

# ModernGraham Valuation

Company Name:

TJX Companies Inc

Company Ticker TJX

Date of Analysis

5/2/2018



## 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	\$52,379,353,716	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.66	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	145.20%	Pass
5. Earnings Growth	PEmg < 20	20.83	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	10.36	Fail
7. Moderate Price to Assets			

*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	1.66	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.66	Pass
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

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$4.01
MG Growth Estimate	7.18%
<b>MG Value</b>	<b>\$91.71</b>
MG Value based on 3% Growth	\$58.15
MG Value based on 0% Growth	\$34.09
Market Implied Growth Rate	6.17%

### MG Opinion

Current Price	\$83.53
% of Intrinsic Value	91.08%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C+</b>

## Stage 3: Information for Further Research

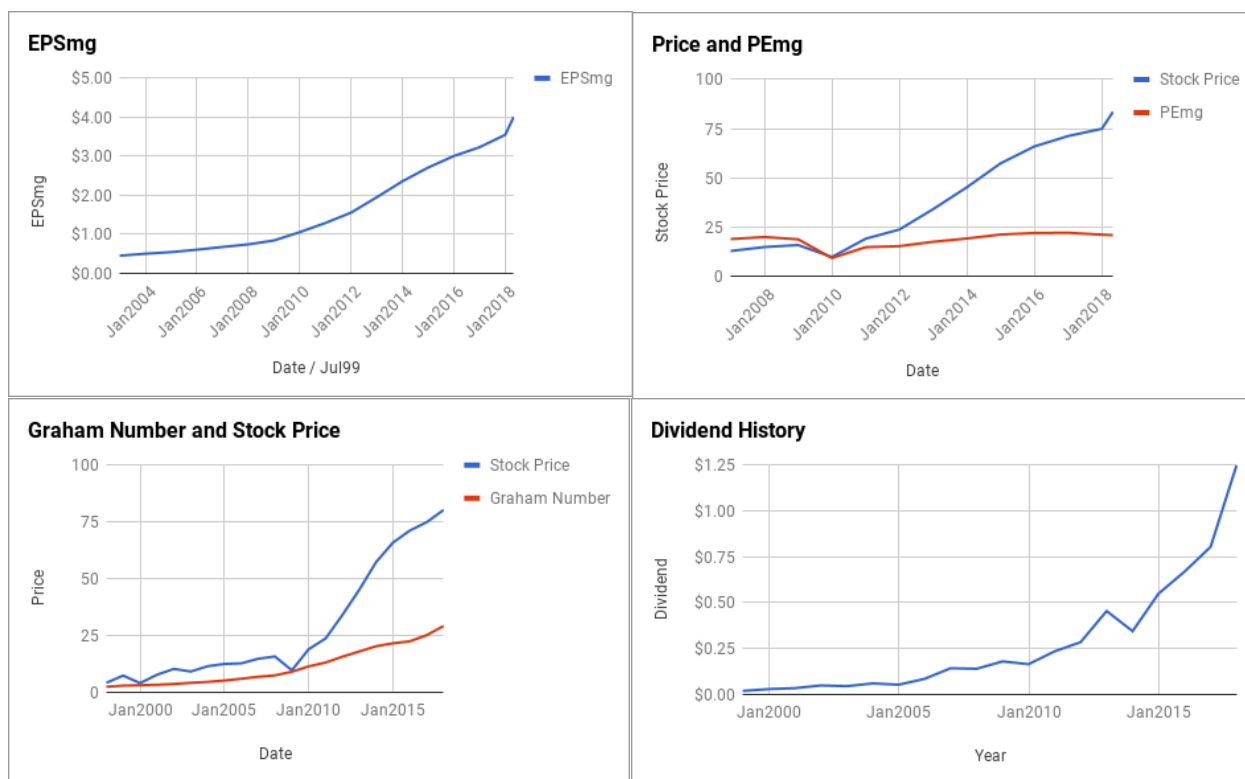
Net Current Asset Value (NCAV)	-\$0.66
Graham Number	\$29.21
PEmg	20.83
Current Ratio	1.66
PB Ratio	10.36
Current Dividend	\$0.94
Dividend Yield	1.12%
Number of Consecutive Years of Dividend Growth	0

### 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		Next Fiscal Year Estimate	
Jan2018	\$4.76	Jan2018	\$4.01
Jan2017	\$4.04	Jan2017	\$3.55
Jan2016	\$3.46	Jan2016	\$3.23
Jan2015	\$3.33	Jan2016	\$3.01
Jan2015	\$3.15	Jan2015	\$2.71
Jan2014	\$2.94	Jan2014	\$2.36
Jan2013	\$2.55	Jan2013	\$1.95
Jan2012	\$1.93	Jan2012	\$1.56
Jan2011	\$1.65	Jan2011	\$1.29
Jan2010	\$1.42	Jan2010	\$1.06
Jan2009	\$1.00	Jan2009	\$0.84
Jan2008	\$0.83	Jan2008	\$0.74
Jan2007	\$0.78	Jan2007	\$0.68
Jan2006	\$0.71	Jan2006	\$0.61
Jan2005	\$0.61	Jan2005	\$0.55
Jan2004	\$0.58	Jan2004	\$0.50
Jan2003	\$0.49	Jan2003	\$0.45
Jan2002	\$0.46	<b>Balance Sheet Information</b>	
Jan2001	\$0.47	<b>1/1/2018</b>	
Jan2000	\$0.41	Total Current Assets	\$8,485,727,000
Jan1999	\$0.32	Total Current Liabilities	\$5,125,537,000
		Long-Term Debt	\$2,230,607,000
		Total Assets	\$14,058,015,000
		Intangible Assets	\$100,069,000
		Total Liabilities	\$8,909,700,000
		Shares Outstanding (Diluted Average)	638,404,000





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

[TJX Companies Inc Valuation – December 2016 \\$TJX](#)  
[5 Best Undervalued Stocks of the Week – 8/14/16](#)  
[TJX Companies Inc Valuation – August 2016 \\$TJX](#)  
[5 Undervalued Companies with a Low Beta – July 2016](#)  
[5 Undervalued Companies with a Low Beta – May 2016](#)

Other  
ModernGraham  
posts about related  
companies

[Tractor Supply Co Valuation – April 2018 \\$TSCO](#)  
[Tapestry Inc Valuation – April 2018 \\$TPR](#)  
[Dollar General Corp Valuation – April 2018 \\$DG](#)  
[Tiffany & Co. Valuation – April 2018 \\$TIF](#)  
[Best Buy Co Inc Valuation – April 2018 \\$BBY](#)  
[Macy's Inc Valuation – April 2018 \\$M](#)  
[Walgreens Boots Alliance Inc Valuation – March 2018 \\$WBA](#)  
[Bed Bath & Beyond Inc Valuation – March 2018 \\$BBBY](#)  
[Ross Stores Inc Valuation – March 2018 \\$ROST](#)  
[Nordstrom Inc Valuation – February 2018 \\$JWN](#)