

ModernGraham Valuation

Company Name:

Company Ticker PRU
Date of Analysis

Prudential Financial
Inc

4/1/2019



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	\$39,227,191,497	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
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		191.48%	Pass
5. Moderate PEmg Ratio	PEmg < 20	7.86	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.82	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	12.20
MG Growth Estimate	15.00%
MG Value	\$469.62
MG Value based on 3% Growth	\$176.87
MG Value based on 0% Growth	\$103.68
Market Implied Growth Rate	-0.32%

MG Opinion

Current Price	\$95.91
% of Intrinsic Value	20.42%
Opinion	Undervalued
MG Grade	A-

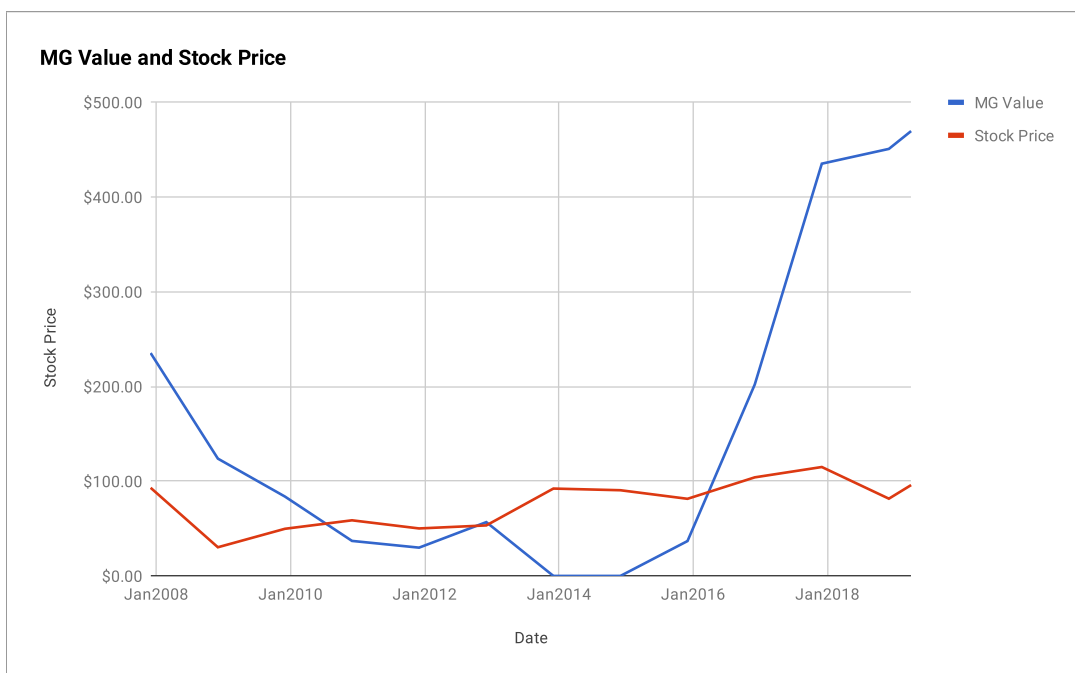
Stage 3: Information for Further Research

Graham Number	\$177.98
PEmg	7.86
PB Ratio	0.82
Dividend Yield	3.75%
Number of Consecutive Years of Dividend Growth	10

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	\$11.96	Next Fiscal Year Estimate	\$12.20
Dec2018	\$9.50	Dec2018	\$11.71
Dec2017	\$17.86	Dec2017	\$11.30
Dec2016	\$9.71	Dec2016	\$6.99
Dec2015	\$12.17	Dec2015	\$5.22
Dec2014	\$3.23	Dec2014	\$2.18
Dec2013	-\$1.55	Dec2013	\$2.41
Dec2012	\$1.05	Dec2012	\$4.16
Dec2011	\$7.12	Dec2011	\$5.49
Dec2010	\$5.32	Dec2010	\$4.75
Dec2009	\$7.63	Dec2009	\$4.68
Dec2008	-\$2.53	Dec2008	\$3.55
Dec2007	\$7.61	Dec2007	\$6.11
Dec2006	\$6.50	Dec2006	\$4.87
Dec2005	\$6.34	Dec2005	\$3.56
Dec2004	\$3.31	Dec2004	\$1.89
Dec2003	\$1.98	Dec2003	\$1.01
Dec2002	\$1.25	Balance Sheet Information 12/1/2018	
Dec2001	\$0.07	Long-Term Debt & Capital Lease Obligation	\$18,333,000,000
Dec2000	\$0.00	Total Assets	\$815,078,000,000
Dec1999	\$0.00	Intangible Assets	\$1,850,000,000
		Total Liabilities	\$766,047,000,000
		Shares Outstanding (Diluted Average)	421,400,000





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**

- [Best Stocks Below Their Graham Number – February 2019](#)
- [10 Best Dividend Paying Stocks for the Enterprising Investor – September 2018](#)
- [5 Low P/E Companies In The S&P 500 – August 2018](#)
- [Most Undervalued Stocks of the S&P 500 – August 2018](#)
- [10 Undervalued Stocks for the Enterprising Investor – August 2018](#)

**Other
ModernGraham
posts about related
companies**

- [Torchmark Corp Valuation – March 2019 #TMK](#)
- [Assurant Inc Valuation – March 2019 #AIZ](#)
- [Humana Inc Valuation – March 2019 #HUM](#)
- [American International Group Inc Valuation – March 2019 #AIG](#)
- [Chubb Ltd Valuation – March 2019 #CB](#)
- [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](#)