CHEVRON CORP. NYSE-CVX

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
111.72	35.8	(Trailing: NMF; Median: 9.0)	1.81	3.9%	VALUE LINE

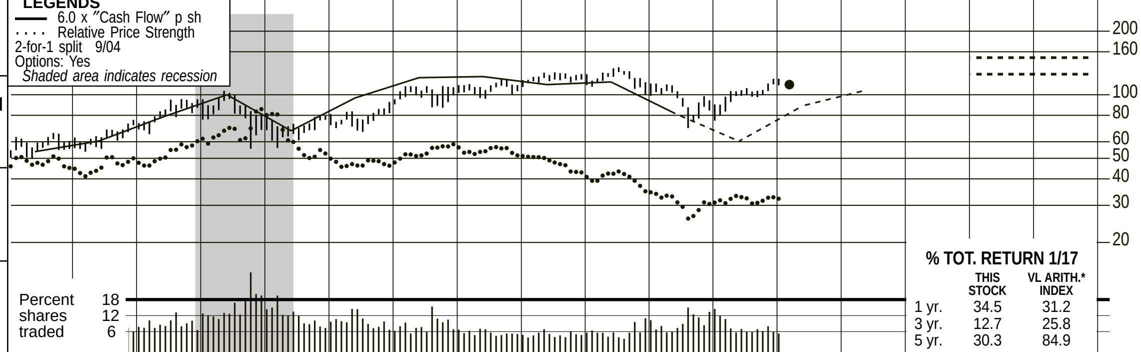
TIMELINESS	2	Raised 10/28/16
SAFETY	1	Raised 1/4/91
TECHNICAL	1	Raised 2/10/17

BETA 1.15 (1.00 = Market)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
High:	76.2	95.5	104.6	79.8	92.4	110.0	118.5	127.8	135.1	113.0	119.0	119.0	
Low:	53.8	65.0	55.5	56.1	66.8	86.7	95.7	108.7	100.1	69.6	75.3	109.3	

Target Price Range 2020 | 2021 | 2022

LEGENDS
— 6.0 x "Cash Flow" p sh
.... Relative Price Strength
2-for-1 split 9/04
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	150	(+35%)	11%
Low	125	(+10%)	7%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	1	0	0	0	0
Options	0	9	0	0	5	0	1	2	3
to Sell	0	1	0	0	5	0	0	3	1

Institutional Decisions

	1Q2016	2Q2016	3Q2016
to Buy	958	850	840
to Sell	741	831	818
Hld's(000)	1219023	1170774	1160594

Percent shares traded 18 12 6

% TOT. RETURN 1/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	34.5	31.2
3 yr.	12.7	25.8
5 yr.	30.3	84.9

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
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	*60.65*	*71.45*	*76.60*	Sales per sh A	*97.35*
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	*10.05*	*14.80*	*17.55*	"Cash Flow" per sh	*22.35*
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	d.27	*4.00*	*5.95*	Earnings per sh B	*9.75*
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*	*4.40*	Div'ds Decl'd per sh C■	*5.00*
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*	*10.50*	*11.50*	Cap'l Spending per sh	*13.15*
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	*77.10*	*76.65*	*78.10*	Book Value per sh	*89.65*
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*	*1893.0*	Common Shs Outst'g D	*1900.0*
28.8	74.4	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*		Avg Ann'l P/E Ratio	*14.0*
1.48	4.06	.58	.40	.47	.44	.50	.44	.89	.52	.47	.52	.61	.63	1.98	- -	*Value Line*		Relative P/E Ratio	*.90*
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%	4.3%	*estimates*		Avg Ann'l Div'd Yield	*3.6%*

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
220904	273005	171636	204928	253706	241909	228848	211970	138477	114472	*135000*	*145000*	Sales ($mill) A	*185000*
18.5%	19.3%	18.2%	22.3%	24.0%	24.9%	22.2%	23.2%	19.7%	*14.55*	*20.5%*	*22.5%*	Operating Margin	*25.0%*
8708.0	9528.0	12110	13063	12911	13413	14186	16793	21037	*19457*	*20500*	*22000*	Depreciation ($mill)	*24000*
18688	23931	10483	19024	26895	26179	21423	19241	4587.0	d497	*7500*	*11275*	Net Profit ($mill)	*18500*
41.9%	44.3%	43.4%	40.7%	43.5%	43.5%	40.3%	38.3%	5.3%	NMF	*34.0%*	*34.0%*	Income Tax Rate	*40.0%*
8.5%	8.8%	6.1%	9.3%	10.6%	10.8%	9.4%	9.1%	3.3%	NMF	*5.6%*	*7.8%*	Net Profit Margin	*10.0%*
5579.0	4447.0	11005	19829	19634	21508	17232	10306	8883.0	*5000*	*4000*	*6000*	Working Cap'l ($mill)	*21000*
6070.0	6083.0	10130	11289	9812.0	12065	20057	24028	33664	*39500*	*40000*	*40000*	Long-Term Debt ($mill)	*45000*
77088	86648	91914	105081	122181	137832	150427	156191	152716	145556	*144900*	*147825*	Shr. Equity ($mill)	*170325*
22.6%	26.0%	10.6%	16.6%	20.6%	17.7%	12.8%	11.0%	2.8%	NMF	*4.0%*	*6.0%*	Return on Total Cap'l	*9.0%*
24.2%	27.6%	11.4%	18.1%	22.0%	19.0%	14.2%	12.3%	3.0%	NMF	*5.0%*	*7.5%*	Return on Shr. Equity	*11.0%*
18.0%	21.7%	5.6%	12.7%	17.0%	14.0%	9.3%	7.2%	NMF	NMF	*NMF*	*2.0%*	Retained to Com Eq	*5.5%*
26%	22%	51%	30%	23%	26%	35%	41%	NMF	NMF	*108%*	*74%*	All Div'ds to Net Prof	*51%*

