

ModernGraham Valuation

Company Name:

Chubb Ltd

Company Ticker CB

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. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at 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 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	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	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$6.98	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	\$2.69	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](#)
- [Dividend Growth Stocks for the Intelligent Investor – November 2015](#)
- [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](#)