# **ModernGraham Valuation**

## **Company Name:**

**Duke Energy Corp** 



Company Ticker DUK

Date of Analysis 5/20/2018

### 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.

<ol> <li>Adequate Size of the Enterprise</li> </ol>	Market Cap > \$2Bil	\$51,949,882,128 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.64 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	
<ol><li>Earnings Growth</li></ol>	beginning and end	29.29% Fail
6. Moderate PEmg Ratio	PEmg < 20	18.32 Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.24 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	0.64 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-10.39 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

113.75%

Score

Suitability

MG Opinion

Defensive No Enterprising No

#### Stage 2: Determination of Intrinsic Value

EPSmg	\$4.03
MG Growth Estimate	3.80%
MG Value	\$64.88
MG Value based on 3% Growth	\$58.42
MG Value based on 0% Growth	\$34.24
G Growth Estimate G Value G Value G Value based on 3% Growth G Value based on 0% Growth arket Implied Growth Rate	4.91%
Current Price	\$73.80

% of Intrinsic Value Opinion Overvalued

MG Grade

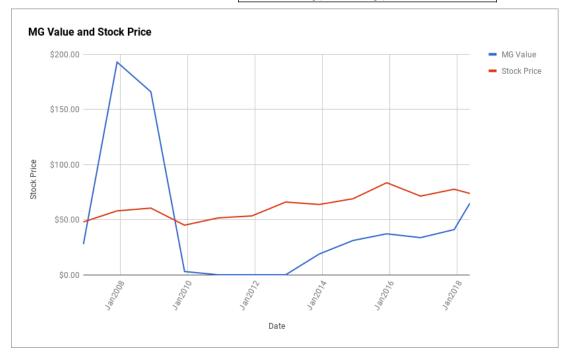
### Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$126.21
Graham Number	\$78.39
PEmg	18.32
Current Ratio	0.64
PB Ratio	1.24
Current Dividend	\$3.49
Dividend Yield	4.73%
Number of Consecutive Years of Dividend Growth	10

**Useful Links:** ModernGraham tagged articles

Morningstar Google Finance MSN Money Yahoo Finance Seeking Alpha **GuruFocus** SEC Filings

EPS History		EPSmg History	
Next Fiscal Year		l.,	
Estimate		Next Fiscal Year Estimate	\$4.03
Dec2017	\$4.36	Dec2017	\$3.70
Dec2016	\$3.11	Dec2016	\$3.35
Dec2015	\$4.05	Dec2015	\$3.48
Dec2014	\$2.66	Dec2014	\$3.21
Dec2013	\$3.76	Dec2013	\$3.40
Dec2012	\$3.07	Dec2012	\$3.19
Dec2011	\$3.83	Dec2011	\$3.24
Dec2010	\$3.00	Dec2010	\$3.09
Dec2009	\$2.49	Dec2009	\$3.77
Dec2008	\$3.21	Dec2008	\$4.77
Dec2007	\$3.54	Dec2007	\$5.01
Dec2006	\$4.71	Dec2006	\$5.15
Dec2005	\$11.28	Dec2005	\$5.08
Dec2004	\$4.62	Dec2004	\$2.54
Dec2003	-\$4.44	Dec2003	\$2.32
Dec2002	\$3.66	Dec2002	\$5.75
Dec2001	\$7.32	Balance Sheet Information	3/1/2018
Dec2000	\$7.14	Total Current Assets	\$8,279,000,000
Dec1999	\$6.09	Total Current Liabilities	\$12,998,000,000
Dec1998	\$5.10	Long-Term Debt	\$49,030,000,000
		Total Assets	\$138,541,000,000
		Intangible Assets	\$19,396,000,000
		Total Liabilities	\$96,749,000,000
		Shares Outstanding (Diluted Average)	701,000,000





#### 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 <u>Duke Energy Corp Valuation – February 2017 \$DUK</u>

<u>Duke Energy Corporation Valuation – November 2015 Update \$DUK</u>

30 Companies in the Spotlight This Week – 11/15/14

<u>Duke Energy Corporation Annual Valuation – 2014 \$DUK</u>

Other ModernGraham posts about related companies NextEra Energy Inc Valuation - May 2018 \$NEE

PG&E Corp Valuation – April 2018 \$PCG

<u>Dominion Energy Inc Valuation – April 2018 \$D</u>

Exelon Corp Valuation - March 2018 \$EXC

NRG Energy Inc Valuation - March 2018 \$NRG

DTE Energy Co Valuation – March 2018 \$DTE

The AES Corp Valuation – March 2018 \$AES

FirstEnergy Corp Valuation - March 2018 \$FE

Edison International Valuation – March 2018 \$EIX

WEC Energy Group Inc Valuation - March 2018 \$WEC