

# ModernGraham Valuation

## Company Name:

Company Ticker JPM  
Date of Analysis

JPMorgan Chase & Co.

7/24/2016



## 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	\$235,459,266,895	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	108.99%	Pass
5. Moderate PEmg Ratio	PEmg < 20	11.86	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.93	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>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	5.40
MG Growth Estimate	4.70%
<b>MG Value</b>	<b>\$96.69</b>
MG Value based on 3% Growth	\$78.32
MG Value based on 0% Growth	\$45.91
Market Implied Growth Rate	1.68%

### MG Opinion

Current Price	\$64.04
% of Intrinsic Value	66.24%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B+</b>

## Stage 3: Information for Further Research

Graham Number	\$87.12
PEmg	11.86
PB Ratio	0.93
Dividend Yield	2.81%
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	\$5.45	Next Fiscal Year Estimate	\$5.40
Dec2015	\$6.00	Dec2015	\$5.27
Dec2014	\$5.29	Dec2014	\$4.82
Dec2013	\$4.35	Dec2013	\$4.41
Dec2012	\$5.20	Dec2012	\$4.11
Dec2011	\$4.48	Dec2011	\$3.48
Dec2010	\$3.96	Dec2010	\$3.05
Dec2009	\$2.26	Dec2009	\$2.69
Dec2008	\$1.37	Dec2008	\$2.85
Dec2007	\$4.38	Dec2007	\$3.44
Dec2006	\$4.04	Dec2006	\$2.78
Dec2005	\$2.38	Dec2005	\$2.01
Dec2004	\$1.55	Dec2004	\$1.84
Dec2003	\$3.24	Dec2003	\$2.11
Dec2002	\$0.80	Dec2002	\$1.80
Dec2001	\$0.80	Dec2001	\$2.42
Dec2000	\$2.86	Dec2000	\$3.10
Dec1999	\$4.18	<b>Balance Sheet Information 6/1/2016</b>	
Dec1998	\$2.83	Long-Term Debt	\$315,572,000,000
Dec1997	\$2.68	Total Assets	\$2,466,096,000,000
Dec1996	\$1.65	Intangible Assets	\$53,292,000,000
		Total Liabilities	\$2,213,673,000,000
		Shares Outstanding (Diluted Average)	3,666,500,000





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 Defensive Investor – July 2016](#)
- [5 Undervalued Dow Components to Research – July 2016](#)
- [10 Low PE Stocks for the Defensive Investor – June 2016](#)
- [10 Low PE Stocks for the Defensive Investor – May 2016](#)
- [18 Best Stocks For Value Investors This Week – 1/30/16](#)

Other  
ModernGraham  
posts about related  
companies

- [Dominion Resources Inc Valuation – July 2016 \\$D](#)
- [M&T Bank Corp Valuation – July 2016 \\$MTB](#)
- [Citigroup Inc Valuation – July 2016 \\$C](#)
- [Bank of America Corp Valuation – July 2016 \\$BAC](#)
- [Fifth Third Bancorp Valuation – July 2016 \\$FITB](#)
- [Zions Bancorp Valuation – June 2016 \\$ZION](#)
- [Regions Financial Corp – June 2016 \\$RF](#)
- [Wells Fargo & Co Valuation – June 2016 \\$WFC](#)
- [Huntington Bancshares Inc Valuation – June 2016 \\$HBAN](#)
- [State Street Corp Valuation – June 2016 \\$STT](#)