

# ModernGraham Valuation

SVB Financial  
Group



Company Name:

Company Ticker SIVB

Date of Analysis

6/1/2018

## 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	\$16,831,404,501	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end		
4. Earnings Growth		342.11%	Pass
5. Moderate PEmg Ratio	PEmg < 20	32.66	Fail
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.74	Fail

*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		Fail
3. Earnings Growth	EPSmg greater than 5 years ago		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	9.73
MG Growth Estimate	15.00%
<b>MG Value</b>	<b>\$374.55</b>
MG Value based on 3% Growth	\$141.07
MG Value based on 0% Growth	\$82.69
Market Implied Growth Rate	12.08%

### MG Opinion

Current Price	\$317.73
% of Intrinsic Value	84.83%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>D</b>

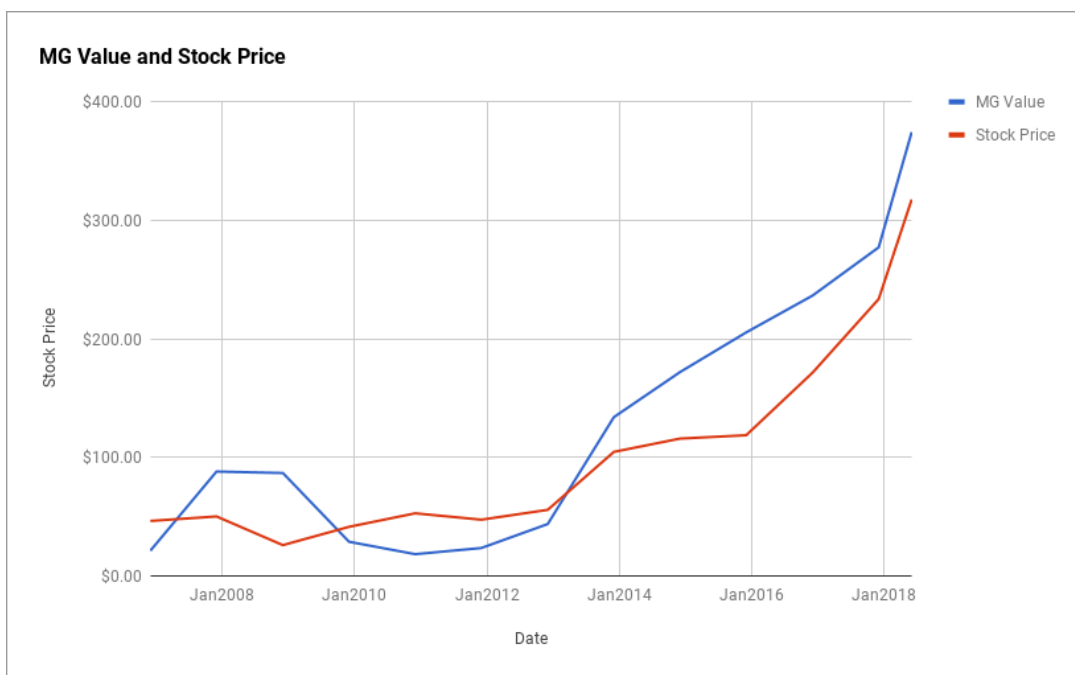
## Stage 3: Information for Further Research

Graham Number	\$156.32
PEmg	32.66
PB Ratio	3.74
Dividend Yield	0.00%
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	\$13.73	Next Fiscal Year Estimate	\$9.73
Dec2017	\$9.20	Dec2017	\$7.36
Dec2016	\$7.31	Dec2016	\$6.15
Dec2015	\$6.62	Dec2015	\$5.34
Dec2014	\$5.31	Dec2014	\$4.47
Dec2013	\$4.67	Dec2013	\$3.73
Dec2012	\$3.91	Dec2012	\$3.03
Dec2011	\$3.94	Dec2011	\$2.56
Dec2010	\$2.24	Dec2010	\$1.96
Dec2009	\$0.66	Dec2009	\$1.95
Dec2008	\$2.16	Dec2008	\$2.53
Dec2007	\$3.37	Dec2007	\$2.49
Dec2006	\$2.38	Dec2006	\$1.90
Dec2005	\$2.40	Dec2005	\$1.60
Dec2004	\$1.70	Dec2004	\$1.36
Dec2003	\$0.35	Dec2003	\$1.31
Dec2002	\$1.21	Dec2002	\$1.74
Dec2001	\$1.79	<b>Balance Sheet Information 3/1/2018</b>	
Dec2000	\$3.23	Long-Term Debt & Capital Lease Obligation	\$695,731,000
Dec1999	\$1.23	Total Assets	\$53,500,787,000
Dec1998	\$0.69	Intangible Assets	\$0
		Total Liabilities	\$48,941,063,000
		Shares Outstanding (Diluted Average)	53,685,000





**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**
  - [SVB Financial Group Valuation – Initial Coverage \\$SIVB](#)
  
- Other ModernGraham posts about related companies**
  - [US Bancorp Valuation – May 2018 \\$USB](#)
  - [Bank of New York Mellon Corp Valuation – May 2018 \\$BK](#)
  - [Citizens Financial Group Inc Valuation – April 2018 \\$CFG](#)
  - [BB&T Corporation Valuation – April 2018 \\$BBT](#)
  - [M&T Bank Corp Valuation – April 2018 \\$MTB](#)
  - [Bank of America Corp Valuation – March 2018 \\$BAC](#)
  - [Fifth Third Bancorp Valuation – March 2018 \\$FITB](#)
  - [Regions Financial Corp Valuation – March 2018 \\$RF](#)
  - [Huntington Bancshares Inc Valuation – March 2018 \\$HBAN](#)
  - [Zions Bancorp Valuation – March 2018 \\$ZION](#)