

ModernGraham Valuation

Company Name:

Nucor Corporation

Company Ticker NUE

Date of Analysis

2/24/2019



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	\$18,699,112,870	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.08	Pass
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	274.61%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	12.58	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.86	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	3.08	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.73	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		Pass
	Score		

Suitability

Defensive	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$4.86
MG Growth Estimate	15.00%
MG Value	\$187.21
MG Value based on 3% Growth	\$70.51
MG Value based on 0% Growth	\$41.33
Market Implied Growth Rate	2.04%

MG Opinion

Current Price	\$61.19
% of Intrinsic Value	32.68%
Opinion	Undervalued
MG Grade	B+

Stage 3: Information for Further Research

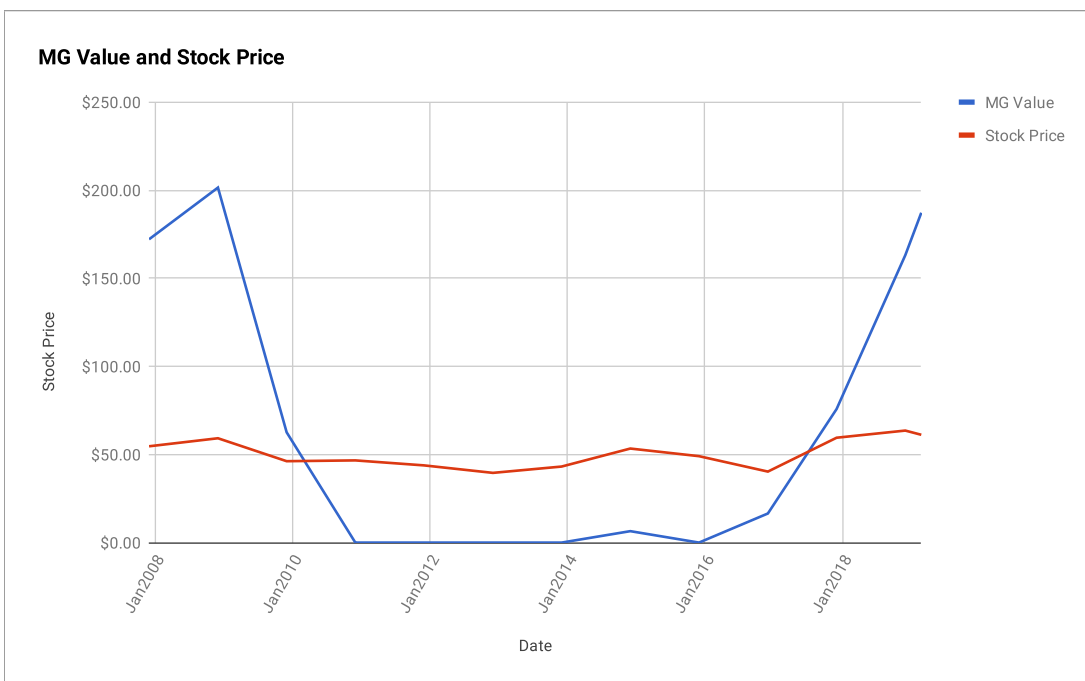
Net Current Asset Value (NCAV)	\$2.96
Graham Number	\$60.93
PEmg	12.58
Current Ratio	3.08
PB Ratio	1.86
Current Dividend	\$1.54
Dividend Yield	2.52%
Number of Consecutive Years of Dividend Growth	9

