ModernGraham Valuation

Company Name:

Chubb Ltd

Company Ticker CE

Date of Analysis

8/22/2016



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	\$58,388,754,633 Pass
2. Earnings Stability	Positive EPS for 10 years prior	Pass
3. Dividend Record	Dividend Payments for 10 years prior	Pass
4 Fornings Crowth	Increase of 33% in EPS in past 10 years using 3 year averages at	29 299/ Fail

4. Earnings Growth beginning and end 28.38% Fail

5. Moderate PEmg Ratio PEmg < 20 15.24 Pass

6. Moderate Price to Assets PB Ratio < 2.5 OR PB*PEmg < 50 1.26 Pass

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings StabilityPositive EPS for 5 years priorPass2. Dividend RecordCurrently Pays DividendPass3. Earnings GrowthEPSmg greater than 5 years agoPass

Suitability

Defensive No Enterprising Yes

Stage 2: Determination of Intrinsic Value

EPSmg	8.29
MG Growth Estimate	3.03%
MG Value	\$120.75
MG Value based on 3% Growth	\$120.22
MG Value based on 0% Growth	\$70.48
Market Implied Growth Rate	3.37%

MG Opinion

 Current Price
 \$126.32

 % of Intrinsic Value
 104.61%

Opinion Fairly Valued

MG Grade B

Stage 3: Information for Further Research

Graham Number	\$126.36
PEmg	15.24
PB Ratio	1.26
Dividend Yield	2.14%
Number of Consecutive Years of Dividend Growth	1

Useful Links: ModernGraham tagged articles Morningstar

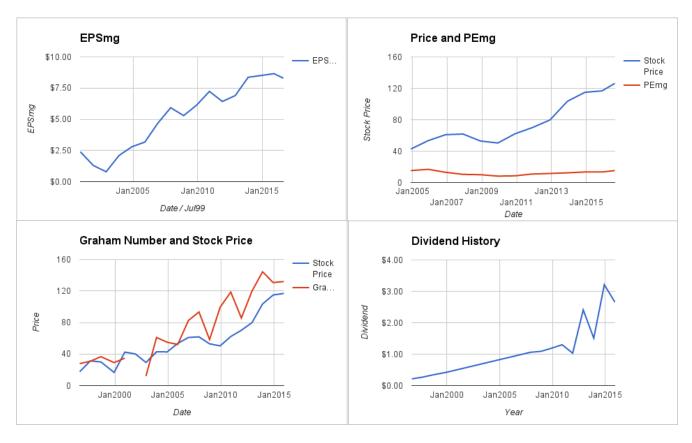
Google Finance
Yahoo Finance
GuruFocus

MSN Money
Seeking Alpha
SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	90 a2	Next Fiscal Year Estimate	\$8.29

Dec2015	\$8.62	Dec2015	\$8.66
Dec2014	\$8.42	Dec2014	\$8.51
Dec2013	\$10.92	Dec2013	\$8.37
Dec2012	\$7.89	Dec2012	\$6.90
Dec2011	\$4.52	Dec2011	\$6.42
Dec2010	\$9.11	Dec2010	\$7.23
Dec2009	\$7.55	Dec2009	\$6.12
Dec2008	\$3.50	Dec2008	\$5.29
Dec2007	\$7.66	Dec2007	\$5.93
Dec2006	\$6.91	Dec2006	\$4.68
Dec2005	\$3.31	Dec2005	\$3.17
Dec2004	\$3.88	Dec2004	\$2.80
Dec2003	\$5.25	Dec2003	\$2.10
Dec2002	\$0.27	Dec2002	\$0.79
Dec2001	-\$0.78	Dec2001	\$1.30
Dec2000	\$2.31	Dec2000	\$2.39
Dec1999	\$1.85	Balance Sheet Information	6/1/2016
Sep1998	\$2.96	Long-Term Debt & Capital Lease Obligation	\$12,631,000,000
Sep1997		Total Assets	\$160,203,000,000
Sep1996	\$2.69	Intangible Assets	\$22,923,000,000
·	·	Total Liabilities	\$112,977,000,000
		Shares Outstanding (Diluted Average)	471,157,000





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

Chubb Ltd Stock Valuation – February 2016 \$CB

Dividend Growth Stocks for Intelligent Investors – February 2016

<u>Dividend Growth Stocks for the Intelligent Investor – November 2015</u>

Dividend Growth Stocks for the Intelligent Investor – October 2015

The Best Companies of the Insurance Industry – October 2015

Other ModernGraham posts about related companies Anthem Inc Valuation - August 2016 \$ANTM

American Financial Group Inc Valuation – August 2016 \$AFG

AFLAC Inc Valuation – August 2016 \$AFL

Hartford Financial Services Group Inc Valuation – August 2016 \$HIG

MetLife Inc Valuation - August 2016 \$MET

Genworth Financial Inc Valuation – August 2016 \$GNW

Aetna Inc Valuation – July 2016 \$AET

XL Group Ltd Valuation – July 2016 \$XL

Marsh & McLennan Companies Inc Valuation – July 2016 \$MMC

Cigna Corp Valuation – July 2016 \$CI