ModernGraham Valuation

Company Name:

Invesco Ltd.

Company Ticker IVZ Date of Analysis

3/3/2018

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.

 Adequate Size of the Enterprise 	Market Cap > \$2Bil	\$13,114,229,621 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.17 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at	
5. Earnings Growth	beginning and end	136.83% Pass
6. Moderate PEmg Ratio	PEmg < 20	12.24 Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.48 Pass

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	1.17 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.76 Fail
3. Earnings Stability	Positive EPS for 5 years prior	Pass
4. Dividend Record	Currently Pays Dividend	Pass
5. Earnings Growth	EPSmg greater than 5 years ago	Pass

Score

Suitability

MG Opinion

Yes Defensive Enterprising Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.63
MG Growth Estimate	5.87%
MG Value	\$53.25
MG Value based on 3% Growth	\$38.15
MG Value based on 0% Growth	\$22.37
Market Implied Growth Rate	1.87%
Current Price	\$32.21

% of Intrinsic Value

\$32.21 60.49%

Opinion Undervalued MG Grade

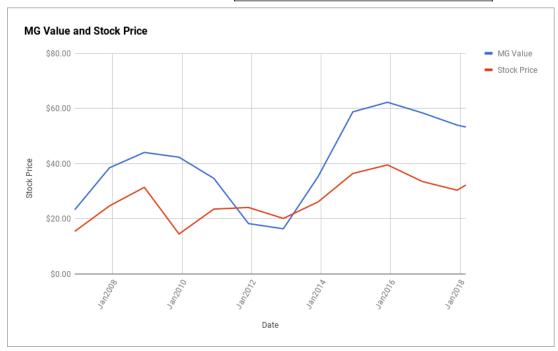
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$14.20
Graham Number	\$38.60
PEmg	12.24
Current Ratio	1.17
PB Ratio	1.48
Current Dividend	\$1.15
Dividend Yield	3.57%
Number of Consecutive Years of Dividend	
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	\$3.10	Next Fiscal Year Estimate	\$2.63
Dec2017	\$2.75	Dec2017	\$2.36
Dec2016	\$2.06	Dec2016	\$2.12
Dec2015	\$2.26	Dec2015	\$2.08
Dec2014	\$2.27	Dec2014	\$1.89
Dec2013	\$2.10	Dec2013	\$1.60
Dec2012	\$1.49	Dec2012	\$1.30
Dec2011	\$1.57	Dec2011	\$1.22
Dec2010	\$1.01	Dec2010	\$1.08
Dec2009	\$0.76	Dec2009	\$1.10
Dec2008	\$1.21	Dec2008	\$1.14
Dec2007	\$1.64	Dec2007	\$1.00
Dec2006	\$1.19	Dec2006	\$0.60
Dec2005	\$0.54	Dec2005	\$0.30
Dec2004	-\$0.10	Dec2004	\$0.21
Dec2003	\$0.61	Dec2003	\$0.38
Dec2002	\$0.03	Dec2002	\$0.27
Dec2001	\$0.28	Balance Sheet Information	12/1/2017
Dec2000	\$0.63	Total Current Assets	\$17,309,000,000
Dec1999	\$0.44	Total Current Liabilities	\$14,820,100,000
Dec1998	\$0.10	Long-Term Debt	\$6,875,600,000
		Total Assets	\$31,668,800,000
		Intangible Assets	\$8,149,400,000
		Total Liabilities	\$22,972,700,000
		Shares Outstanding (Diluted Average)	398,900,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author held a long position in IVZ 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 10 Most Undervalued Companies for the Defensive Investor – July 2016

5 Companies for Value Investors with a High Beta - July 2016

10 Undervalued Companies for the Defensive Dividend Stock Investor – June 2016

10 Companies Benjamin Graham Would Invest In Today – June 2016 10 Companies Benjamin Graham Would Invest In Today – May 2016

Other ModernGraham posts about related companies 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

Tricon Capital Group Inc Valuation - Initial Coverage \$TSE:TCN

Moody's Corporation Valuation – March 2017 \$MCO KKR & Co Ltd Valuation – March 2017 \$KKR