

# ModernGraham Valuation

Company Name:

Chevron Corporation

Company Ticker CVX

Date of Analysis

4/6/2019



## 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	\$240,205,960,980	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.25	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	-49.28%	Fail
5. Earnings Growth	PEmg < 20	24.83	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.55	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	1.25	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	4.19	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 Score		Fail

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$5.09
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	\$73.82
MG Value based on 0% Growth	\$43.28
Market Implied Growth Rate	8.17%

### MG Opinion

Current Price	\$126.42
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$33.68
Graham Number	\$102.65
PEmg	24.83
Current Ratio	1.25
PB Ratio	1.55
Current Dividend	\$4.48
Dividend Yield	3.54%
Number of Consecutive Years of Dividend Growth	20

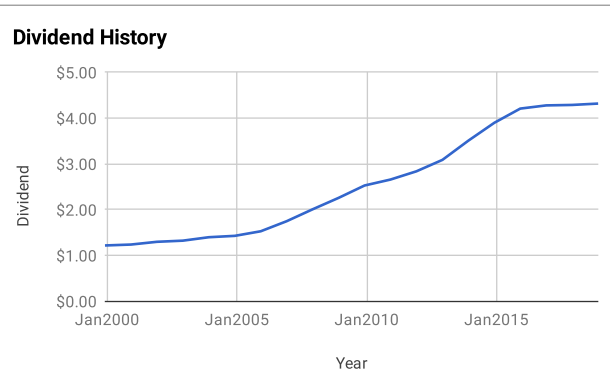
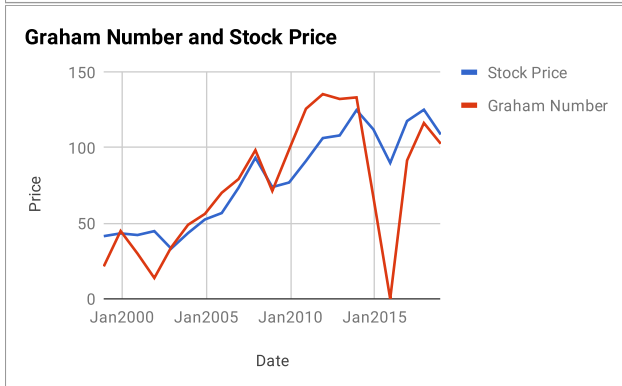
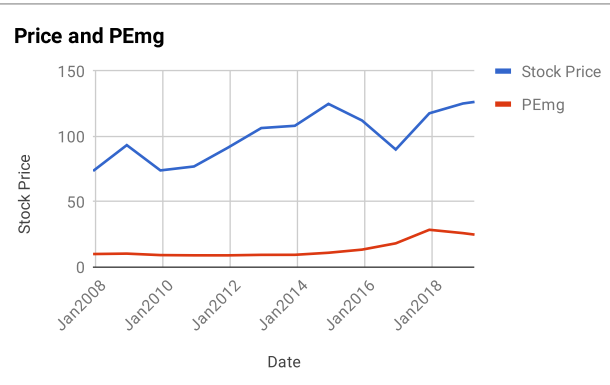
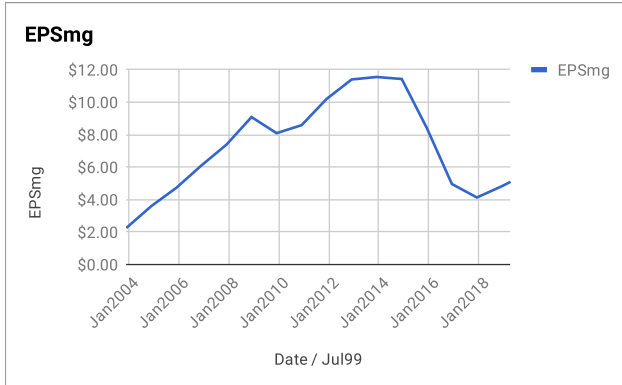
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2018	\$5.79	Dec2018	\$5.09
Dec2017	\$7.74	Dec2017	\$4.82
Dec2016	\$4.85	Dec2016	\$4.13
Dec2015	-\$0.27	Dec2015	\$4.96
Dec2014	\$2.45	Dec2014	\$8.41
Dec2013	\$10.14	Dec2013	\$11.43
Dec2012	\$11.09	Dec2012	\$11.55
Dec2011	\$13.32	Dec2011	\$11.40
Dec2010	\$13.44	Dec2010	\$10.20
Dec2009	\$9.48	Dec2009	\$8.58
Dec2008	\$5.24	Dec2008	\$8.09
Dec2007	\$11.67	Dec2007	\$9.08
Dec2006	\$8.77	Dec2006	\$7.38
Dec2005	\$7.80	Dec2005	\$6.10
Dec2004	\$6.54	Dec2004	\$4.72
Dec2003	\$6.28	Dec2003	\$3.60
Dec2002	\$3.48	Dec2003	\$2.25
Dec2001	\$0.53	<b>Balance Sheet Information</b>	
Dec2000	\$1.55	<b>12/1/2018</b>	
Dec2000	\$3.99	Total Current Assets	\$34,021,000,000
Dec1999	\$1.57	Total Current Liabilities	\$27,171,000,000
		Long-Term Debt	\$28,733,000,000
		Total Assets	\$253,863,000,000
		Intangible Assets	\$4,518,000,000
		Total Liabilities	\$98,221,000,000
		Shares Outstanding (Diluted Average)	1,906,314,000





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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