# **ModernGraham Valuation**

# **Company Name:**

Company Ticker TGT Date of Analysis Target Corporation

3/7/2017



## 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	\$30,041,577,471	Pass
2.	Sufficiently Strong Financial Condition	Current Ratio > 2	0.94	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	36.12%	Pass
6.	Moderate PEmg Ratio	PEmg < 20	16.00	Pass
7.	Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.85	Pass
Enterprising Investor; mus	st pass 4 out of the following 5 tests, or be s	uitable for the Defensive Investor.		
1.	Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.94	Fail
2.	Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-15.36	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

Defensive	No
Enterprising	No

#### Stage 2: Determination of Intrinsic Value

	EPSmg		\$3.45
	MG Growth Estimate		-1.51%
	MG Value		\$18.93
	MG Value based on 3% Growth		\$50.05
	MG Value based on 0% Growth		\$29.34
	Market Implied Growth Rate		3.75%
MG Opinion			
	Current Price		\$55.22
	% of Intrinsic Value		291.76%
	Opinion	Overvalued	
	MG Grade	С	

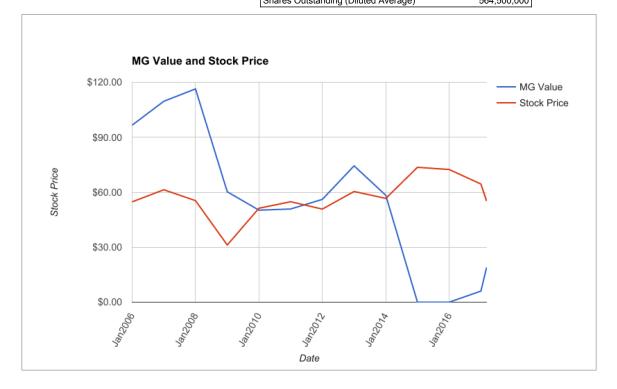
### Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$25.67
Graham Number	\$41.14
PEmg	16.00
Current Ratio	0.94
PB Ratio	2.85
Current Dividend	\$2.32
Dividend Yield	4.20%
Number of Consecutive Years of Dividend	
Growth	20

Useful Links:

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$3.4
Jan2017	\$4.70	Jan2017	\$3.1
Jan2016	\$5.31	Jan2016	\$2.5
Jan2015	-\$2.56	Jan2015	\$1.7
Jan2014	\$3.07	Jan2014	\$3.8
Jan2013	\$4.52	Jan2013	\$4.0
Jan2012	\$4.28	Jan2012	\$3.7
Jan2011	\$4.00	Jan2011	\$3.4
Jan2010	\$3.30	Jan2010	\$3.1
Jan2009	\$2.86	Jan2009	\$3.0
Jan2008	\$3.33	Jan2008	\$3.0
Jan2007	\$3.21	Jan2007	\$2.8
Jan2006	\$2.71	Jan2006	\$2.5
Jan2005	\$3.51	Jan2005	\$2.2
Jan2004	\$1.76	Jan2004	\$1.5
Jan2003	\$1.78	Jan2003	\$1.4
Jan2002	\$1.21	Jan2002	\$1.2
Jan2001	\$1.38	Balance Sheet Information	1/1/201
Jan2000	\$1.23	Total Current Assets	\$11,990,000,00
Jan1999	\$0.99	Total Current Liabilities	\$12,708,000,00
Jan1998	\$0.80	Long-Term Debt	\$11,031,000,00
		Total Assets	\$37,431,000,00
		Intangible Assets	\$
		Total Liabilities	\$26,478,000,00
		Shares Outstanding (Diluted Average)	564,500,00





#### 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	Target Corporation Stock Analysis – 2015 Update \$TGT   17 Companies in the Spotlight This Week – June 21, 2014   Target Corp Annual Valuation – 2014 \$TGT   17 Companies in the Spotlight This Week – 3/22/14   Target Corporation (TGT) Quarterly Valuation – March 2014
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