CHEVRON CORP. NYSE-CVX

RECENT PRICE	122.84	P/E RATIO	11.5 (Trailing: 12.0 Median: 8.5)	RELATIVE P/E RATIO	0.63	DIV'D YLD	3.5%	VALUE LINE

TIMELINESS	4	Lowered 4/11/14
SAFETY	1	Raised 1/4/91
TECHNICAL	3	Lowered 3/21/14

BETA 1.05 (1.00 = Market)

2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	155	(+25%)	9%
Low	125	(Nil)	4%

Insider Decisions

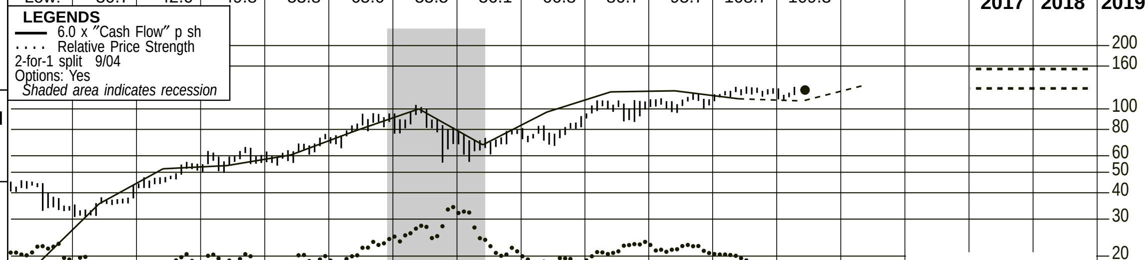
	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	1	0
Options	0	0	0	0	0	0	0	1	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2013	4Q2013	1Q2014
to Buy	716	824	771
to Sell	765	772	841
Hld's(000)	1234750	1219070	1195556

High:	43.5	56.1	66.0	76.2	95.5	104.6	79.8	92.4	110.0	118.5	127.8	127.3
Low:	30.7	42.0	49.8	53.8	65.0	55.5	56.1	66.8	86.7	95.7	108.7	109.3

Target Price Range
2017 | 2018 | 2019



% TOT. RETURN 4/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	6.4	22.9
3 yr.	26.5	40.2
5 yr.	125.3	175.8

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007[A]	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
23.40	27.87	40.63	50.11	46.37	56.94	73.70	88.77	86.02	105.67	136.21	85.50	102.85	128.06	124.27	119.61	*119.30*	*140.65*	Sales per sh [A]	*165.25*
2.80	3.76	6.26	4.88	2.98	5.90	8.67	8.96	10.09	13.11	16.69	11.26	16.10	20.09	20.34	18.61	*18.20*	*21.70*	"Cash Flow" per sh	*25.65*
1.02	1.57	3.99	1.55	.54	3.48	6.28	6.54	7.80	8.77	11.67	5.24	9.48	13.44	13.32	11.09	*10.65*	*13.40*	Earnings per sh [B]	*16.45*
1.22	1.24	1.30	1.33	1.40	1.43	1.54	1.75	2.01	2.26	2.53	2.66	2.84	3.09	3.51	3.90	*4.21*	*4.56*	Div'ds Decl'd per sh [C]■	*4.96*
2.97	3.33	2.85	4.58	3.56	2.63	2.99	3.90	5.65	7.98	9.81	9.89	9.84	13.38	15.89	19.85	*18.50*	*18.10*	Cap'l Spending per sh	*19.20*
13.04	13.52	15.53	16.02	14.79	16.97	21.47	28.07	28.22	36.88	43.23	45.79	52.74	61.67	70.80	78.62	*80.30*	*83.80*	Book Value per sh	*94.00*
1306.1	1312.7	1283.1	2120.2	2136.3	2138.3	2107.1	2232.7	2442.7	2090.4	2004.2	2007.4	1992.5	1981.2	1946.7	1913.3	*1905.0*	*1900.0*	Common Shs Outst'g [D]	*1900.0*
39.9	28.6	10.6	28.8	NMF	10.2	7.6	8.8	8.1	9.4	7.3	13.4	8.2	7.5	8.1	10.9	*Bold figures are*		Avg Ann'l P/E Ratio	*8.5*
2.08	1.63	.69	1.48	NMF	.58	.40	.47	.44	.50	.44	.89	.52	.47	.52	.61	*Value Line*		Relative P/E Ratio	*.55*
3.0%	2.8%	3.1%	3.0%	3.5%	4.0%	3.2%	3.0%	3.2%	2.7%	3.0%	3.8%	3.6%	3.1%	3.3%	3.2%	*estimates*		Avg Ann'l Div'd Yield	*3.0%*

