

ModernGraham Valuation

Company Name:

U.S. Bancorp

Company Ticker USB

Date of Analysis

2/8/2016



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	\$69,110,490,998	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
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	89.44%	Pass
5. Moderate PEmg Ratio	PEmg < 20	12.62	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.50	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	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	3.13
MG Growth Estimate	6.50%
MG Value	\$67.30
MG Value based on 3% Growth	\$45.41
MG Value based on 0% Growth	\$26.62
Market Implied Growth Rate	2.06%

MG Opinion

Current Price	\$39.53
% of Intrinsic Value	58.74%
Opinion	Undervalued

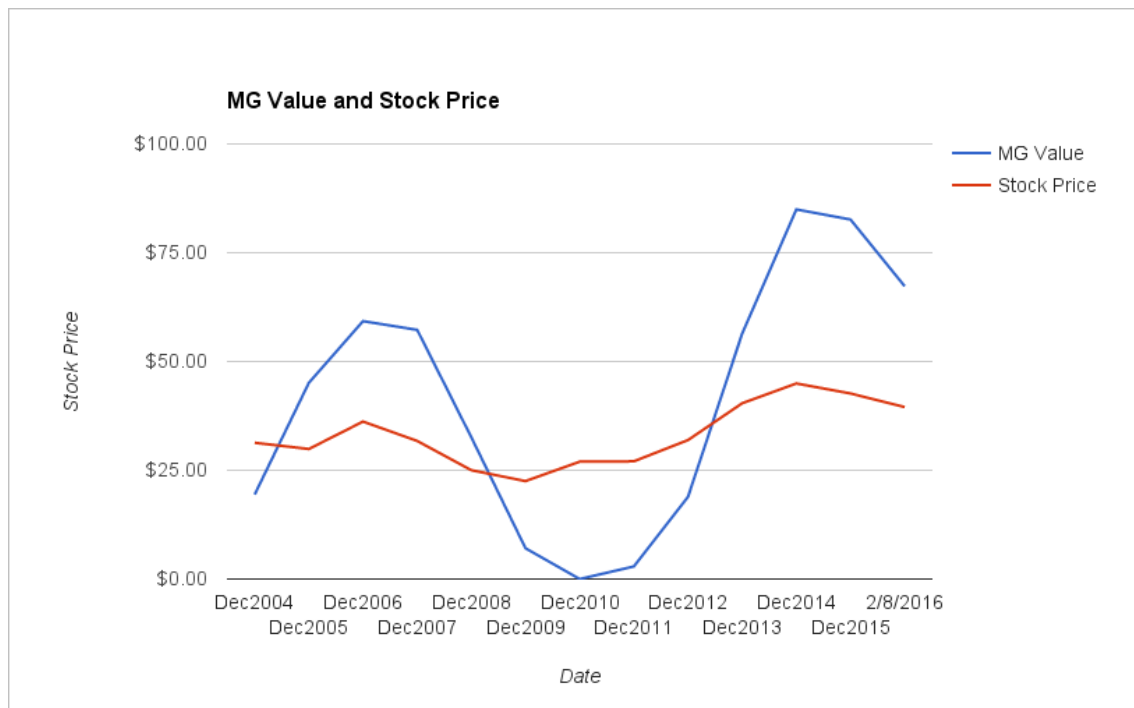
Stage 3: Information for Further Research

Graham Number	\$41.16
PEmg	12.62
PB Ratio	1.50
Dividend Yield	2.53%
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	\$3.25	Next Fiscal Year Estimate	\$3.13
Dec2015	\$3.16	Dec2015	\$3.02
Dec2014	\$3.08	Dec2014	\$2.84
Dec2013	\$3.00	Dec2013	\$2.54
Dec2012	\$2.84	Dec2012	\$2.19
Dec2011	\$2.46	Dec2011	\$1.85
Dec2010	\$1.73	Dec2010	\$1.66
Dec2009	\$0.97	Dec2009	\$1.75
Dec2008	\$1.61	Dec2008	\$2.17
Dec2007	\$2.43	Dec2007	\$2.41
Dec2006	\$2.61	Dec2006	\$2.32
Dec2005	\$2.42	Dec2005	\$2.05
Dec2004	\$2.18	Dec2004	\$1.79
Dec2003	\$1.93	Dec2003	\$1.60
Dec2002	\$1.65	Dec2002	\$1.48
Dec2001	\$0.88	Dec2001	\$1.42
Dec2000	\$1.50	Dec2000	\$1.66
Dec1999	\$2.06	<div>Balance Sheet InformationDec2015</div>	
Dec1998	\$1.78	Long-Term Debt\$32,078,000,000	
Dec1997	\$1.11	Total Assets\$421,853,000,000	
Dec1996	\$1.57	Intangible Assets\$12,711,000,000	
		Total Liabilities\$375,722,000,000	
		Shares Outstanding (Diluted Average)1,753,590,000	





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.

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[US Bancorp Analysis – August 2015 Update \\$USB](#)
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[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](#)
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