

ModernGraham Valuation

Company Name:

Company Ticker GS
Date of Analysis 6/20/2016

Goldman Sachs
Group Inc



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	\$60,960,090,203	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Fail
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-20.49%	Fail
5. Moderate PEmg Ratio	PEmg < 20	10.93	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		Fail
3. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	13.52
MG Growth Estimate	2.19%
MG Value	\$174.21
MG Value based on 3% Growth	\$196.06
MG Value based on 0% Growth	\$114.93
Market Implied Growth Rate	1.21%

MG Opinion

Current Price	\$147.75
% of Intrinsic Value	84.81%
Opinion	Fairly Valued
MG Grade	C-

Stage 3: Information for Further Research

Graham Number	\$217.43
PEmg	10.93
PB Ratio	0.76
Dividend Yield	-8.66%
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	\$11.60	Next Fiscal Year Estimate	\$13.52
Dec2015	\$12.14	Dec2015	\$13.88
Dec2014	\$17.07	Dec2014	\$14.12
Dec2013	\$15.46	Dec2013	\$13.06
Dec2012	\$14.13	Dec2012	\$11.80
Dec2011	\$4.51	Dec2011	\$11.69
Dec2010	\$13.18	Dec2010	\$15.80
Dec2009	\$22.13	Dec2009	\$16.89
Nov2008	\$4.47	Nov2008	\$14.11
Nov2007	\$24.73	Nov2007	\$17.32
Nov2006	\$19.69	Nov2006	\$12.39
Nov2005	\$11.21	Nov2005	\$8.11
Nov2004	\$8.92	Nov2004	\$6.31
Nov2003	\$5.87	Nov2003	\$5.05
Nov2002	\$4.03	Nov2002	\$4.42
Nov2001	\$4.26	Nov2001	\$4.13
Nov2000	\$6.00	Nov2000	\$3.49
Nov1999	\$5.57	Balance Sheet Information 3/1/2016	
Dec1998	\$0.00	Long-Term Debt	\$206,334,000,000
Dec1997	\$0.00	Total Assets	\$878,036,000,000
Dec1996	\$0.00	Intangible Assets	\$4,136,000,000
		Total Liabilities	\$791,199,000,000
		Shares Outstanding (Diluted Average)	447,400,000





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

- [10 Low PE Stocks for the Enterprising Investor – June 2016](#)
- [Stocks Trading Below Their Graham Number – May 2016](#)
- [Stocks Trading Below Their Graham Number – March 2016](#)
- [5 Undervalued Companies for Enterprising Investors Near 52 Week Lows – February 2016](#)
- [12 Best Stocks For Value Investors This Week – 11/14/15](#)

Other
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posts about related
companies

- [Ameriprise Financial Inc Valuation – June 2016 \\$AMP](#)
- [American Express Company Valuation – May 2016 \\$AXP](#)
- [T.Rowe Price Group Inc Stock Valuation – February 2016 \\$TROW](#)
- [Moody's Corporation Stock Valuation – February 2016 \\$MCO](#)
- [KKR & Co LP Stock Valuation – February 2016 \\$KKR](#)
- [Capital One Financial Corp Valuation – January 2016 Update \\$COF](#)
- [Franklin Resources Inc Valuation – January 2016 Update \\$BEN](#)
- [T.Rowe Price Group Inc Stock Valuation – February 2016 \\$TROW](#)
- [Moody's Corporation Stock Valuation – February 2016 \\$MCO](#)
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