014	\$2.55
Dec2013	\$2.41	Dec2013	\$1.66
Dec2012	\$3.59	Dec2012	\$1.02
Dec2011	\$0.94	Dec2011	\$0.06
Dec2010	-\$0.18	Dec2010	\$0.30
Dec2009	-\$3.98	Dec2009	\$1.29
Dec2008	\$2.12	Dec2008	\$4.16
Dec2007	\$4.55	Dec2007	\$5.17
Dec2006	\$5.82	Dec2006	\$5.38
Dec2005	\$5.47	Dec2005	\$5.09
Dec2004	\$5.19	Dec2004	\$4.84
Dec2003	\$4.73	Dec2003	\$4.61
Dec2002	\$4.66	Dec2002	\$4.43
Dec2001	\$4.72	Dec2001	\$4.15
Dec2000	\$4.30	Dec2000	\$3.72
Dec1999	\$4.13	<b>Balance Sheet Information</b>	
Dec1998	\$3.04	<b>Dec2015</b>	
Dec1997	\$3.04	Long-Term Debt	\$8,462,000,000
Dec1996	\$2.59	Total Assets	\$190,817,000,000
		Intangible Assets	\$7,662,000,000
		Total Liabilities	\$167,380,000,000
		Shares Outstanding (Diluted Average)	520,586,000





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

[Stocks Trading Below Their Graham Number – February 2016](#)  
[30 Companies in the Spotlight This Week – 11/15/14](#)  
[SunTrust Banks Inc. Annual Valuation – 2014 \\$STI](#)

Other  
ModernGraham  
posts about related  
companies

[Comerica Inc Stock Valuation – February 2016 \\$CMA](#)  
[U.S. Bancorp Valuation – February 2016 \\$USB](#)  
[JP Morgan Chase Valuation – January 2016 Update \\$JPM](#)  
[Bank of New York Mellon Valuation – January 2016 Update \\$BK](#)  
[Fifth Third Bancorp Valuation – January 2016 Update \\$FITB](#)  
[Huntington Bancshares Valuation – January 2016 Update \\$HBAN](#)  
[Wells Fargo & Co Valuation – December 2015 Update \\$WFC](#)  
[Citigroup Inc Valuation – December 2015 Update \\$C](#)  
[People's United Financial Corp Valuation – December 2015 Update \\$PBCT](#)  
[M&T Bank Corp Valuation – December 2015 Update \\$MTB](#)