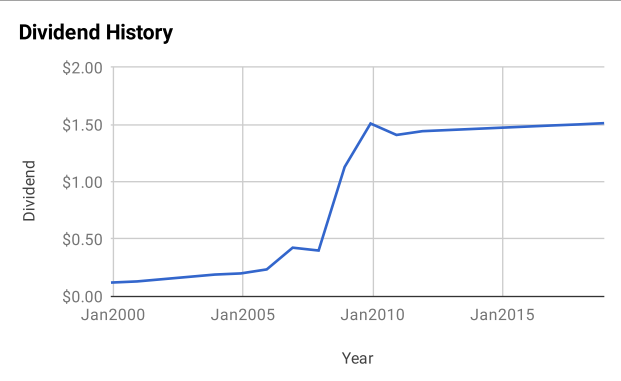
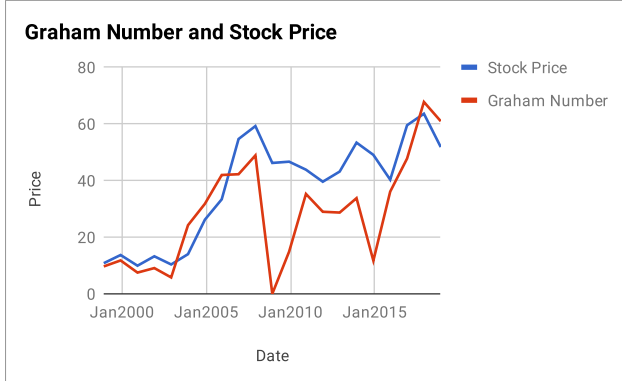
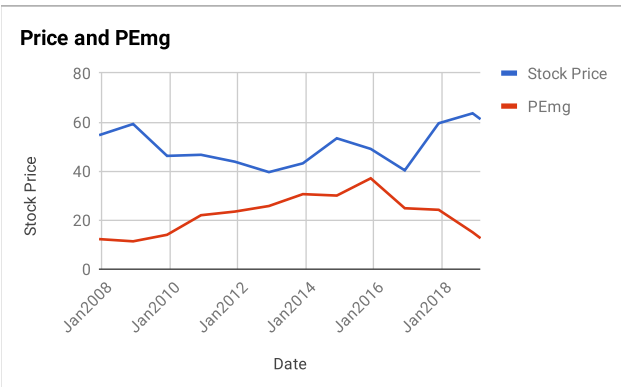
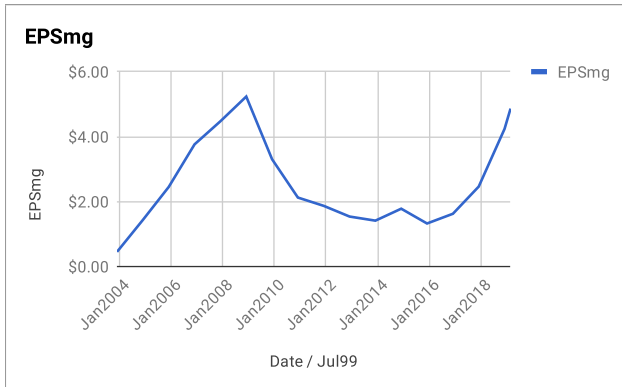
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$5.15	Next Fiscal Year Estimate	\$4.86
Dec2018	\$7.42	Dec2018	\$4.24
Dec2017	\$4.10	Dec2017	\$2.46
Dec2016	\$2.48	Dec2016	\$1.62
Dec2015	\$0.25	Dec2015	\$1.32
Dec2014	\$2.11	Dec2014	\$1.78
Dec2013	\$1.52	Dec2013	\$1.41
Dec2012	\$1.58	Dec2012	\$1.54
Dec2011	\$2.45	Dec2011	\$1.87
Dec2010	\$0.42	Dec2010	\$2.12
Dec2009	-\$0.94	Dec2009	\$3.30
Dec2008	\$5.98	Dec2008	\$5.23
Dec2007	\$4.94	Dec2007	\$4.47
Dec2006	\$5.68	Dec2006	\$3.76
Dec2005	\$4.15	Dec2005	\$2.45
Dec2004	\$3.50	Dec2004	\$1.44
Dec2003	\$0.20	Dec2003	\$0.45
Dec2002	\$0.52	Balance Sheet Information 12/1/2018	
Dec2001	\$0.36	Total Current Assets	\$8,636,265,000
Dec2000	\$0.95	Total Current Liabilities	\$2,806,300,000
Dec1999	\$0.70	Long-Term Debt	\$4,233,276,000
		Total Assets	\$17,920,588,000
		Intangible Assets	\$3,012,840,000
		Total Liabilities	\$7,718,620,000
		Shares Outstanding (Diluted Average)	310,447,000





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**
- [Nucor Corporation Valuation – May 2018 \\$NUE](#)
 - [Nucor Corporation Valuation – December 2016 \\$NUE](#)
 - [Nucor Corp Valuation – August 2016 \\$NUE](#)
 - [Nucor Corp Valuation – February 2016 Update \\$NUE](#)
 - [Nucor Corporation Analysis – September 2015 Update \\$NUE](#)

- Other ModernGraham posts about related companies**
- [Labrador Iron Ore Royalty Corp Valuation – September 2018 \\$TSE:LIF](#)
 - [Steel Dynamics Inc Valuation – August 2018 \\$STLD](#)
 - [Carpenter Technology Corp Valuation – August 2018 \\$CRS](#)
 - [Commercial Metals Co Valuation – July 2018 \\$CMC](#)
 - [United States Steel Corp Valuation – June 2018 \\$X](#)
 - [Nucor Corporation Valuation – May 2018 \\$NUE](#)
 - [Labrador Iron Ore Royalty Corp Valuation – Initial Coverage \\$TSE:LIF](#)
 - [SunCoke Energy Inc Valuation – Initial Coverage \\$SXC](#)
 - [Steel Dynamics Inc Valuation – Initial Coverage \\$STLD](#)
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