

ModernGraham Valuation

Company Name:

Loews Corporation

Company Ticker L

Date of Analysis

2/13/2017



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	\$15,849,852,453	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		
4. Earnings Growth		-71.79%	Fail
5. Moderate PEmg Ratio	PEmg < 20	34.37	Fail
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.86	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		Fail

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	1.36
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$19.74
MG Value based on 0% Growth	\$11.57
Market Implied Growth Rate	12.94%

MG Opinion

Current Price	\$46.79
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

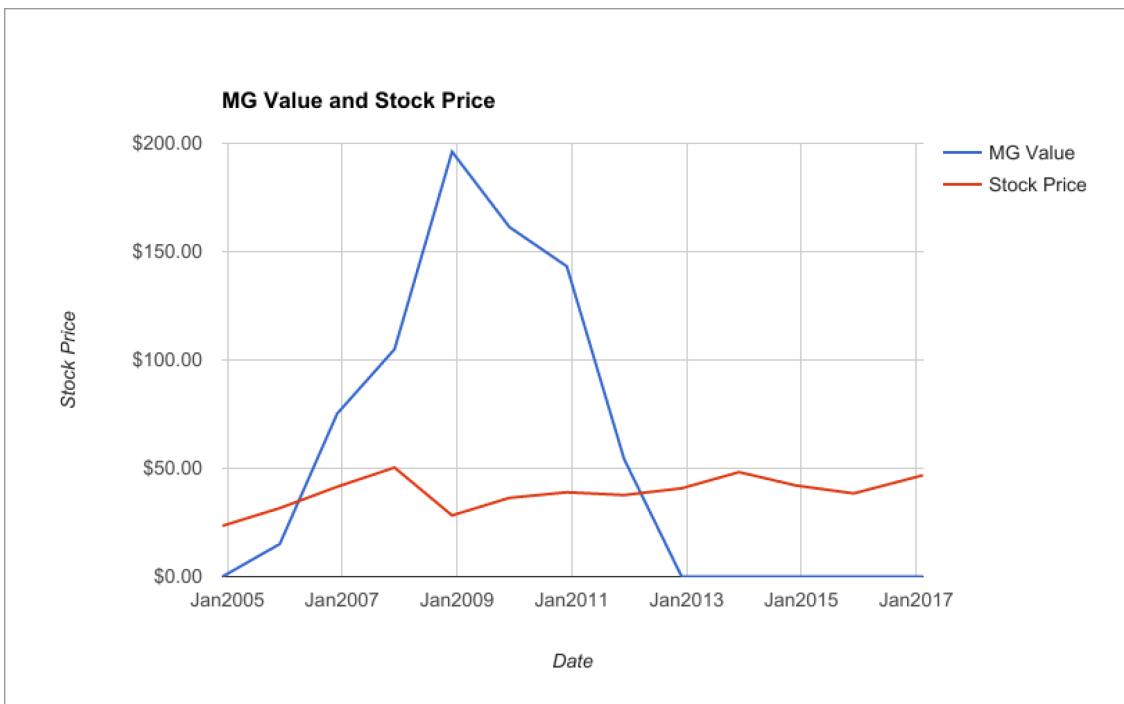
Stage 3: Information for Further Research

Graham Number	\$45.27
PEmg	34.37
PB Ratio	0.86
Dividend Yield	0.54%
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		Next Fiscal Year Estimate	
Dec2015	\$1.68	Dec2015	\$1.36
Dec2014	\$0.72	Dec2014	\$1.32
Dec2013	\$1.55	Dec2013	\$1.76
Dec2012	\$1.53	Dec2012	\$1.91
Dec2011	\$1.43	Dec2011	\$2.57
Dec2010	\$2.62	Dec2010	\$3.40
Dec2009	\$3.07	Dec2009	\$3.92
Dec2008	\$1.30	Dec2008	\$4.19
Dec2007	\$9.05	Dec2007	\$5.09
Dec2006	\$3.65	Dec2006	\$2.73
Dec2005	\$3.75	Dec2005	\$2.02
Dec2004	\$1.72	Dec2004	\$0.97
Dec2003	\$1.88	Dec2003	\$0.69
Dec2002	-\$1.28	Dec2002	\$0.27
Dec2001	\$1.64	Dec2001	\$1.03
Dec2000	-\$0.94	Dec2000	\$0.79
Dec1999	\$3.10	Dec2000	\$1.60
Dec1998	\$0.56	Balance Sheet Information 9/1/2016	
Dec1997	\$0.68	Long-Term Debt & Capital Lease Obligation	
Dec1996	\$1.15	\$10,737,000,000	
	\$1.99	Total Assets	
		\$78,508,000,000	
		Intangible Assets	
		\$347,000,000	
		Total Liabilities	
		\$60,238,000,000	
		Shares Outstanding (Diluted Average)	
		337,620,000	





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

[Loews Corporation Valuation – November 2015 Update \\$L](#)
[The Best Companies of the Retail Industry – August 2015](#)
[27 Companies in the Spotlight This Week – 11/8/14](#)
[Loews Corporation Annual Valuation – 2014 \\$L](#)
[19 Companies in the Spotlight This Week – 8/9/14](#)

Other
ModernGraham
posts about related
companies

[Kemper Corp Valuation – Initial Coverage \\$KMPR](#)
[CNO Financial Group Inc Valuation – January 2017 \\$CNO](#)
[Anthem Inc Valuation – January 2017 \\$ANTM](#)
[American Financial Group Inc Valuation – January 2017 \\$AFG](#)
[Selective Insurance Group Valuation – Initial Coverage \\$SIGI](#)
[Berkshire Hathaway Inc Valuation – January 2017 \\$BRK.B](#)
[Infinity Property and Casualty Corp Valuation – Initial Coverage \\$IPCC](#)
[Hartford Financial Services Group Inc Valuation – December 2016 \\$HIG](#)
[AFLAC Inc Valuation – December 2016 \\$AFL](#)
[Arthur J Gallagher & Co Valuation – December 2016 \\$AJG](#)