

ModernGraham Valuation

Company Name:

BlackRock, Inc.

Company Ticker BLK

Date of Analysis

1/12/2019



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	\$62,755,262,079	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.45	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	160.83%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	16.17	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.98	Pass

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	1.45	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.02	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

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$24.61
MG Growth Estimate	8.03%
MG Value	\$604.50
MG Value based on 3% Growth	\$356.82
MG Value based on 0% Growth	\$209.17
Market Implied Growth Rate	3.83%

MG Opinion

Current Price	\$397.91
% of Intrinsic Value	65.82%
Opinion	Undervalued
MG Grade	B+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$824.96
Graham Number	\$342.93
PEmg	16.17
Current Ratio	1.45
PB Ratio	1.98
Current Dividend	\$10.00
Dividend Yield	2.51%
Number of Consecutive Years of Dividend Growth	8

Useful Links:

[ModernGraham tagged articles](#)
[Google Finance](#)
[Yahoo Finance](#)
[GuruFocus](#)

[Morningstar](#)
[MSN Money](#)
[Seeking Alpha](#)
[SEC Filings](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2017	\$26.45	Dec2017	\$24.61
Dec2016	\$30.23	Dec2016	\$22.80
Dec2015	\$19.04	Dec2015	\$18.64
Dec2014	\$19.79	Dec2014	\$17.77
Dec2013	\$19.25	Dec2013	\$16.03
Dec2012	\$16.87	Dec2012	\$13.59
Dec2011	\$13.79	Dec2011	\$11.21
Dec2010	\$12.37	Dec2010	\$9.42
Dec2009	\$10.55	Dec2009	\$7.54
Dec2008	\$6.11	Dec2008	\$5.80
Dec2007	\$5.78	Dec2007	\$5.28
Dec2006	\$7.37	Dec2006	\$4.64
Dec2005	\$3.87	Dec2005	\$3.11
Dec2004	\$3.50	Dec2004	\$2.60
Dec2003	\$2.17	Dec2003	\$2.07
Dec2002	\$2.36	Dec2002	\$1.91
Dec2001	\$2.04	Dec2001	\$1.57
Dec2000	\$1.65	Balance Sheet Information	
Dec1999	\$1.35	9/1/2018	
Dec1998	\$1.04	Total Current Assets	\$9,262,000,000
	\$0.66	Total Current Liabilities	\$6,394,000,000
		Long-Term Debt	\$44,000,000
		Total Assets	\$174,862,000,000
		Intangible Assets	\$31,380,000,000
		Total Liabilities	\$142,392,000,000
		Shares Outstanding (Diluted Average)	161,378,000





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

[BlackRock Inc Valuation – March 2018 \\$BLK](#)
[10 Undervalued Companies for the Defensive Dividend Stock Investor – January 2017](#)
[10 Undervalued Companies for the Defensive Dividend Stock Investor – December 2016](#)
[9 Best Stocks For Value Investors This Week – 6/24/16](#)
[BlackRock Inc Valuation – June 2016 \\$BLK](#)

Other
ModernGraham
posts about related
companies

[Invesco Ltd Valuation – January 2019 \\$IVZ](#)
[Capital One Financial Corp Valuation – January 2019 \\$COF](#)
[Total System Services Inc Valuation – December 2018 \\$TSS](#)
[Goldman Sachs Group Inc Valuation – November 2018 \\$GS](#)
[KKR & Co Inc Valuation – September 2018 \\$KKR](#)
[CorVel Corp Valuation – August 2018 \\$CRVL](#)
[Jones Lang LaSalle Inc Valuation – August 2018 \\$JLL](#)
[Investment Technology Group Inc Valuation – July 2018 \\$ITG](#)
[Stifel Financial Corp Valuation – July 2018 \\$SF](#)
[CI Financial Corp Valuation – July 2018 \\$TSE:CIX](#)