

# ModernGraham Valuation

Company Name:

State Street Corp

Company Ticker STT

Date of Analysis

6/24/2016



## 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	\$22,435,356,597	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
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	290.38%	Pass
4. Earnings Growth	PEmg < 20	12.35	Pass
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.03	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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	4.45
MG Growth Estimate	9.38%
<b>MG Value</b>	<b>\$121.35</b>
MG Value based on 3% Growth	\$64.55
MG Value based on 0% Growth	\$37.84
Market Implied Growth Rate	1.93%

### MG Opinion

Current Price	\$54.99
% of Intrinsic Value	45.32%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B</b>

## Stage 3: Information for Further Research

Graham Number	\$68.19
PEmg	12.35
PB Ratio	1.03
Dividend Yield	2.47%
Number of Consecutive Years of Dividend Growth	6

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<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
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<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.35	Next Fiscal Year Estimate	\$4.45
Dec2015	\$4.47	Dec2015	\$4.45
Dec2014	\$4.57	Dec2014	\$4.31
Dec2013	\$4.62	Dec2013	\$3.54
Dec2012	\$4.20	Dec2012	\$2.74
Dec2011	\$3.79	Dec2011	\$2.03
Dec2010	\$3.09	Dec2010	\$1.42
Dec2009	-\$4.32	Dec2009	\$1.00
Dec2008	\$4.30	Dec2008	\$3.50
Dec2007	\$3.45	Dec2007	\$2.98
Dec2006	\$3.29	Dec2006	\$2.73
Dec2005	\$2.50	Dec2005	\$2.43
Dec2004	\$2.35	Dec2004	\$2.35
Dec2003	\$2.15	Dec2003	\$2.29
Dec2002	\$3.10	Dec2002	\$2.24
Dec2001	\$1.90	Dec2001	\$1.75
Dec2000	\$1.82	Dec2000	\$1.59
Dec1999	\$1.89	<b>Balance Sheet Information 3/1/2016</b>	
Dec1998	\$1.33	Long-Term Debt	\$10,323,000,000
Dec1997	\$1.16	Total Assets	\$243,685,000,000
Dec1996	\$0.89	Intangible Assets	\$7,482,000,000
		Total Liabilities	\$222,189,000,000
		Shares Outstanding (Diluted Average)	403,615,000





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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[State Street Corp Valuation – November 2015 Update \\$STT](#)  
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[State Street Corporation Analysis – August 2015 Update \\$STT](#)

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[SunTrust Banks Inc Valuation – February 2016 \\$STI](#)  
[Comerica Inc Stock Valuation – February 2016 \\$CMA](#)  
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