

# ModernGraham Valuation

PNC Financial  
Services Group Inc



Company Name:

Company Ticker PNC

Date of Analysis

1/14/2019

## 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	\$55,624,785,158	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	89.35%	Pass
5. Moderate PEmg Ratio	PEmg < 20	12.98	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

<b>Defensive</b>	<b>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	9.29
MG Growth Estimate	6.31%
<b>MG Value</b>	<b>\$196.11</b>
MG Value based on 3% Growth	\$134.68
MG Value based on 0% Growth	\$78.95
Market Implied Growth Rate	2.24%

### MG Opinion

Current Price	\$120.55
% of Intrinsic Value	61.47%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>A</b>

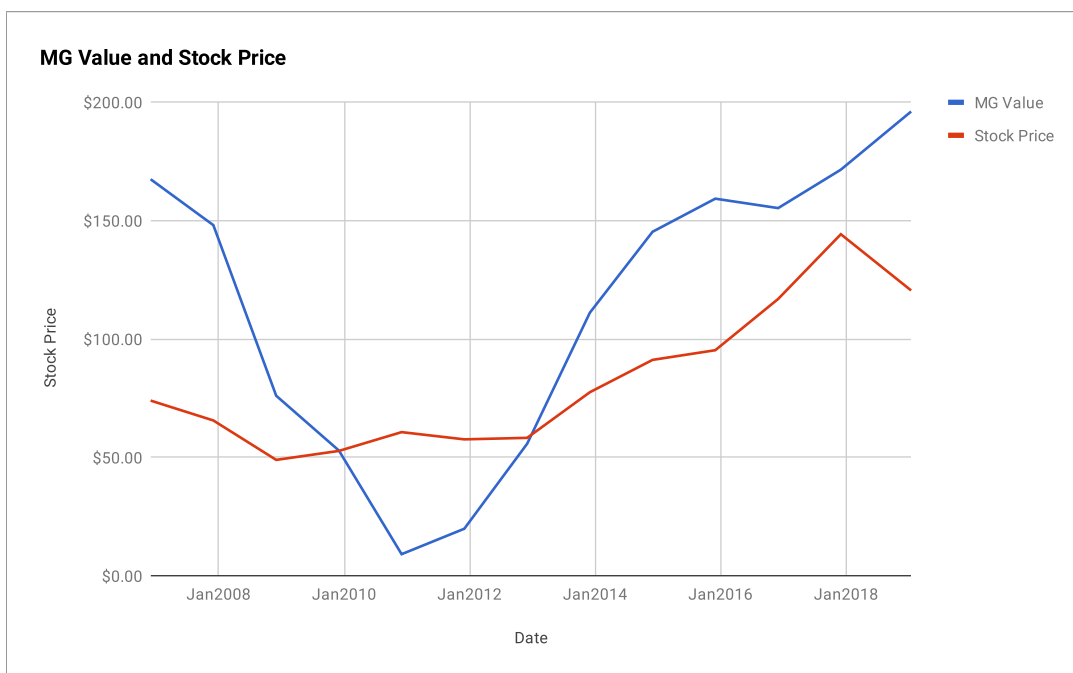
## Stage 3: Information for Further Research

Graham Number	\$156.09
PEmg	12.98
PB Ratio	1.20
Dividend Yield	2.16%
Number of Consecutive Years of Dividend Growth	7

### 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	\$10.78	Next Fiscal Year Estimate	\$9.29
Dec2017	\$10.36	Dec2017	\$8.34
Dec2016	\$7.30	Dec2016	\$7.20
Dec2015	\$7.39	Dec2015	\$6.96
Dec2014	\$7.30	Dec2014	\$6.54
Dec2013	\$7.36	Dec2013	\$5.95
Dec2012	\$5.28	Dec2012	\$5.01
Dec2011	\$5.64	Dec2011	\$4.71
Dec2010	\$5.02	Dec2010	\$4.49
Dec2009	\$4.36	Dec2009	\$4.44
Dec2008	\$2.44	Dec2008	\$4.61
Dec2007	\$4.35	Dec2007	\$5.49
Dec2006	\$8.73	Dec2006	\$5.72
Dec2005	\$4.55	Dec2005	\$3.99
Dec2004	\$4.21	Dec2004	\$3.64
Dec2003	\$3.55	Dec2003	\$3.39
Dec2002	\$4.15	Dec2002	\$3.37
Dec2001	\$1.26		
Dec2000	\$4.31		
Dec1999	\$4.15		
Dec1998	\$3.60		
		<b>Balance Sheet Information 9/1/2018</b>	
		Long-Term Debt & Capital Lease Obligation	\$52,476,000,000
		Total Assets	\$380,080,000,000
		Intangible Assets	\$11,354,000,000
		Total Liabilities	\$332,978,000,000
		Shares Outstanding (Diluted Average)	467,000,000





**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**
- [PNC Financial Services Group Inc Valuation – March 2018 \\$PNC](#)
  - [10 Stocks for Using A Benjamin Graham Value Investing Strategy – January 2017](#)
  - [10 Low PE Stock Picks for the Defensive Investor – August 2016](#)
  - [Best Stocks to Invest In: the Bank Industry – August 2016](#)
  - [5 Companies for Defensive Investors Near 52 Week Lows – Aug 2016](#)

- Other ModernGraham posts about related companies**
- [KeyCorp Valuation – January 2019 \\$KEY](#)
  - [Citigroup Inc Valuation – January 2019 \\$C](#)
  - [People’s United Financial Inc Valuation – January 2019 \\$PBCT](#)
  - [JPMorgan Chase & Co Valuation – November 2018 \\$JPM](#)
  - [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](#)