

ModernGraham Valuation

Company Name:

Chubb Ltd

Company Ticker CB

Date of Analysis

6/3/2018



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	\$60,917,599,377	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		28.23%	Fail
5. Moderate PEmg Ratio	PEmg < 20	14.47	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.20	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

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	9.04
MG Growth Estimate	0.93%
MG Value	\$93.65
MG Value based on 3% Growth	\$131.01
MG Value based on 0% Growth	\$76.80
Market Implied Growth Rate	2.99%

MG Opinion

Current Price	\$130.78
% of Intrinsic Value	139.65%
Opinion	Overvalued
MG Grade	B

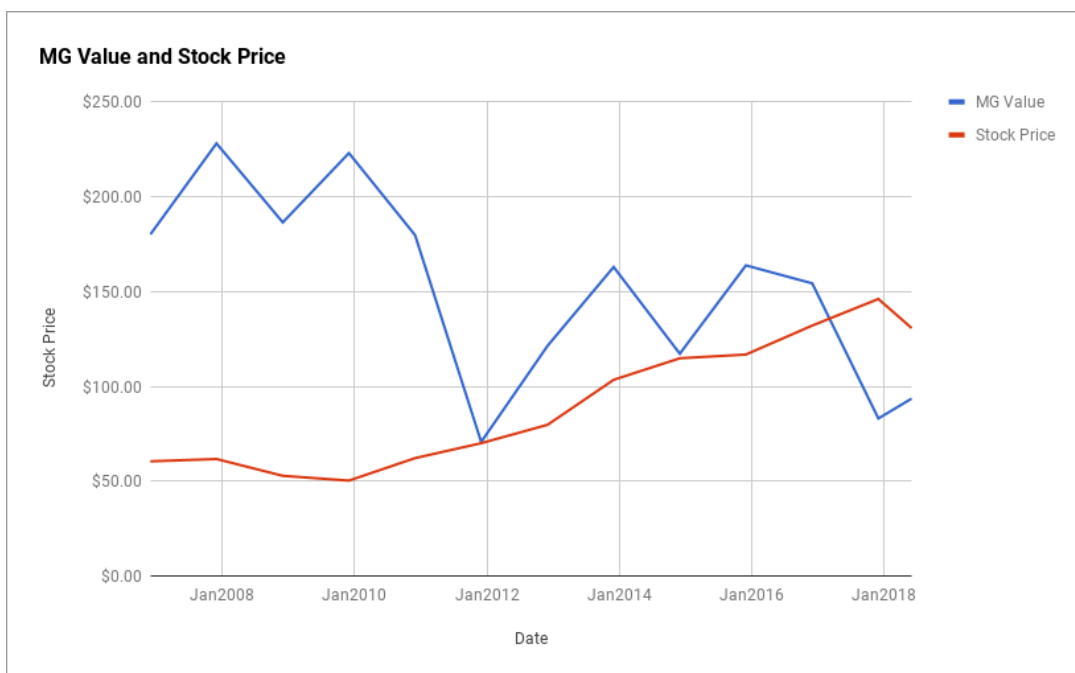
Stage 3: Information for Further Research

Graham Number	\$158.34
PEmg	14.47
PB Ratio	1.20
Dividend Yield	2.16%
Number of Consecutive Years of Dividend Growth	2

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	\$10.10	Next Fiscal Year Estimate	\$9.04
Dec2017	\$8.19	Dec2017	\$8.67
Dec2016	\$8.87	Dec2016	\$8.92
Dec2015	\$8.62	Dec2015	\$8.66
Dec2014	\$8.42	Dec2014	\$8.51
Dec2013	\$10.92	Dec2013	\$8.37
Dec2012	\$7.89	Dec2012	\$6.90
Dec2011	\$4.52	Dec2011	\$6.42
Dec2010	\$9.11	Dec2010	\$7.23
Dec2009	\$7.55	Dec2009	\$6.12
Dec2008	\$3.50	Dec2008	\$5.29
Dec2007	\$7.66	Dec2007	\$5.93
Dec2006	\$6.91	Dec2006	\$4.68
Dec2005	\$3.31	Dec2005	\$3.17
Dec2004	\$3.88	Dec2004	\$2.80
Dec2003	\$5.25	Dec2003	\$2.10
Dec2002	\$0.27	Dec2002	\$0.79
Dec2001	-\$0.78		
Dec2000	\$2.31		
Dec1999	\$1.85		
Sep1998	\$2.96		
		Balance Sheet Information	3/1/2018
		Long-Term Debt & Capital Lease Obligation	\$12,786,000,000
		Total Assets	\$168,781,000,000
		Intangible Assets	\$22,444,000,000
		Total Liabilities	\$117,494,000,000
		Shares Outstanding (Diluted Average)	469,474,000





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

- [Chubb Ltd Valuation – March 2017 \\$CB](#)
- [21 Best Undervalued Stocks of the Week – 8/27/16](#)
- [Chubb Limited Valuation – August 2016 \\$CB](#)
- [Chubb Ltd Stock Valuation – February 2016 \\$CB](#)
- [Dividend Growth Stocks for Intelligent Investors – February 2016](#)

Other ModernGraham posts about related companies

- [Loews Corp Valuation – May 2018 \\$L](#)
- [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](#)