ModernGraham Valuation

Company Name:

Comerica Incorporated

Company Ticker CMA

Date of Analysis 3/2/2017



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

3		
1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$13,722,751,735 Pass
2. Earnings Stability	Positive EPS for 10 years prior	Fail
3. Dividend Record	Dividend Payments for 10 years prior	Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at	
1 Famings Croudle	beginning and and	EZE 040/ Daga

4. Earnings Growth beginning and end 575.91% Pass
5. Moderate PEmg Ratio PEmg < 20 23.75 Fail
6. Moderate Price to Assets PB Ratio < 2.5 OR PB*PEmg < 50 1.69 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
 3.14

 MG Growth Estimate
 6.97%

 MG Value
 \$70.45

 MG Value based on 3% Growth
 \$45.54

 MG Value based on 0% Growth
 \$26.70

 Market Implied Growth Rate
 7.62%

MG Opinion

Current Price \$74.58 % of Intrinsic Value 105.86%

Opinion Fairly Valued

MG Grade C-

Stage 3: Information for Further Research

 Graham Number
 \$61.17

 PEmg
 23.75

 PB Ratio
 1.69

 Dividend Yield
 1.19%

 Number of Consecutive Years of Dividend
 8

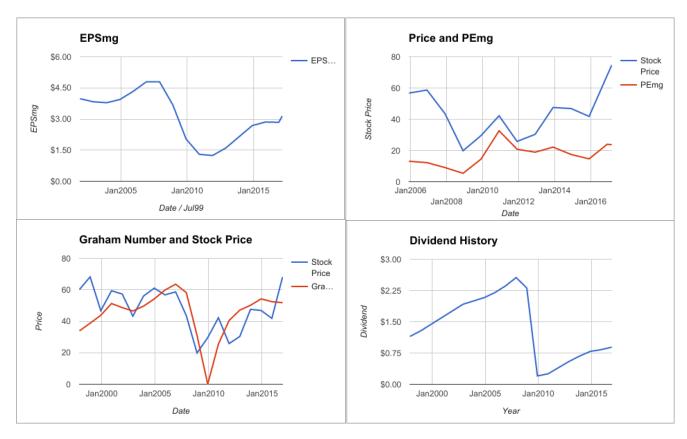
 Growth
 8

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	\$3.74	Next Fiscal Year Estimate	\$3.14
Dec2016	\$2.68	Dec2016	\$2.84
Dec2015	\$2.84	Dec2015	\$2.85
Dec2014	\$3.16	Dec2014	\$2.68
Dec2013	\$2.85	Dec2013	\$2.14
Dec2012	\$2.67	Dec2012	\$1.60
Dec2011	\$2.09	Dec2011	\$1.24
Dec2010	\$0.88	Dec2010	\$1.30
Dec2009	-\$0.79	Dec2009	\$2.04
Dec2008	\$1.28	Dec2008	\$3.68
Dec2007	\$4.43	Dec2007	\$4.79
Dec2006	\$5.49	Dec2006	\$4.79
Dec2005	\$5.11	Dec2005	\$4.33
Dec2004	\$4.36	Dec2004	\$3.94
Dec2003	\$3.75	Dec2003	\$3.78
Dec2002	\$3.40	Dec2002	\$3.83
Dec2001	\$3.88	Dec2001	\$3.98
Dec2000	\$4.31	Balance Sheet Information	12/1/2016
		Long-Term Debt & Capital Lease	
Dec1999	•	Obligation	\$5,160,000,000
Dec1998	\$3.72	Total Assets	\$72,978,000,000
Dec1997	\$3.19	Intangible Assets	\$643,000,000
		Total Liabilities	\$65,182,000,000
		Shares Outstanding (Diluted Average)	177,000,000





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 Comerica Inc Valuation - August 2016 \$CMA

Best Stocks to Invest In: the Bank Industry – August 2016
Comerica Inc Stock Valuation – February 2016 \$CMA
7 Best Stocks For Value Investors This Week – 10/24/15
The Best Companies of the Banking Industry – October 2015

Other ModernGraham posts about related companies Sterling Bancorp Valuation - Initial Coverage \$STL

<u>S&T Bancorp Inc Valuation – Initial Coverage \$STBA</u>

Central Pacific Financial Corp Valuation – Initial Coverage \$CPF

Synovus Financial Corp Valuation – Initial Coverage \$SNV

U.S. Bancorp Valuation - February 2017 \$USB

Columbia Banking System Inc Valuation - Initial Coverage \$COLB

Canadian Imperial Bank of Commerce Valuation – Initial Coverage \$TSE:CM

SVB Financial Group Valuation - Initial Coverage \$SIVB

Bank of New York Mellon Corp Valuation – January 2017 \$BK

<u>Simmons First National Corporation Valuation – Initial Coverage \$SFNC</u>