

# ModernGraham Valuation

Company Name:

IGM Financial Inc.

Company Ticker TSE:IGM

Date of Analysis

12/3/2016



## 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	\$9,050,159,701 Pass
2. Earnings Stability	Positive EPS for 10 years prior	Pass
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	11.51% Fail
4. Earnings Growth		
5. Moderate PEmg Ratio	PEmg < 20	12.54 Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.94 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>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	3.03
MG Growth Estimate	0.82%
<b>MG Value</b>	<b>\$30.78</b>
MG Value based on 3% Growth	\$43.97
MG Value based on 0% Growth	\$25.78
Market Implied Growth Rate	2.02%

### MG Opinion

Current Price	\$38.02
% of Intrinsic Value	123.53%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C+</b>

## Stage 3: Information for Further Research

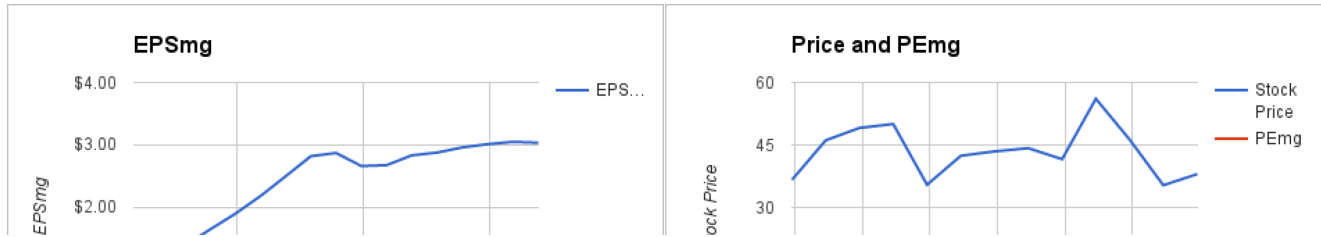
Graham Number	\$35.93
PEmg	12.54
PB Ratio	1.94
Dividend Yield	5.92%
Number of Consecutive Years of Dividend Growth	3

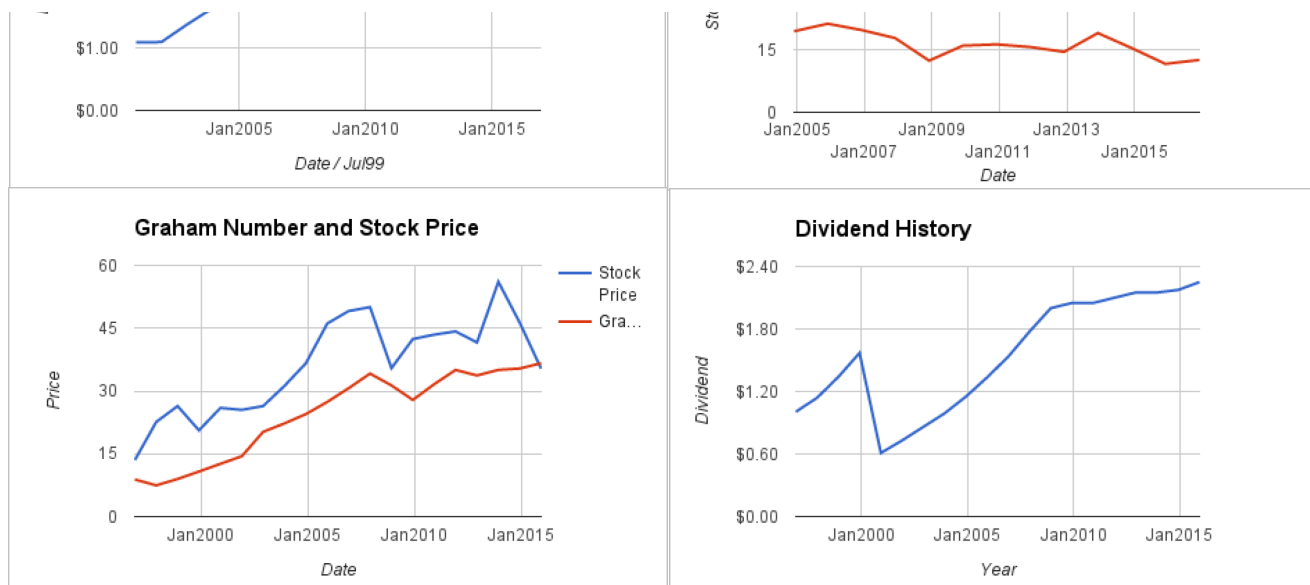
### Useful Links:

<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	\$3.02	Next Fiscal Year Estimate	\$3.03
Dec2015	\$3.11	Dec2015	\$3.05

Dec2014	\$2.98	Dec2014	\$3.01
Dec2013	\$3.02	Dec2013	\$2.96
Dec2012	\$2.97	Dec2012	\$2.87
Dec2011	\$3.24	Dec2011	\$2.83
Dec2010	\$2.77	Dec2010	\$2.67
Dec2009	\$2.12	Dec2009	\$2.66
Dec2008	\$2.76	Dec2008	\$2.87
Dec2007	\$3.29	Dec2007	\$2.82
Dec2006	\$2.90	Dec2006	\$2.49
Dec2005	\$2.56	Dec2005	\$2.17
Dec2004	\$2.24	Dec2004	\$1.89
Dec2003	\$2.03	Dec2003	\$1.64
Dec2002	\$1.85	Dec2002	\$1.38
Dec2001	\$1.05	Dec2001	\$1.10
Dec2000	\$1.35	Dec2000	\$1.09
Dec1999	\$1.12	<b>Balance Sheet Information 9/16/2016</b>	
		Long-Term Debt & Capital Lease	
Dec1998	\$0.89	Obligation	\$1,325,000,000
Dec1997	\$0.70	Total Assets	\$15,176,572,000
Dec1996	\$1.11	Intangible Assets	\$3,916,997,000
		Total Liabilities	\$10,458,137,000
		Shares Outstanding (Diluted Average)	240,589,000





#### 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

#N/A

Other  
ModernGraham  
posts about related  
companies

[Main Street Capital Corporation Valuation – September 2016 \\$MAIN](#)  
[Navient Corp Valuation – August 2016 \\$NAVI](#)  
[T Rowe Price Group Inc Valuation – August 2016 \\$TROW](#)  
[Moody's Corporation Valuation – August 2016 \\$MCO](#)  
[KKR & Co L.P. Valuation – August 2016 \\$KKR](#)  
[Franklin Resources Inc Valuation – August 2016 \\$BEN](#)  
[Equifax Inc Valuation – August 2016 \\$EFX](#)  
[Charles Schwab Corp Valuation – August 2016 \\$SCHW](#)  
[Northern Trust Corp Valuation – July 2016 \\$NTRS](#)  
[O'Reilly Automotive Inc Valuation – July 2016 \\$ORLY](#)