

# ModernGraham Valuation

## Company Name:

Company Ticker MUR  
Date of Analysis

Murphy Oil  
Corporation

3/2/2017



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

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$5,235,128,528	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.04	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-186.32%	Fail
6. Moderate PEmg Ratio	PEmg < 20	-13.72	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.03	Fail

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.04	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	42.69	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	-\$2.14
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	-\$30.97
MG Value based on 0% Growth	-\$18.16
Market Implied Growth Rate	-11.11%

### MG Opinion

Current Price	\$29.31
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

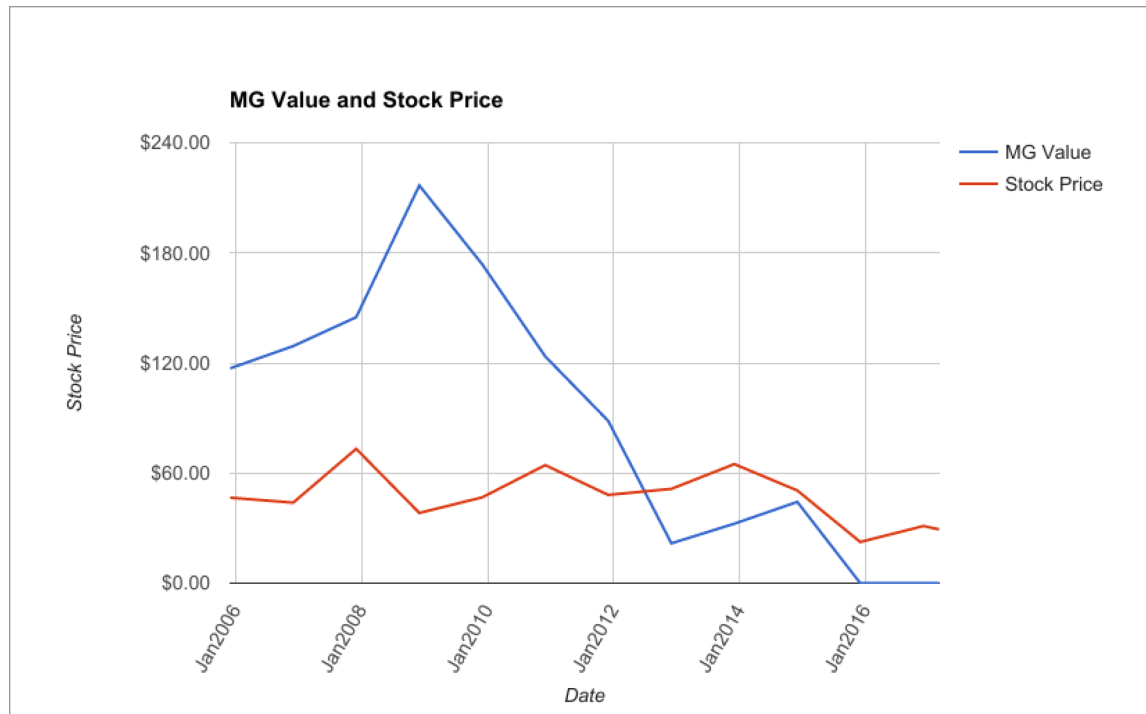
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$22.19
Graham Number	\$0.00
PEmg	-13.72
Current Ratio	1.04
PB Ratio	1.03
Current Dividend	\$1.20
Dividend Yield	4.09%
Number of Consecutive Years of Dividend Growth	0

### 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	-\$0.51	Next Fiscal Year Estimate	-\$2.14
Dec2016	-\$1.60	Dec2016	-\$1.88
Dec2015	-\$13.03	Dec2015	-\$0.85
Dec2014	\$5.03	Dec2014	\$5.13
Dec2013	\$5.94	Dec2013	\$5.05
Dec2012	\$4.99	Dec2012	\$4.87
Dec2011	\$4.49	Dec2011	\$4.94
Dec2010	\$4.13	Dec2010	\$5.11
Dec2009	\$4.35	Dec2009	\$5.43
Dec2008	\$9.06	Dec2008	\$5.63
Dec2007	\$4.01	Dec2007	\$3.76
Dec2006	\$3.41	Dec2006	\$3.36
Dec2005	\$4.55	Dec2005	\$3.04
Dec2004	\$3.77	Dec2004	\$2.15
Dec2003	\$1.59	Dec2003	\$1.32
Dec2002	\$0.61	Dec2002	\$1.10
Dec2001	\$1.81	Dec2001	\$1.21
Dec2000	\$1.64	<b>Balance Sheet Information 12/1/2016</b>	
Dec1999	\$0.67	Total Current Assets	\$1,559,183,000
Dec1998	-\$0.08	Total Current Liabilities	\$1,502,432,000
Dec1997	\$0.74	Long-Term Debt	\$2,422,700,000
		Total Assets	\$10,295,860,000
		Intangible Assets	\$0
		Total Liabilities	\$5,379,181,000
		Shares Outstanding (Diluted Average)	172,173,000





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

[Murphy Oil Corporation Valuation – November 2015 Update \\$MUR](#)

[26 Companies in the Spotlight This Week – 11/22/14](#)

[Murphy Oil Corporation Annual Valuation – 2014 \\$MUR](#)

Other  
ModernGraham  
posts about related  
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[Suncor Energy Inc Valuation – Initial Coverage \\$TSE:SU](#)

[CST Brands Inc Valuation – Initial Coverage \\$CST](#)

[Valero Energy Corp Valuation – February 2017 \\$VLO](#)

[Tidewater Inc Valuation – February 2017 \\$TDW](#)

[Occidental Petroleum Corp Valuation – February 2017 \\$OXY](#)

[Carrizo Oil & Gas Inc Valuation – Initial Coverage \\$CRZO](#)

[Denbury Resources Inc Valuation – February 2017 \\$DNR](#)

[California Resources Corp Valuation – Initial Coverage \\$CRC](#)

[Crew Energy Inc Valuation – Initial Coverage \\$TSE:CR](#)

[Exxon Mobil Corp Valuation – February 2017 \\$XOM](#)