

ModernGraham Valuation

Goldman Sachs
Group Inc



Company Name:

Company Ticker GS

Date of Analysis

4/7/2019

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	\$74,225,517,968	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	62.01%	Pass
5. Moderate PEmg Ratio	PEmg < 20	11.71	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.86	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	Yes
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	17.28
MG Growth Estimate	3.68%
MG Value	\$274.01
MG Value based on 3% Growth	\$250.54
MG Value based on 0% Growth	\$146.87
Market Implied Growth Rate	1.61%

MG Opinion

Current Price	\$202.38
% of Intrinsic Value	73.86%
Opinion	Undervalued
MG Grade	A-

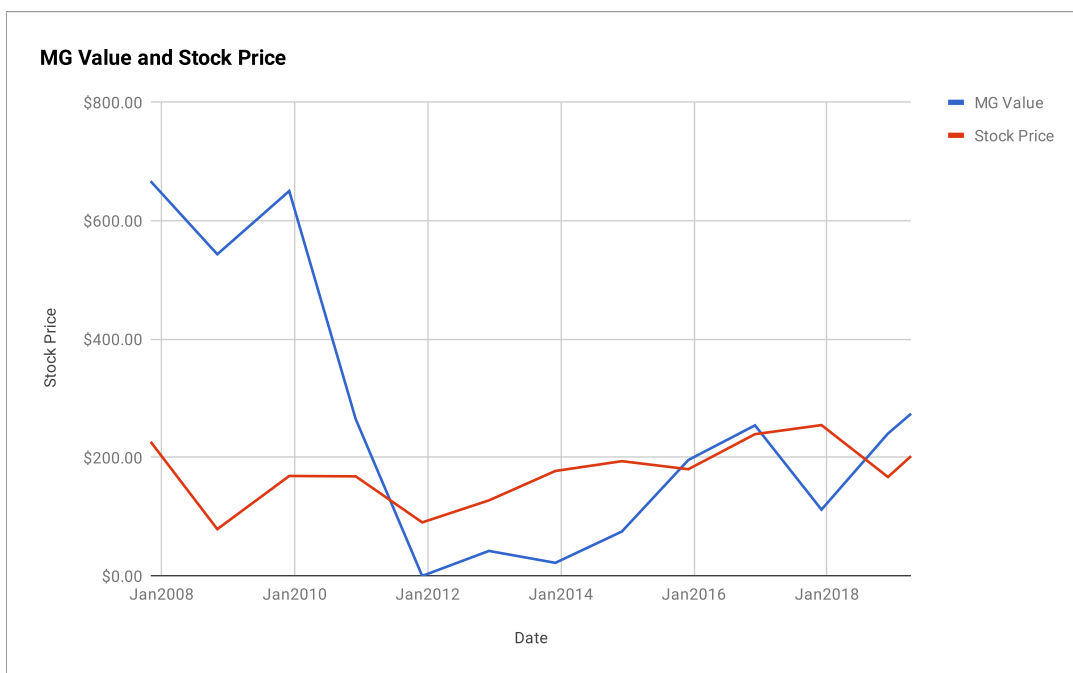
Stage 3: Information for Further Research

Graham Number	\$287.24
PEmg	11.71
PB Ratio	0.86
Dividend Yield	1.56%
Number of Consecutive Years of Dividend Growth	7

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	\$17.27	Next Fiscal Year Estimate	\$17.28
Dec2018	\$25.27	Dec2018	\$16.84
Dec2017	\$9.01	Dec2017	\$13.08
Dec2016	\$16.29	Dec2016	\$15.08
Dec2015	\$12.14	Dec2015	\$13.88
Dec2014	\$17.07	Dec2014	\$14.12
Dec2013	\$15.46	Dec2013	\$13.06
Dec2012	\$14.13	Dec2012	\$11.80
Dec2011	\$4.51	Dec2011	\$11.69
Dec2010	\$13.18	Dec2010	\$15.80
Dec2009	\$22.13	Dec2009	\$16.89
Nov2008	\$4.47	Nov2008	\$14.11
Nov2007	\$24.73	Nov2007	\$17.32
Nov2006	\$19.69	Nov2006	\$12.39
Nov2005	\$11.21	Nov2005	\$8.11
Nov2004	\$8.92	Nov2004	\$6.31
Nov2003	\$5.87	Nov2003	\$5.05
Nov2002	\$4.03		
Nov2001	\$4.26		
Nov2000	\$6.00		
Nov1999	\$5.57		
		Balance Sheet Information	12/1/2018
		Long-Term Debt & Capital Lease Obligation	\$245,582,000,000
		Total Assets	\$931,796,000,000
		Intangible Assets	\$4,082,000,000
		Total Liabilities	\$841,611,000,000
		Shares Outstanding (Diluted Average)	383,900,000





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**
- [Goldman Sachs Group Inc Valuation – November 2018 \\$GS](#)
 - [Goldman Sachs Group Inc Valuation – February 2018 \\$GS](#)
 - [Goldman Sachs Group Inc Valuation – June 2016 \\$GS](#)
 - [10 Low PE Stocks for the Enterprising Investor – June 2016](#)
 - [Stocks Trading Below Their Graham Number – May 2016](#)

- Other ModernGraham posts about related companies**
- [American Express Co Valuation – April 2019 #AXP](#)
 - [Broadridge Financial Solutions Inc Valuation – April 2019 #BR](#)
 - [T.Rowe Price Group Inc Valuation – March 2019 #TROW](#)
 - [Moody's Corp Valuation – March 2019 #MCO](#)
 - [Charles Schwab Corp Valuation – March 2019 #SCHW](#)
 - [Willis Towers Watson PLC Valuation – March 2019 #WLTW](#)
 - [Paypal Holdings Inc Valuation – March 2019 #PYPL](#)
 - [Synchrony Financial Valuation – March 2019 #SYF](#)
 - [CBRE Group Inc Valuation – March 2019 #CBRE](#)
 - [Franklin Resources Inc Valuation – March 2019 #BEN](#)