

ModernGraham Valuation

Company Name:

Allstate Corp

Company Ticker ALL

Date of Analysis

11/20/2016



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	\$26,609,813,538	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
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	141.18%	Pass
5. Moderate PEmg Ratio	PEmg < 20	14.89	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.29	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	4.84
MG Growth Estimate	15.00%
MG Value	\$186.24
MG Value based on 3% Growth	\$70.14
MG Value based on 0% Growth	\$41.12
Market Implied Growth Rate	3.19%

MG Opinion

Current Price	\$72.02
% of Intrinsic Value	38.67%
Opinion	Undervalued
MG Grade	C

Stage 3: Information for Further Research

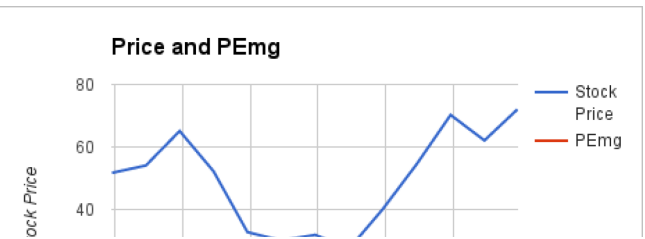
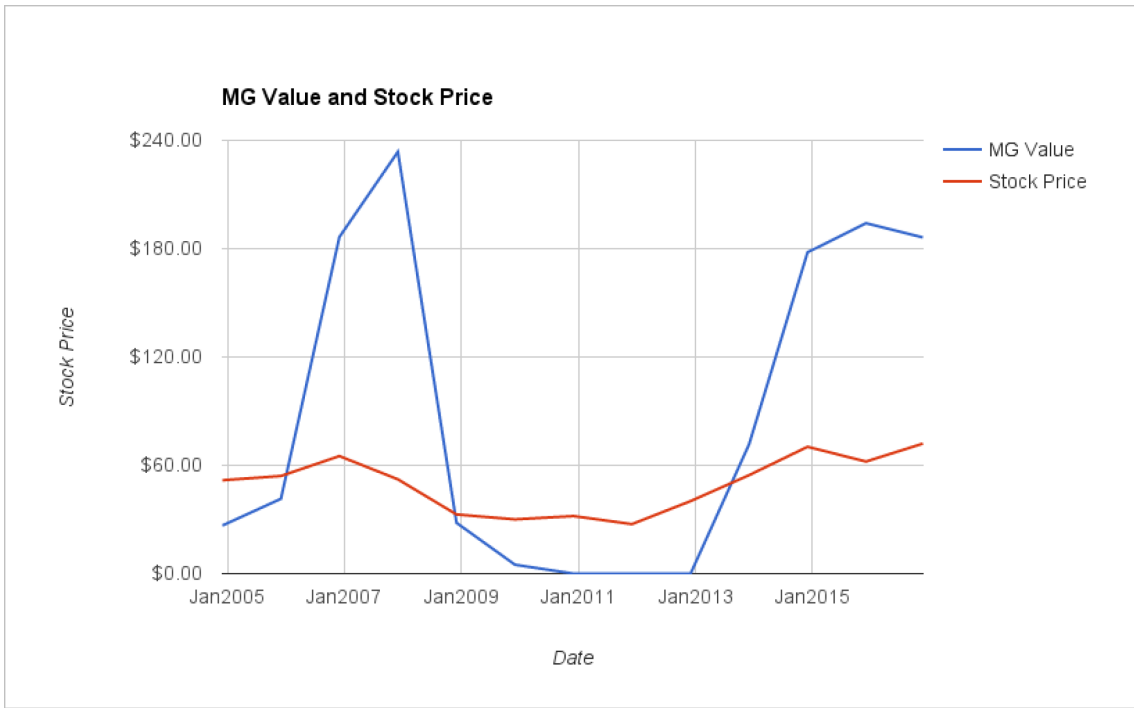
Graham Number	\$67.21
PEmg	14.89
PB Ratio	1.29
Dividend Yield	1.79%
Number of Consecutive Years of Dividend Growth	6