CAPITAL STRUCTURE as of 3/31/14
Total Debt $23054 mill. **Due in 5 Yrs** $2089 mill.
LT Debt $20965 mill. **LT Interest** $412.2 mill.
Includes $263 million capitalized leases.
(11% of Cap'l)

Leases, Uncapitalized Annual rentals $406.4 mill.
Pension Assets-12/13 $6.12 bill. **Oblig.** $8.88 bill.

Pfd Stock None
Common Stock 1,903,650,099 shs.

MARKET CAP: $234 billion (Large Cap)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		17-19
155300	198200	210118	220904	273005	171636	204928	253706	241909	228848	*227265*	*270000*	Sales ($mill) [A]	*314000*
17.0%	16.1%	19.1%	18.5%	19.3%	18.2%	22.3%	24.0%	24.9%	22.2%	*20.0%*	*23.0%*	Operating Margin	*25.0%*
4935.0	5913.0	7506.0	8708.0	9528.0	12110	13063	12911	13413	14186	*14400*	*15900*	Depreciation ($mill)	*17510*
13328	14099	17138	18688	23931	10483	19024	26895	26179	21423	*20290*	*25730*	Net Profit ($mill)	*31255*
35.1%	44.0%	46.4%	41.9%	44.3%	43.4%	40.7%	43.5%	43.5%	40.3%	*42.5%*	*43.0%*	Income Tax Rate	*44.0%*
8.6%	7.1%	8.2%	8.5%	8.8%	6.1%	9.3%	10.6%	10.8%	9.4%	*8.9%*	*9.5%*	Net Profit Margin	*10.0%*
9708.0	9325.0	7895.0	5579.0	4447.0	11005	19829	19634	21508	16015	*17300*	*17700*	Working Cap'l ($mill)	*21050*
10217	12131	7679.0	6070.0	6083.0	10130	11289	9812.0	12065	20057	*21000*	*21000*	Long-Term Debt ($mill)	*24300*
45230	62676	68935	77088	86648	91914	105081	122181	137832	150427	*153000*	*160900*	Shr. Equity ($mill)	*178600*
24.7%	19.4%	22.7%	22.6%	26.0%	10.6%	16.6%	20.6%	17.7%	12.8%	*11.5%*	*13.5%*	Return on Total Cap'l	*15.5%*
29.5%	22.5%	24.9%	24.2%	27.6%	11.4%	18.1%	22.0%	19.0%	14.2%	*13.5%*	*16.0%*	Return on Shr. Equity	*17.5%*
22.3%	16.5%	18.5%	18.0%	21.7%	5.6%	12.7%	17.0%	14.0%	9.3%	*8.0%*	*10.5%*	Retained to Com Eq	*12.0%*
24%	27%	26%	26%	22%	51%	30%	23%	26%	35%	*40%*	*34%*	All Div'ds to Net Prof	*30%*

CURRENT POSITION ($MILL.)	2012	2013	3/31/14
Cash Assets	21913	16516	16183
Receivables	20997	21782	22017
Inventory (LIFO)	6144	6809	7003
Other	6666	7134	7215
Current Assets	55720	52241	52418
Accts Payable	22776	23210	24107
Debt Due	127	2126	2089
Other	11309	10890	10674
Current Liab.	34212	36226	36870

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Sales	9.5%	2.5%	*5.0%*
"Cash Flow"	15.5%	8.0%	*4.5%*
Earnings	21.0%	6.0%	*4.5%*
Dividends	9.5%	9.0%	*6.0%*
Book Value	16.0%	14.5%	*5.0%*

Cal-endar	QUARTERLY SALES ($ mill.) [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	60341	68948	64432	59985	253706
2012	60705	62608	58044	60552	241909
2013	56818	57369	58503	56158	228848
2014	53265	*56000*	*58000*	*60000*	*227265*
2015	*64000*	*67000*	*68000*	*71000*	*270000*

