



2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
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	112.74	73.55	54.55	66.15	Sales per sh ^A	97.35
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	19.17	13.61	10.85	14.80	"Cash Flow" per sh	22.35
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	10.14	2.45	.20	4.00	Earnings per sh ^B	9.75
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	4.28	4.29	4.32	Div'ds Decl'd per sh ^C	4.80
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	18.83	15.67	13.50	11.50	Cap'l Spending per sh	13.25
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	83.07	81.11	77.35	76.90	Book Value per sh	85.75
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	1880.2	1882.8	1888.0	1890.0	Common Shs Outst'g ^D	1900.0
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	11.9	39.4	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	14.0
.69	1.48	NMF	.58	.40	.47	.44	.50	.44	.89	.52	.47	.52	.61	.63	1.99			Relative P/E Ratio	.90
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%	3.5%	4.4%			Avg Ann'l Div'd Yield	3.5%

CAPITAL STRUCTURE as of 9/30/16																			
Total Debt \$45519 mill. Due in 5 Yrs \$20214 mill.																			
LT Debt \$39462 mill. LT Interest \$422.7 mill.																			
(Interest not earned)																			
(21% of Cap'l)																			
Leases, Uncapitalized Annual rentals \$846 mill.																			
Pension Assets-12/15 \$14.4 bill. Oblig. \$18.9 bill.																			
Pfd Stock None																			
Common Stock 1,887,769,320 shs.																			
MARKET CAP: \$208 billion (Large Cap)																			
CURRENT POSITION (\$MILL.)	2014	2015	9/30/16	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Cash Assets	13215	11332	7672	17318	18688	23931	10483	19024	26895	26179	21423	19241	4587.0	380	7500	18500	18500	18500	18500
Receivables	16736	12860	12522	7506.0	8708.0	9528.0	12110	13063	12911	13413	14186	16793	21037	20100	20500	24000	24000	24000	24000
Inventory (LIFO)	6505	6334	5976	17138	18688	23931	10483	19024	26895	26179	21423	19241	4587.0	380	7500	18500	18500	18500	18500
Other	5776	4821	2703	46.4%	41.9%	44.3%	43.4%	40.7%	43.5%	43.5%	40.3%	38.3%	NMF	NMF	34.0%	40.0%	40.0%	40.0%	40.0%
Current Assets	42232	35347	28873	8.2%	8.5%	8.8%	6.1%	9.3%	10.6%	10.8%	9.4%	9.1%	3.3%	NMF	6.0%	10.0%	10.0%	10.0%	10.0%
Accts Payable	19000	13516	12205	7895.0	5579.0	4447.0	11005	19829	19634	21508	17232	10306	8883.0	4000	1000	21000	21000	21000	21000
Debt Due	3790	4928	6057	7679.0	6070.0	6083.0	10130	11289	9812.0	12065	20057	24028	33664	39500	40000	45000	45000	45000	45000
Other	9136	8020	6482	68935	77088	86648	91914	105081	122181	137832	150427	156191	152716	146000	145350	162900	162900	162900	162900
Current Liab.	31926	26464	24744	22.7%	22.6%	26.0%	10.6%	16.6%	20.6%	17.7%	12.8%	11.0%	2.8%	NMF	4.0%	9.0%	9.0%	9.0%	9.0%
				24.9%	24.2%	27.6%	11.4%	18.1%	22.0%	19.0%	14.2%	12.3%	3.0%	NMF	5.0%	11.5%	11.5%	11.5%	11.5%
				18.5%	18.0%	21.7%	5.6%	12.7%	17.0%	14.0%	9.3%	7.2%	NMF	NMF	NMF	5.5%	5.5%	5.5%	5.5%
				26%	26%	22%	51%	30%	23%	26%	35%	41%	NMF	NMF	NMF	49%	49%	49%	49%

BUSINESS: Chevron Corp. is the world's fourth-largest oil company based on proven reserves. Daily production in 2015: oil, 1.7 mill. barrels (+2% vs. '14); natural gas, 5.3 bill. cubic feet (+2% vs. '14). Daily refinery runs, 2.7 million barrels (+0.7% vs. '14); product sales, 2.7 mill. barrels (+1% vs. '14). Reserves at 12/31/15: 11.2 billion barrels of oil equivalent, 56% liquids, 44% gas. (Affiliated companies account for 23% of total reserves.) Owns 50% interest in ChevronPhillips Chemical Co. Has about 61,500 empls. Off. & Dir. own 0.8% of stock; Vanguard, 6.3%; BlackRock, 6.0%; State Street, 5.8% (4/16 proxy). Chairman and CEO: John S. Watson. Inc.: DE. Addr.: 6001 Bollinger Canyon Rd., San Ramon, CA 94583. Tel.: 925-842-1000. Internet:www.chevron.com.

Chevron's return to profitability is encouraging. The company's first positive bottom-line results in a year during the September quarter have raised the confidence level on Wall Street that better times are ahead. Some reinforcement from buoyant oil prices and the delivery of promised modestly higher combined oil and gas production may be necessary to seal the deal, of course. But prospects are clearly improving. We figure earnings per share will reach \$4.00 in 2017, up from an estimated \$0.20 in 2016.

Reduced project spending remains a key feature in planning for the future. Capital expenditures were down 36% through the first nine months of the year. The company likely will keep the budget on a tight string in 2017, as well. Importantly, big overseas ventures either recently concluded or nearly completed should be generating cash instead of consuming funds in the months ahead. That is a plus in a world of tame energy prices.

The first increase in the quarterly dividend in more than two years affirms the brighter outlook. The boost was only by a penny, but it nevertheless pushes the company's string of annual dividend hikes to 29 years.

Valuable Permian Basin assets underpin Chevron's financial and operating position. The company's 1.5 million-plus acres in Texas and New Mexico's prime oil fields could theoretically fetch as much as \$50 billion, if sold. In contrast to costly multiyear overseas projects, a sizable percentage of the properties can probably be profitably developed within a year at \$50-a-barrel oil. The substantial implied value of these close-to-home resources provides support for the stock even as earnings remain well below peak.

These high-quality shares are now timely (Rank: 2). Assuming oil prices hold near current levels and slowly improve, our projections point to a sizable earnings recovery out to 2019-2021. Part of the expected comeback is already reflected in the shares. But the high dividend yield is enticing for income-oriented investors, with better earnings coverage of the payout starting to develop. The stock's decent risk-adjusted total return potential has appeal for conservative accounts, too.

Robert Mitkowski
December 2, 2016

(A) Net of excise taxes, beginning in 2016.	(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++
(B) Based on diluted shares. Includes non-recurring loss of \$1.41 in '01. Next earnings report due late January.			Stock's Price Stability 75
			Price Growth Persistence 35
			Earnings Predictability 15