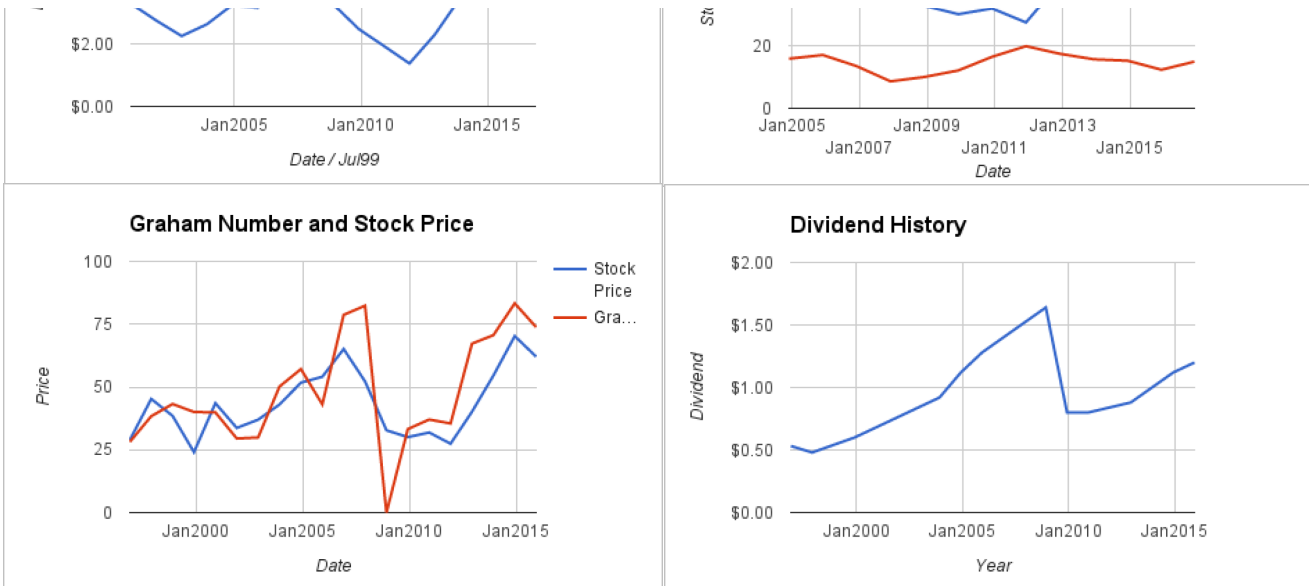
Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.85	Next Fiscal Year Estimate	\$4.84
Dec2015	\$5.05	Dec2015	\$5.04

Dec2014	\$6.27	Dec2014	\$4.62
Dec2013	\$4.81	Dec2013	\$3.48
Dec2012	\$4.68	Dec2012	\$2.31
Dec2011	\$1.50	Dec2011	\$1.38
Dec2010	\$1.71	Dec2010	\$1.94
Dec2009	\$1.58	Dec2009	\$2.49
Dec2008	-\$3.06	Dec2008	\$3.27
Dec2007	\$7.77	Dec2007	\$6.07
Dec2006	\$7.84	Dec2006	\$4.84
Dec2005	\$2.64	Dec2005	\$3.18
Dec2004	\$4.54	Dec2004	\$3.26
Dec2003	\$3.83	Dec2003	\$2.64
Dec2002	\$1.60	Dec2002	\$2.26
Dec2001	\$1.60	Dec2001	\$2.76
Dec2000	\$2.95	Dec2000	\$3.30
Dec1999	\$3.38		
		Balance Sheet Information	9/1/2016
Dec1998	\$3.94	Long-Term Debt & Capital Lease Obligation	\$5,110,000,000
Dec1997	\$3.56	Total Assets	\$108,537,000,000
Dec1996	\$2.32	Intangible Assets	\$1,219,000,000
		Total Liabilities	\$87,603,000,000
		Shares Outstanding (Diluted Average)	375,900,000





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

- [Allstate Corporation Valuation – May 2016 \\$ALI](#)
- [10 Best Stocks For Value Investors This Week – 10/31/15](#)
- [Allstate Corporation Valuation – October 2015 Update \\$ALL](#)
- [The Best Companies of the Insurance Industry – October 2015](#)
- [The 16 Best Stocks For Value Investors This Week – 8/1/15](#)

Other ModernGraham posts about related companies

- [Principal Financial Group Inc Valuation – August 2016 \\$PFG](#)
- [Assurant Inc Valuation – August 2016 \\$AIZ](#)
- [American International Group Inc Valuation – August 2016 \\$AIG](#)
- [Humana Inc Valuation – August 2016 \\$HUM](#)
- [Chubb Limited Valuation – August 2016 \\$CB](#)
- [Torchmark Corporation Valuation – August 2016 \\$TMK](#)
- [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](#)