Cal-endar	EARNINGS PER SHARE [B] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	3.09	3.85	3.92	2.58	13.44
2012	3.27	3.66	2.69	3.70	13.32
2013	3.18	2.77	2.57	2.57	11.09
2014	2.36	*2.80*	*2.70*	*2.79*	*10.65*
2015	*3.30*	*3.40*	*3.40*	*3.30*	*13.40*

Cal-endar	QUARTERLY DIVIDENDS PAID [C]■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.68	.72	.72	.72	2.84
2011	.72	.78	.78	.81	3.09
2012	.81	.90	.90	.90	3.51
2013	.90	1.00	1.00	1.00	3.90
2014	1.00	1.07			

BUSINESS: Chevron Corp. is the world's fourth largest oil company based on proven reserves. Daily 2013 gross production: crude oil & NGLs, 1.811 mill. barrels; natural gas, 4.813 bill. cubic feet. Net proved reserves, 12/13: oil, 7.112 bill. bbls.; natural gas, 24.098 trill. cu. ft. Avg. 5-yr. finding costs: $5.44 a barrel (vs. ind. avg. $4.15). 5-yr. reserve replacement rate: 92% (vs. ind. avg. 102%). Est. pv of reserves: $176.2 bill. Product sales: 4.51 mill. bbls./day. Has 4,034 owned/leased stations, mainly in the U.S. Has abt. 125,070 emplys. Off. & Dir. own 0.8% of stock; BlackRock, 6.1%; State Street, 5.4%; Vanguard, 5.4% (4/14 proxy). Chairman and CEO: John S. Watson. Inc.: DE. Addr.: 6001 Bollinger Canyon Rd., San Ramon, CA 94583. Tel.: 925-842-1000. www.chevron.com.

Like many of its multinational oil brethren, Chevron Corp. reported weak first-quarter results. Sales and earnings were adversely impacted by lower production volumes and decreased selling prices of crude oil. Worldwide net equivalent production fell to 2.59 million barrels a day (mmboe/d), from 2.65 mmboe/d in the year-ago period. This trend signifies a sequential slide in production, as well. In that final-quarter 2013, volume was down from its year-ago period. And oil prices have also been less dynamic. Chevron's average sales price per barrel of crude and natural gas liquids fell to $95, from $98 in 2013's March interim. A lack of demand for energy from a still-weak global economy, combined with CVX's maturing oil fields, and the higher cost of extraction, crimped results. Share net fell a whopping 26%, to $2.36.

And we don't see much light at the end of the tunnel. We see no significant catalyst that would raise our expectations as regards the top and bottom lines for the remainder of the year. Other than a slight lift from the Jack/St. Malo rig coming on line in the Gulf of Mexico at the end of the year, we don't see production rising. Selling prices, too, will likely be constrained as energy demand remains muted. Chevron is oil-weighted, so any rise in natural gas prices isn't going to help it much. The company has two major Australian shale gas fields coming on line in the 2015/2016 time frame, but this won't help 2014's results. Furthermore, operating margins will be pressured by the higher cost of extracting oil and gas from more inaccessible regions, such as deep beneath the ocean's surface and the Arctic circle. A greater emphasis on drilling safety in this industry is also raising expenses. All told, we look for 2014 sales and share earnings to come in at $227.27 billion and $10.65, respectively.

Although this untimely issue has minimal long-term capital appreciation potential, it has an above-average yield, and very strong finances (Safety: 1). As a result, it is suitable for risk-averse income-oriented investors. Should the global economy grow faster than we expect, Chevron, like all multinational oil and gas entities, would be in line to benefit.

Jeremy J. Butler *June 6, 2014*

(A) Sales exclude (consumer) petroleum & chemicals excise taxes. 2005 sales figures restated to account for UNOCAL merger.
(B) Based on diluted shares. Excl. nonrecur. loss: '98, $0.48. Incl. nonrecur. loss of $1.41: '01. Next earnings report due late July. **(C)** Dividends historically paid on or about 10th of March, June, September, and December. ■ Dividend reinvestment plan available. **(D)** In millions, adj. for stock split.

Company's Financial Strength	A++
Stock's Price Stability	90
Price Growth Persistence	80
Earnings Predictability	60