

ModernGraham Valuation

Company Name:

Ameren Corp

Company Ticker

AEE

Date of Analysis

3/9/2019



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	\$17,540,601,213	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.57	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
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	-780.47%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	24.50	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.28	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	0.57	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-6.81	Fail
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	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.93
MG Growth Estimate	15.00%
MG Value	\$112.68
MG Value based on 3% Growth	\$42.44
MG Value based on 0% Growth	\$24.88
Market Implied Growth Rate	8.00%

MG Opinion

Current Price	\$71.70
% of Intrinsic Value	63.63%
Opinion	Undervalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$72.59
Graham Number	\$47.77
PEmg	24.50
Current Ratio	0.57
PB Ratio	2.28
Current Dividend	\$1.85
Dividend Yield	2.58%
Number of Consecutive Years of Dividend Growth	5

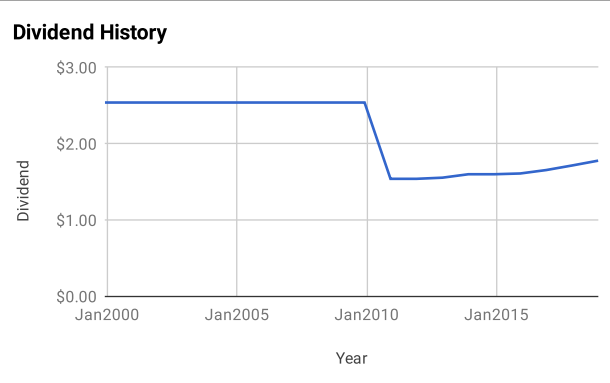
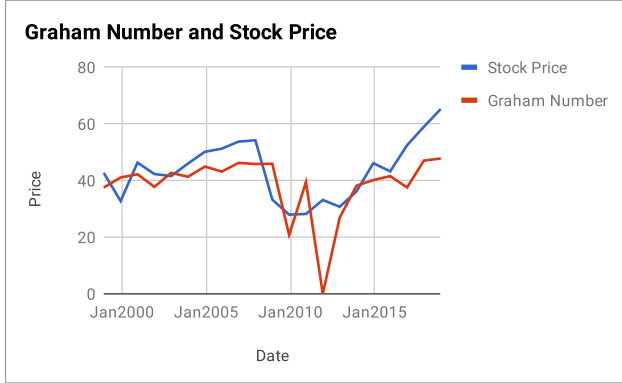
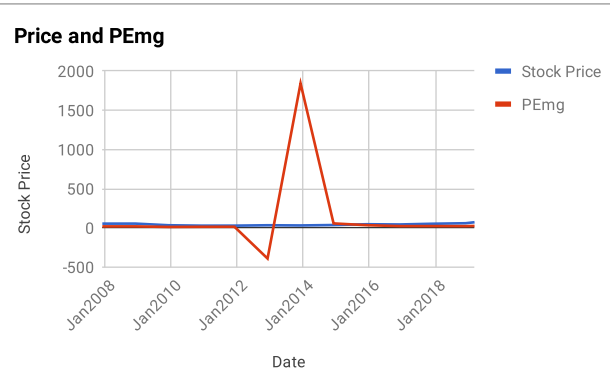
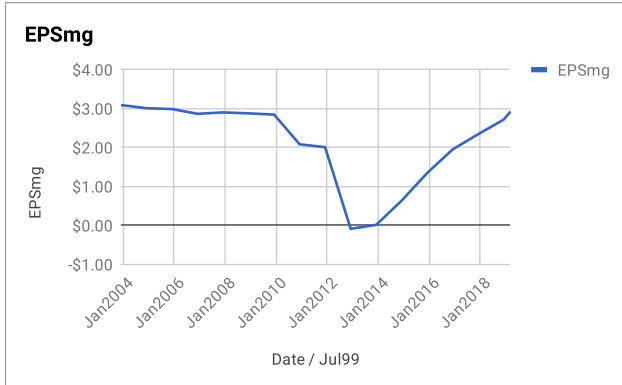
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2018	\$3.25	Dec2018	\$2.93
Dec2017	\$3.32	Dec2017	\$2.72
Dec2016	\$2.14	Dec2016	\$2.34
Dec2015	\$2.68	Dec2015	\$1.95
Dec2014	\$2.59	Dec2014	\$1.35
Dec2013	\$2.40	Dec2013	\$0.64
Dec2012	\$1.18	Dec2012	\$0.02
Dec2011	-\$4.01	Dec2011	-\$0.08
Dec2010	\$2.15	Dec2010	\$2.01
Dec2009	\$0.58	Dec2009	\$2.09
Dec2008	\$2.78	Dec2008	\$2.85
Dec2007	\$2.88	Dec2007	\$2.88
Dec2006	\$2.98	Dec2006	\$2.90
Dec2005	\$2.66	Dec2005	\$2.87
Dec2004	\$3.02	Dec2004	\$2.99
Dec2003	\$2.84	Dec2003	\$3.01
Dec2002	\$3.25	Dec2003	\$3.09
Dec2001	\$2.61	Balance Sheet Information 12/1/2018	
Dec2000	\$3.40	Total Current Assets	\$1,533,000,000
Dec1999	\$3.33	Total Current Liabilities	\$2,687,000,000
	\$2.81	Long-Term Debt	\$7,859,000,000
		Total Assets	\$27,215,000,000
		Intangible Assets	\$411,000,000
		Total Liabilities	\$19,442,000,000
		Shares Outstanding (Diluted Average)	246,700,000





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.

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