

ModernGraham Valuation

Huntington
Bancshares
Incorporated



Company Name:

Company Ticker

HBAN

Date of Analysis

3/18/2018

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	\$17,227,469,674	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 beginning and end	-152.43%	Fail
4. Earnings Growth			
5. Moderate PEmg Ratio	PEmg < 20	17.23	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.81	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	0.93
MG Growth Estimate	6.15%
MG Value	\$19.41
MG Value based on 3% Growth	\$13.52
MG Value based on 0% Growth	\$7.93
Market Implied Growth Rate	4.37%

MG Opinion

Current Price	\$16.07
% of Intrinsic Value	82.80%
Opinion	Fairly Valued
MG Grade	B-

Stage 3: Information for Further Research

Graham Number	\$15.07
PEmg	17.23
PB Ratio	1.81
Dividend Yield	2.18%
Number of Consecutive Years of Dividend Growth	7

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	\$1.11	Next Fiscal Year Estimate	\$0.93
Dec2017	\$1.00	Dec2017	\$0.83
Dec2016	\$0.70	Dec2016	\$0.74
Dec2015	\$0.81	Dec2015	\$0.74
Dec2014	\$0.72	Dec2014	\$0.66
Dec2013	\$0.72	Dec2013	\$0.16
Dec2012	\$0.69	Dec2012	-\$0.42
Dec2011	\$0.59	Dec2011	-\$1.02
Dec2010	\$0.19	Dec2010	-\$1.50
Dec2009	-\$6.14	Dec2009	-\$1.74
Dec2008	-\$0.44	Dec2008	\$0.65
Dec2007	\$0.25	Dec2007	\$1.28
Dec2006	\$1.92	Dec2006	\$1.76
Dec2005	\$1.77	Dec2005	\$1.58
Dec2004	\$1.71	Dec2004	\$1.42
Dec2003	\$1.61	Dec2003	\$1.28
Dec2002	\$1.33	Dec2002	\$1.14
Dec2001	\$0.54	Balance Sheet Information 12/1/2017	
Dec2000	\$1.29	Long-Term Debt & Capital Lease Obligation	\$12,931,000,000
Dec1999	\$1.62	Total Assets	\$104,185,000,000
Dec1998	\$1.17	Intangible Assets	\$2,577,000,000
		Total Liabilities	\$93,371,000,000
		Shares Outstanding (Diluted Average)	1,221,110,000





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

- [19 Best Stocks For Value Investors This Week – 1/9/16](#)
- [Huntington Bancshares Valuation – January 2016 Update \\$HBAN](#)
- [The Best Companies of the Banking Industry – October 2015](#)
- [13 Best Stocks For Value Investors This Week – 10/3/15](#)
- [Huntington Bancshares Inc. Analysis – October 2015 Update \\$HBAN](#)

Other ModernGraham posts about related companies

- [KeyCorp Valuation – March 2018 \\$KEY](#)
- [Canadian Western Bank Valuation – March 2018 \\$TSE-CWB](#)
- [Simmons First National Corp Valuation – March 2018 \\$SFNC](#)
- [Citigroup Inc Valuation – March 2018 \\$C](#)
- [People's United Financial Inc Valuation – March 2018 \\$PBCT](#)
- [JPMorgan Chase & Co Valuation – February 2018 \\$JPM](#)
- [Opus Bank Valuation – Initial Coverage \\$OPB](#)
- [Wells Fargo & Co Valuation – August 2017 \\$WFC](#)
- [Old National Bancorp Valuation – Initial Coverage \\$ONB](#)
- [Dime Community Bancshares Inc Valuation – Initial Coverage \\$DCOM](#)