

ModernGraham Valuation

JPMorgan Chase &
Co.



Company Name:

Company Ticker JPM

Date of Analysis

11/17/2018

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	\$365,761,960,005	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	103.55%	Pass
5. Moderate PEmg Ratio	PEmg < 20	15.35	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.44	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	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	7.17
MG Growth Estimate	7.29%
MG Value	\$165.46
MG Value based on 3% Growth	\$103.92
MG Value based on 0% Growth	\$60.92
Market Implied Growth Rate	3.42%

MG Opinion

Current Price	\$109.99
% of Intrinsic Value	66.48%
Opinion	Undervalued
MG Grade	A-

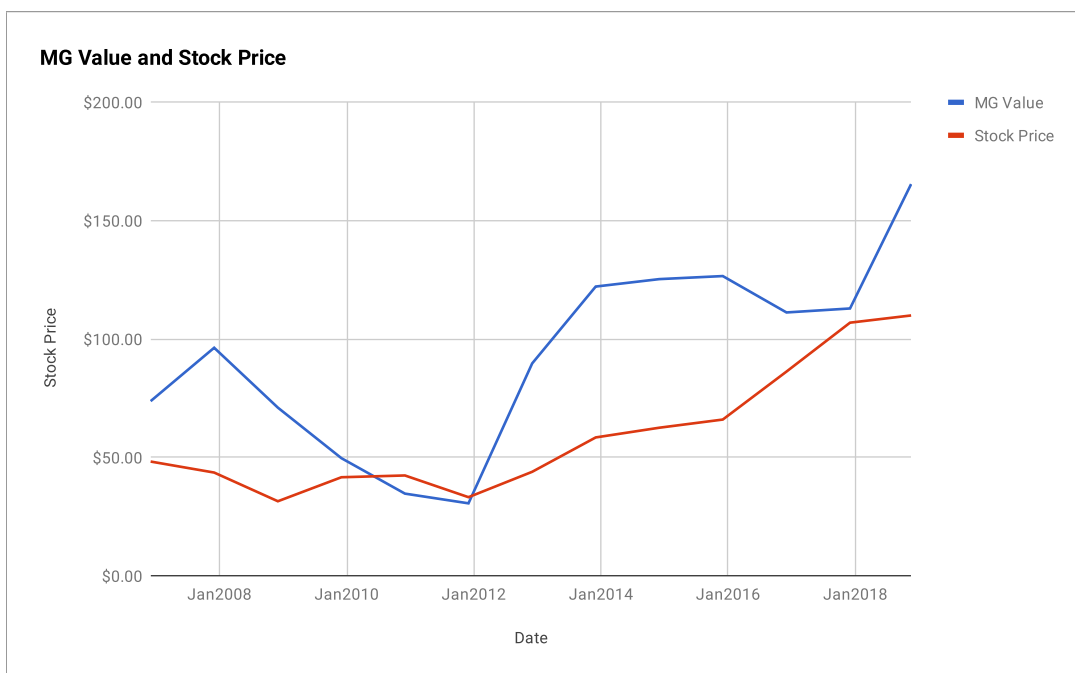
Stage 3: Information for Further Research

Graham Number	\$118.31
PEmg	15.35
PB Ratio	1.44
Dividend Yield	1.93%
Number of Consecutive Years of Dividend Growth	7

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	\$9.28	Next Fiscal Year Estimate	\$7.17
Dec2017	\$6.31	Dec2017	\$5.95
Dec2016	\$6.19	Dec2016	\$5.65
Dec2015	\$6.00	Dec2015	\$5.27
Dec2014	\$5.29	Dec2014	\$4.82
Dec2013	\$4.34	Dec2013	\$4.41
Dec2012	\$5.20	Dec2012	\$4.11
Dec2011	\$4.48	Dec2011	\$3.47
Dec2010	\$3.96	Dec2010	\$3.05
Dec2009	\$2.26	Dec2009	\$2.69
Dec2008	\$1.35	Dec2008	\$2.85
Dec2007	\$4.38	Dec2007	\$3.44
Dec2006	\$4.04	Dec2006	\$2.78
Dec2005	\$2.38	Dec2005	\$2.01
Dec2004	\$1.55	Dec2004	\$1.84
Dec2003	\$3.24	Dec2003	\$2.08
Dec2002	\$0.80	Dec2002	\$1.73
Dec2001	\$0.80		
Dec2000	\$2.86		
Dec1999	\$3.69		
Dec1998	\$2.83		
		Balance Sheet Information 9/1/2018	
		Long-Term Debt & Capital Lease Obligation	\$270,124,000,000
		Total Assets	\$2,615,183,000,000
		Intangible Assets	\$54,697,000,000
		Total Liabilities	\$2,356,227,000,000
		Shares Outstanding (Diluted Average)	3,394,300,000





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**
- [JPMorgan Chase & Co Valuation – February 2018 \\$JPM](#)
 - [10 Best Dividend Paying Stocks for the Defensive Investor – August 2016](#)
 - [5 Most Undervalued Stocks in the Dow – August 2016](#)
 - [10 Low PE Stock Picks for the Defensive Investor – August 2016](#)
 - [Best Stocks to Invest In: the Bank Industry – August 2016](#)

- Other ModernGraham posts about related companies**
- [CVB Financial Corp Valuation – September 2018 \\$CVBF](#)
 - [Customers Bancorp Inc Valuation – September 2018 \\$CUBI](#)
 - [Sterling Bancorp Valuation – August 2018 \\$STL](#)
 - [S&T Bancorp Inc Valuation – August 2018 \\$STBA](#)
 - [Central Pacific Financial Corp Valuation – August 2018 \\$CPF](#)
 - [Synovus Financial Corp Valuation – August 2018 \\$SNV](#)
 - [Columbia Banking System Inc Valuation – August 2018 \\$COLB](#)
 - [Canadian Imperial Bank of Commerce Valuation – July 2018 \\$TSE:CM](#)
 - [ServisFirst Bancshares Inc Valuation – July 2018 \\$SFBS](#)
 - [Cullen/Frost Bankers Inc Valuation – July 2018 \\$CFR](#)