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: $211 billion (Large Cap)

CURRENT POSITION ($MILL.)	2014	2015	9/30/16
Cash Assets	13215	11332	7672
Receivables	16736	12860	12522
Inventory (LIFO)	6505	6334	5976
Other	5776	4821	2703
Current Assets	42232	35347	28873
Accts Payable	19000	13516	12205
Debt Due	3790	4928	6057
Other	9136	8020	6482
Current Liab.	31926	26464	24744

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '20-'22
Sales	3.5%	-1.0%	*-.5%*
"Cash Flow"	8.0%	3.0%	*4.0%*
Earnings	4.0%	-2.0%	*3.0%*
Dividends	10.0%	9.0%	*3.0%*
Book Value	14.0%	11.5%	*1.5%*

Cal-endar	QUARTERLY SALES ($ mill.) A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	53265	57938	54679	46088	211970
2015	34558	40357	34315	29247	138477
2016	23553	29282	30140	31497	114472
2017	*32500*	*33000*	*34500*	*35000*	*135000*
2018	*35000*	*35500*	*37000*	*37500*	*145000*

Cal-endar	EARNINGS PER SHARE B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	2.36	2.98	2.95	1.85	10.14
2015	1.37	.30	1.09	d.31	2.45
2016	d.39	d.78	.68	.22	d.27
2017	*.90*	*.95*	*1.05*	*1.10*	*4.00*
2018	*1.25*	*1.50*	*1.55*	*1.65*	*5.95*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.90	1.00	1.00	1.00	3.90
2014	1.00	1.07	1.07	1.07	4.21
2015	1.07	1.07	1.07	1.07	4.28
2016	1.07	1.07	1.07	1.08	4.29
2017					

BUSINESS: Chevron Corp. is the world's fourth-largest oil company based on proven reserves. Daily production in 2016: oil, 1.7 mill. barrels (-1% vs. '15); natural gas, 5.3 bill. cubic feet (flat vs. '15). Daily refinery input, 1.7 million barrels (-1% vs. '15). Daily sales of refinery products, 2.7 million barrels (-2% vs. '15). 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 emplys. 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 should enjoy moderate production growth in 2017. Increased domestic drilling and the completion of two projects in Australia could pave the way for a 3%-6% increase in combined oil and gas production, after asset sales. And given the likelihood of higher average annual oil prices, the extra barrels should help lift earnings per share to around $4.00, That would be a significant turnaround from the $0.27-a-share loss in 2016. Note: We are assuming stable oil prices in the mid-$50-a-barrel range will allow the refining segment to pass along the higher cost of crude, year over year.

Further volume gains are quite likely in 2018. The full ramp-up of one of the LNG projects in Australia is set for next year, while the other should be close to full capacity. Meantime, Chevron is stepping up operations in the Permian Basin of West Texas, where it holds a major position. All told, 2018 is shaping up as another good year of production growth, perhaps in the 5%-7% range. Assuming oil quotations perk up a bit more, profits have the potential to reach close to $6.00 next year.

The strategy is to spend less and focus on shorter-duration projects. Specifically, that means concentrating on developing assets in the Permian Basin, where Chevron plans to add a rig every couple of months. Importantly, the expansion is tied to the strength of oil prices. Out to 2020-2022, our projection is for $9.75 a share in profits, based on modestly rising production and oil reaching $60 a barrel.

The company is in a good spot, in terms of spending requirements. The near-completion of upfront expenditures for the LNG projects is a plus for cash flow, as is the bounce in oil prices. An estimated $5 billion in asset sales should also help cash balances and allow Chevron to keep debt as a percentage of capital close to current levels, too.

These top-quality shares are timely (Rank: 2) and can be held long term. The stock's good 3- to 5-year risk-adjusted total return potential ought to appeal to conservative investors in particular, given its high Safety rank. For the income-minded, we note that the pace of dividend growth should quicken as the oil market recovery gains further traction.

Robert Mitkowski *March 3, 2017*

(A) Based on diluted shares. Includes nonrecurring loss of $1.41 in '01. Next earnings report due late April.
(B) Dividends historically paid on or about 10th of March, June, September, and December. ■ Dividend reinvestment plan available.
(C) In millions, adj. for stock split.

Company's Financial Strength	A++
Stock's Price Stability	80
Price Growth Persistence	35
Earnings Predictability	15

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