

ModernGraham Valuation

Company Name:

Chubb Ltd

Company Ticker

CB

Date of Analysis

3/15/2019



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	\$62,335,221,108	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. 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		
4. Earnings Growth		25.14%	Fail
5. Moderate PEmg Ratio	PEmg < 20	14.98	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.25	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	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	9.08
MG Growth Estimate	0.73%
MG Value	\$90.36
MG Value based on 3% Growth	\$131.60
MG Value based on 0% Growth	\$77.15
Market Implied Growth Rate	3.24%

MG Opinion

Current Price	\$135.96
% of Intrinsic Value	150.47%
Opinion	Overvalued
MG Grade	B

Stage 3: Information for Further Research

Graham Number	\$158.96
PEmg	14.98
PB Ratio	1.25
Dividend Yield	2.13%
Number of Consecutive Years of Dividend Growth	3

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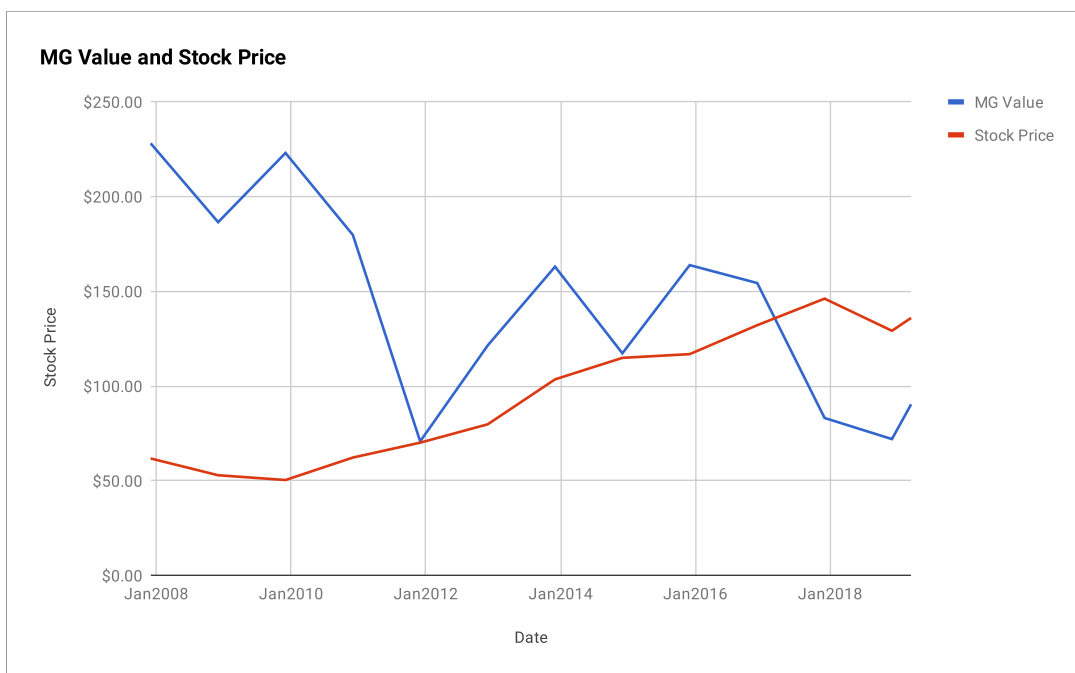
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2018	\$10.25	Dec2018	\$9.08
Dec2017	\$8.49	Dec2017	\$8.50
Dec2016	\$8.19	Dec2016	\$8.67
Dec2015	\$8.87	Dec2015	\$8.92
Dec2014	\$8.62	Dec2014	\$8.66
Dec2013	\$8.42	Dec2013	\$8.51
Dec2012	\$10.92	Dec2012	\$8.37
Dec2011	\$7.89	Dec2011	\$6.90
Dec2010	\$4.52	Dec2010	\$6.42
Dec2009	\$9.11	Dec2009	\$7.23
Dec2008	\$7.55	Dec2008	\$6.12
Dec2007	\$3.50	Dec2007	\$5.29
Dec2006	\$7.66	Dec2006	\$5.93
Dec2005	\$6.91	Dec2005	\$4.68
Dec2004	\$3.31	Dec2004	\$3.17
Dec2003	\$3.88	Dec2003	\$2.80
Dec2002	\$5.25	Dec2003	\$2.10
Dec2001	\$0.27	Balance Sheet Information 12/1/2018	
Dec2000	-\$0.78	Long-Term Debt & Capital Lease Obligation	\$12,395,000,000
Dec1999	\$2.31	Total Assets	\$167,771,000,000
	\$1.85	Intangible Assets	\$21,709,000,000
		Total Liabilities	\$117,459,000,000
		Shares Outstanding (Diluted Average)	463,196,000





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

- [Chubb Ltd Valuation – June 2018 \\$CB](#)
- [Chubb Ltd Valuation – March 2017 \\$CB](#)
- [21 Best Undervalued Stocks of the Week – 8/27/16](#)
- [Chubb Limited Valuation – August 2016 \\$CB](#)
- [Chubb Ltd Stock Valuation – February 2016 \\$CB](#)

Other ModernGraham posts about related companies

- [Loews Corporation Valuation – March 2019 #L](#)
- [Anthem Inc Valuation – February 2019 \\$ANTM](#)
- [Arthur J Gallagher & Co Valuation – February 2019 \\$AJG](#)
- [Brighthouse Financial Inc Valuation – February 2019 \\$BHF](#)
- [Allstate Corp Valuation – February 2019 \\$ALL](#)
- [Hartford Financial Services Group Inc Valuation – February 2019 \\$HIG](#)
- [Unum Group Valuation – February 2019 \\$UNM](#)
- [Everest Re Group Ltd Valuation – February 2019 \\$RE](#)
- [Cigna Corp Valuation – January 2019 \\$CI](#)
- [MetLife Inc Valuation – January 2019 \\$MET](#)