

ModernGraham Valuation

Company Name:

Duke Energy Corp

Company Ticker DUK

Date of Analysis

3/10/2019



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	\$65,576,389,981	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.65	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	31.52%	Fail
5. Earnings Growth	PEmg < 20	21.51	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.48	Pass
7. Moderate Price to Assets			

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	0.65	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-9.53	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	\$4.19
MG Growth Estimate	3.09%
MG Value	\$61.57
MG Value based on 3% Growth	\$60.79
MG Value based on 0% Growth	\$35.64
Market Implied Growth Rate	6.51%

MG Opinion

Current Price	\$90.20
% of Intrinsic Value	146.50%
Opinion	Overvalued
MG Grade	D+

Stage 3: Information for Further Research

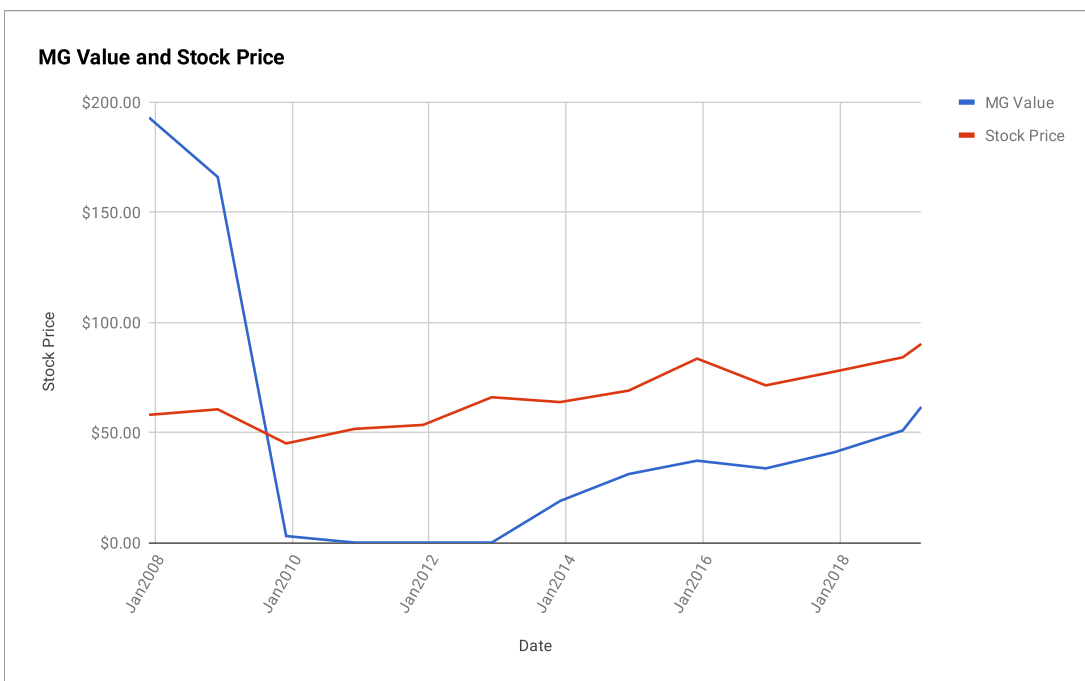
Net Current Asset Value (NCAV)	-\$128.09
Graham Number	\$81.52
PEmg	21.51
Current Ratio	0.65
PB Ratio	1.48
Current Dividend	\$3.64
Dividend Yield	4.03%
Number of Consecutive Years of Dividend Growth	11

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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2018	\$3.76	Dec2018	\$3.76
Dec2017	\$4.36	Dec2017	\$3.70
Dec2016	\$3.11	Dec2016	\$3.35
Dec2015	\$4.05	Dec2015	\$3.48
Dec2014	\$2.66	Dec2014	\$3.21
Dec2013	\$3.76	Dec2013	\$3.40
Dec2012	\$3.07	Dec2012	\$3.19
Dec2011	\$3.83	Dec2011	\$3.24
Dec2010	\$3.00	Dec2010	\$3.09
Dec2009	\$2.49	Dec2009	\$3.77
Dec2008	\$3.21	Dec2008	\$4.77
Dec2007	\$3.54	Dec2007	\$5.01
Dec2006	\$4.71	Dec2006	\$5.15
Dec2005	\$11.28	Dec2005	\$5.08
Dec2004	\$4.62	Dec2004	\$2.54
Dec2003	-\$4.44	Dec2003	\$2.32
Dec2002	\$3.66	Balance Sheet Information 12/1/2018	
Dec2001	\$7.32	Total Current Assets	\$9,714,000,000
Dec2000	\$7.14	Total Current Liabilities	\$15,041,000,000
Dec1999	\$6.09	Long-Term Debt	\$50,788,000,000
		Total Assets	\$145,392,000,000
		Intangible Assets	\$19,303,000,000
		Total Liabilities	\$101,558,000,000
		Shares Outstanding (Diluted Average)	717,000,000





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.

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