

# ModernGraham Valuation

Company Name:

Ameriprise  
Financial, Inc.

Company Ticker AMP

Date of Analysis

3/13/2018



## 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	\$23,253,648,372	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	169.30%	Pass
4. Earnings Growth	PEmg < 20	15.16	Pass
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	4.08	Fail
6. Moderate Price to Assets			

*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	10.48
MG Growth Estimate	9.99%
<b>MG Value</b>	<b>\$298.46</b>
MG Value based on 3% Growth	\$151.96
MG Value based on 0% Growth	\$89.08
Market Implied Growth Rate	3.33%

MG Opinion

Current Price	\$158.91
% of Intrinsic Value	53.24%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B</b>

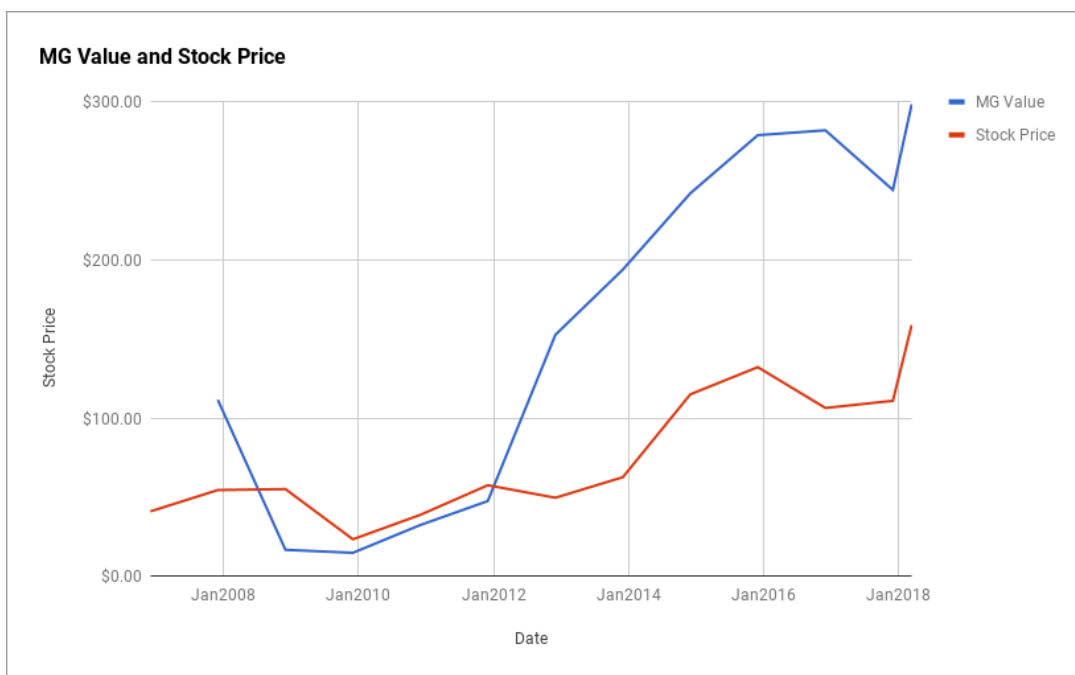
## Stage 3: Information for Further Research

Graham Number	\$114.12
PEmg	15.16
PB Ratio	4.08
Dividend Yield	2.04%
Number of Consecutive Years of Dividend Growth	13

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	\$14.15	Next Fiscal Year Estimate	\$10.48
Dec2017	\$9.44	Dec2017	\$8.46
Dec2016	\$7.81	Dec2016	\$7.69
Dec2015	\$8.48	Dec2015	\$7.25
Dec2014	\$8.30	Dec2014	\$6.29
Dec2013	\$6.44	Dec2013	\$5.04
Dec2012	\$4.62	Dec2012	\$3.97
Dec2011	\$4.53	Dec2011	\$3.42
Dec2010	\$4.18	Dec2010	\$2.77
Dec2009	\$2.95	Dec2009	\$2.11
Dec2008	-\$0.16	Dec2008	\$1.88
Dec2007	\$3.39	Dec2007	\$2.90
Dec2006	\$2.54	Dec2006	\$2.50
Dec2005	\$2.32	Dec2005	\$2.22
Dec2004	\$3.22	Dec2004	\$1.86
Dec2003	\$2.95	Dec2003	\$0.98
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	<b>Balance Sheet Information 12/1/2017</b>	
Dec2000	\$0.00	Long-Term Debt & Capital Lease Obligation	\$5,099,000,000
Dec1999	\$0.00	Total Assets	\$147,470,000,000
Dec1998	\$0.00	Intangible Assets	\$0
		Total Liabilities	\$141,472,000,000
		Shares Outstanding (Diluted Average)	154,000,000





**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**

[Ameriprise Financial Inc Valuation – June 2016 \\$AMP](#)  
[11 Best Stocks For Value Investors This Week – 11/21/15](#)  
[Ameriprise Financial Inc. Valuation – November 2015 Update \\$AMP](#)  
[The Best Stocks of the Financial Services Industry – September 2015](#)  
[The 20 Best Stocks For Value Investors This Week – 8/15/15](#)

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[Navient Corp Valuation – March 2018 \\$NAVI](#)  
[Invesco Ltd Valuation – March 2018 \\$IVZ](#)  
[Capital One Financial Corp Valuation – March 2018 \\$COF](#)  
[Total System Services Inc Valuation – February 2018 \\$TSS](#)  
[Visa Inc Valuation – February 2018 \\$V](#)  
[Goldman Sachs Group Inc Valuation – February 2018 \\$GS](#)  
[American Express Co. Valuation – February 2018 \\$AXP](#)  
[Encore Capital Group Inc Valuation – Initial Coverage \\$ECPG](#)  
[T.Rowe Price Group Inc Valuation – July 2017 \\$TROW](#)  
[T.Rowe Price Group Inc Valuation – June 2017 \\$TROW](#)