

# 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.*

1. 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 beginning and end	136.83%	Pass
5. Earnings Growth			
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 Score		Pass

### Suitability

Defensive	Yes
Enterprising	Yes

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.63
MG Growth Estimate	5.87%
<b>MG Value</b>	<b>\$53.25</b>
MG Value based on 3% Growth	\$38.15
MG Value based on 0% Growth	\$22.37
Market Implied Growth Rate	1.87%

### MG Opinion

Current Price	\$32.21
% of Intrinsic Value	60.49%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>A</b>

## 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](#)  
[Google Finance](#)  
[Yahoo Finance](#)  
[GuruFocus](#)

[Morningstar](#)  
[MSN Money](#)  
[Seeking Alpha](#)  
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$3.10	Dec2017	\$2.63
Dec2016	\$2.75	Dec2016	\$2.36
Dec2015	\$2.06	Dec2015	\$2.12
Dec2014	\$2.26	Dec2014	\$2.08
Dec2013	\$2.27	Dec2013	\$1.89
Dec2012	\$2.10	Dec2012	\$1.60
Dec2011	\$1.49	Dec2011	\$1.30
Dec2010	\$1.57	Dec2010	\$1.22
Dec2009	\$1.01	Dec2009	\$1.08
Dec2008	\$0.76	Dec2008	\$1.10
Dec2007	\$1.21	Dec2007	\$1.14
Dec2006	\$1.64	Dec2006	\$1.00
Dec2005	\$1.19	Dec2005	\$0.60
Dec2004	\$0.54	Dec2004	\$0.30
Dec2003	-\$0.10	Dec2003	\$0.21
Dec2002	\$0.61	Dec2002	\$0.38
Dec2001	\$0.03	Dec2001	\$0.27
Dec2000	\$0.28	<b>Balance Sheet Information</b>	
Dec1999	\$0.63	<b>12/1/2017</b>	
Dec1998	\$0.44	Total Current Assets	\$17,309,000,000
	\$0.10	Total Current Liabilities	\$14,820,100,000
		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](#)