

# ModernGraham Valuation

Company Name:

Loews Corporation

Company Ticker L

Date of Analysis

5/20/2018



## 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	\$16,429,130,464	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		
4. Earnings Growth		25.61%	Fail
5. Moderate PEmg Ratio	PEmg < 20	19.45	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.91	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

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	2.64
MG Growth Estimate	7.43%
<b>MG Value</b>	<b>\$61.63</b>
MG Value based on 3% Growth	\$38.26
MG Value based on 0% Growth	\$22.43
Market Implied Growth Rate	5.47%

### MG Opinion

Current Price	\$51.31
% of Intrinsic Value	83.25%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>B</b>

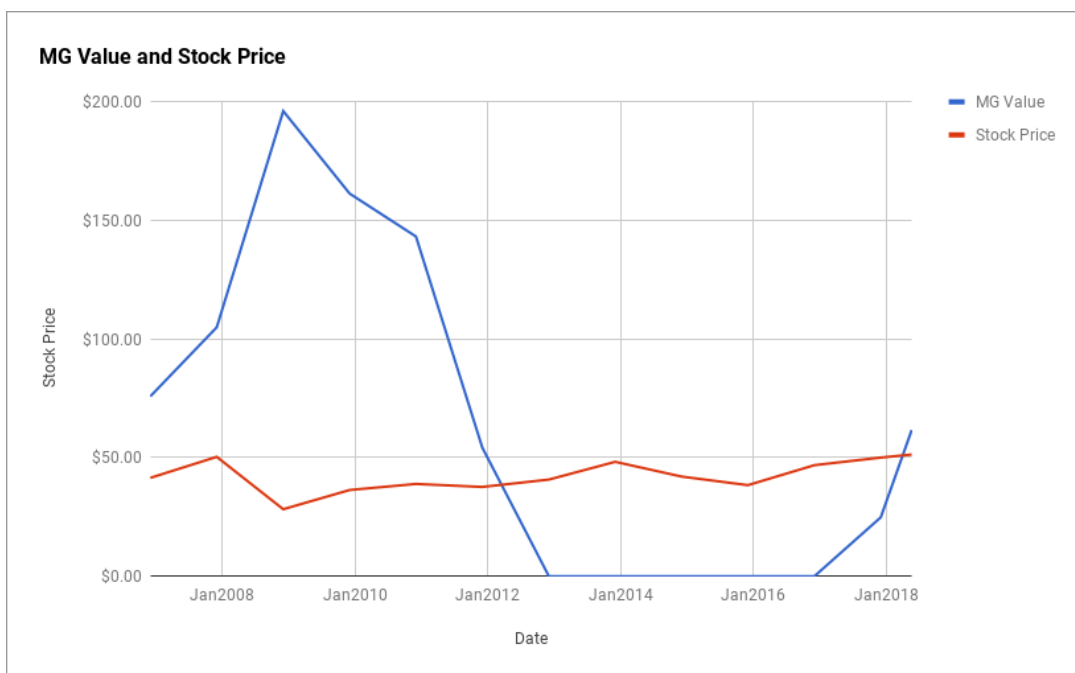
## Stage 3: Information for Further Research

Graham Number	\$66.51
PEmg	19.45
PB Ratio	0.91
Dividend Yield	0.49%
Number of Consecutive Years of Dividend Growth	0

### 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	\$3.40	Next Fiscal Year Estimate	\$2.64
Dec2017	\$3.45	Dec2017	\$2.12
Dec2016	\$1.93	Dec2016	\$1.44
Dec2015	\$0.72	Dec2015	\$1.32
Dec2014	\$1.55	Dec2014	\$1.76
Dec2013	\$1.53	Dec2013	\$1.91
Dec2012	\$1.43	Dec2012	\$2.57
Dec2011	\$2.62	Dec2011	\$3.40
Dec2010	\$3.07	Dec2010	\$3.92
Dec2009	\$1.30	Dec2009	\$4.19
Dec2008	\$9.05	Dec2008	\$5.09
Dec2007	\$3.65	Dec2007	\$2.73
Dec2006	\$3.75	Dec2006	\$2.02
Dec2005	\$1.72	Dec2005	\$0.97
Dec2004	\$1.88	Dec2004	\$0.69
Dec2003	-\$1.28	Dec2003	\$0.27
Dec2002	\$1.64	Dec2002	\$1.03
Dec2001	-\$0.96	<b>Balance Sheet Information 3/1/2018</b>	
Dec2000	\$3.10	Long-Term Debt & Capital Lease Obligation	\$11,255,000,000
Dec1999	\$0.56	Total Assets	\$80,786,000,000
Dec1998	\$0.68	Intangible Assets	\$661,000,000
		Total Liabilities	\$62,254,000,000
		Shares Outstanding (Diluted Average)	328,720,000





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

- [Most Overvalued Stocks of the S&P 500 – March 2017](#)
- [Loews Corporation – February 2017 \\$L](#)
- [Loews Corporation Valuation – November 2015 Update \\$L](#)
- [The Best Companies of the Retail Industry – August 2015](#)
- [27 Companies in the Spotlight This Week – 11/8/14](#)

Other ModernGraham posts about related companies

- [Anthem Inc Valuation – May 2018 \\$ANTM](#)
- [Berkshire Hathaway Inc Valuation – May 2018 \\$BRK-B](#)
- [Arthur J Gallagher & Co Valuation – April 2018 \\$AJG](#)
- [Allstate Corp Valuation – April 2018 \\$ALL](#)
- [Hartford Financial Services Group Inc Valuation – April 2018 \\$HIG](#)
- [Unum Group Valuation – April 2018 \\$UNM](#)
- [Brighthouse Financial Inc Valuation – Initial Coverage \\$BHF](#)
- [XL Group Ltd Valuation – April 2018 \\$XL](#)
- [Aetna Inc Valuation – April 2018 \\$AET](#)
- [Everest Re Group Ltd Valuation – Initial Coverage \\$RE](#)