

ModernGraham Valuation

Company Name:

Halliburton Company

Company Ticker HAL

Date of Analysis

3/3/2019



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	\$26,987,755,256	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.32	Pass
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	-70.87%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	-134.48	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.83	Fail

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	2.32	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.64	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.23
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$3.34
MG Value based on 0% Growth	-\$1.96
Market Implied Growth Rate	-71.49%

MG Opinion

Current Price	\$30.93
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

Stage 3: Information for Further Research

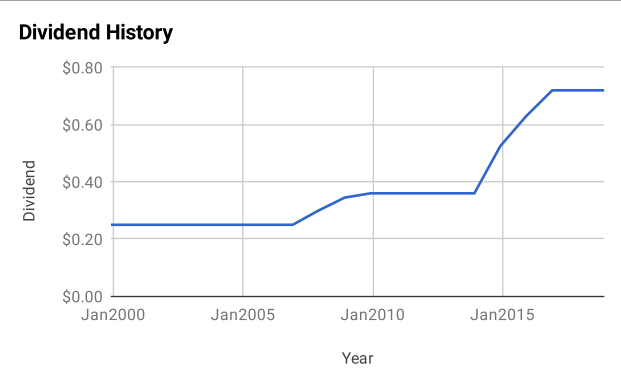
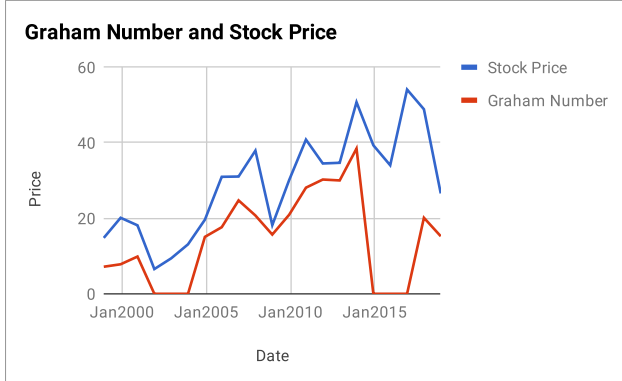
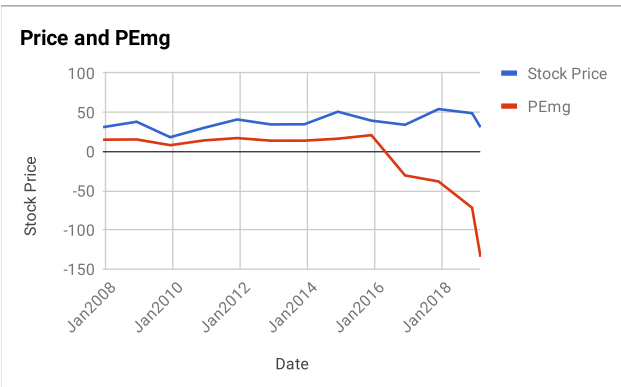
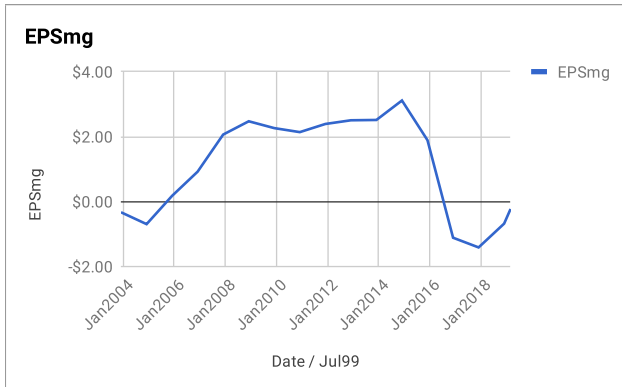
Net Current Asset Value (NCAV)	-\$6.06
Graham Number	\$15.24
PEmg	-134.48
Current Ratio	2.32
PB Ratio	2.83
Current Dividend	\$0.72
Dividend Yield	2.33%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.95	Next Fiscal Year Estimate	-\$0.23
Dec2018	\$1.89	Dec2018	-\$0.68
Dec2017	-\$0.53	Dec2017	-\$1.41
Dec2016	-\$6.69	Dec2016	-\$1.11
Dec2015	-\$0.79	Dec2015	\$1.89
Dec2014	\$4.11	Dec2014	\$3.11
Dec2013	\$2.36	Dec2013	\$2.51
Dec2012	\$2.84	Dec2012	\$2.50
Dec2011	\$3.08	Dec2011	\$2.39
Dec2010	\$2.01	Dec2010	\$2.14
Dec2009	\$1.27	Dec2009	\$2.26
Dec2008	\$2.45	Dec2008	\$2.47
Dec2007	\$3.68	Dec2007	\$2.06
Dec2006	\$2.23	Dec2006	\$0.92
Dec2005	\$2.27	Dec2005	\$0.18
Dec2004	-\$1.12	Dec2004	-\$0.70
Dec2003	-\$0.95	Dec2003	-\$0.33
Dec2002	-\$1.16	Balance Sheet Information 12/1/2018	
Dec2001	\$0.94	Total Current Assets	\$11,151,000,000
Dec2000	\$0.56	Total Current Liabilities	\$4,802,000,000
Dec1999	\$0.50	Long-Term Debt	\$10,421,000,000
		Total Assets	\$25,982,000,000
		Intangible Assets	\$2,825,000,000
		Total Liabilities	\$16,438,000,000
		Shares Outstanding (Diluted Average)	872,000,000





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**
- [Halliburton Co Valuation – May 2018 \\$HAL](#)
 - [Most Overvalued Stocks of the S&P 500 – March 2017](#)
 - [Halliburton Company Valuation – January 2017 \\$HAL](#)
 - [Halliburton Company Analysis – September 2015 Update \\$HAL](#)
 - [Halliburton Company Analysis – June 2015 Update \\$HAL](#)

- Other ModernGraham posts about related companies**
- [Kinder Morgan Inc Valuation – February 2019 \\$KMI](#)
 - [National Oilwell Varco Inc Valuation – February 2019 \\$NOV](#)
 - [Diamondback Energy Inc Valuation – February 2019 \\$FANG](#)
 - [TechnipFMC PLC Valuation – February 2019 \\$FTI](#)
 - [Marathon Petroleum Corp Valuation – February 2019 \\$MPC](#)
 - [Baker Hughes, a GE Co Valuation – February 2019 \\$BHGE](#)
 - [EOG Resources Inc Valuation – February 2019 \\$EOG](#)
 - [ConocoPhillips Valuation – February 2019 \\$COP](#)
 - [Devon Energy Corp Valuation – January 2019 \\$DVN](#)
 - [Noble Energy Inc Valuation – January 2019 \\$NBL](#)