CHEVRON CORP. NYSECOX

| TIMELIN | NESS | Lowered | 6/14/19 | High: Low: | $\begin{array}{r} 104.6 \\ 55.5 \\ \hline \end{array}$ | $\begin{array}{r} \hline 79.8 \\ 56.1 \\ \hline \end{array}$ | $\begin{aligned} & \hline 92.4 \\ & 66.8 \end{aligned}$ | $\begin{array}{r} 110.0 \\ 86.7 \end{array}$ | $\begin{array}{r} 118.5 \\ 95.7 \end{array}$ | $\begin{aligned} & 127.8 \\ & 108.7 \end{aligned}$ | $\begin{aligned} & \hline 135.1 \\ & 100.1 \end{aligned}$ | $\begin{array}{r} 113.0 \\ 69.6 \end{array}$ | $\begin{array}{r} 119.0 \\ 75.3 \end{array}$ | $\begin{aligned} & 126.2 \\ & 102.6 \end{aligned}$ | $\begin{aligned} & 133.9 \\ & 100.2 \end{aligned}$ | $\begin{aligned} & 127.3 \\ & 107.1 \end{aligned}$ |  |  | Target Price 2022 2023 | Range 2024 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| SAFETY <br> TECHNI |  | Raised 1 Raised 8 | $14 / 91$ 19/19 | $\begin{array}{\|c\|} \hline \text { LEGEN } \\ \hline \cdots \cdot 7.0 \\ \cdots \\ \hline \end{array}$ | IDS <br> x"Cash lative Pric | Flow" p sh Strength |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| TECHNI | CAL | Raised 8 | 19/19 | Options: |  | Strength |  |  |  |  |  |  |  |  |  |  |  |  |  | -160 |
| BETA 1.2 | 20 (1.00 | = Market) |  | Shaded | in | rec |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 2-24 PR | OJECTIO | , Total |  |  |  |  |  | , |  |  |  |  | .111 |  |  |  |  |  | -100 |
|  |  | An | n' Total |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 80 |
| High |  | $+35 \%$ |  |  | .- | ! ${ }^{1}$ |  |  |  |  |  |  |  |  |  |  |  |  |  | 60 |
| Low | 30 ( | 10\%) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 50 |
| Insider | Decis | ons |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 40 |
| - | O N D | J F M | A M J |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 30 |
| to Buy | 000 | 000 | 0 - |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Options | 08 | 411 | 1101 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 20 |
| Institut | tional D | Decision |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | RETURN 7/19 |  |
|  | 322018 | 402018 | 102019 | Percent |  |  |  |  |  |  |  |  |  |  |  |  |  |  | Stock index |  |
| to Buy | 992 | 1088 | 1155 | shares |  |  |  |  |  |  |  |  |  |  |  |  |  |  | $\begin{array}{ll}1.4 & -2.7 \\ 35.0 & 27.9\end{array}$ |  |
|  |  | 1030 |  | traded |  |  |  |  |  |  |  |  |  |  |  |  |  | 3 3 yr. 5 yr. | $\begin{array}{ll}35.0 & 27.9 \\ 16.5 & 419\end{array}$ |  |
| Hld's(000) 1 | 242573 | 2416181 | 247217 |  |  |  | 相 |  |  |  | 1 ll |  |  | ШلШШ | \||لШ1 | U1 |  |  | 16.541 .9 |  |
| 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | $\bigcirc{ }^{\circ} \mathrm{VA}$ | E LINE PUB. LLC | 22-24 |
| 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 | 60.52 | 74.41 | 87.42 | 82.00 | 85.10 | Sales p |  | 102.70 |
| 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 | 10.02 | 13.93 | 18.00 | 15.95 | 17.20 | "Cash | ow" per sh | 21.40 |
| 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 | 3.79 | 7.74 | 6.90 | 7.60 | Earnin | per sh A | 9.50 |
| 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 | 4.48 | 4.76 | 4.88 | Div'ds | Delld per sh Bn | 5.30 |
| 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 | 9.57 | 7.04 | 7.25 | 8.00 | 8.50 | Cap'I | ending per sh | 11.00 |
| 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 | 76.95 | 77.77 | 81.22 | 83.55 | 85.95 | Book | ue per sh | 96.20 |
| 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 | 1891.5 | 1904.7 | 1902.8 | 1890.0 | 1880.0 | Comm | Shs Outst'g C | 1850.0 |
| 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 |  | 29.4 | 15.5 | Bold fig | res are | Avg An | IP/E Ratio | 15.0 |
| . 58 | . 40 | . 47 | . 44 | . 50 | . 44 | . 89 | . 52 | . 47 | . 52 | . 61 | . 63 | 1.98 | -- | 1.48 | . 84 |  |  | Relativ | P/E Ratio | . 85 |
| 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\% | 3.9\% | 3.7\% |  |  | Avg An | I Div'd Yield | 3.7\% |
| CAPITAL STRUCTURE as of 6/30/19 <br> Total Debt $\$ 30649$ mill. Due in 5 Yrs $\$ 21350$ mill. <br> LT Debt $\$ 25061$ mill. LT Interest $\$ 900$ mill. <br> (Total interest coverage: over 25x) <br> (14\% of Cap') |  |  |  |  |  | 171636 | 204928 | 253706 | 241909 | 228848 | 211970 | 138477 | 114472 | 141722 | 166339 | 155000 | 160000 | Sales |  | 190000 |
|  |  |  |  |  |  | 18.2\% | 22.3\% | 24.0\% | 24.9\% | 22.2\% | 23.2\% | 19.7\% | 15.3\% | 20.4\% | 24.5\% | 23.5\% | 24.0\% | Operat | $g$ Margin | 25.0\% |
|  |  |  |  |  |  | 12110 | 13063 | 12911 | 13413 | 14186 | 16793 | 21037 | 19457 | 19349 | 19419 | 17100 | 18000 | Depre | tion (\$mill) | 22000 |
|  |  |  |  |  |  | 10483 | 19024 | 26895 | 26179 | 21423 | 19241 | 4587.0 | d497.0 | 7175.0 | 14824 | 13050 | 14325 | Net Pro | (\$mill) | 17600 |
|  |  |  |  |  |  | 43.4\% | 40.7\% | 43.5\% | 43.5\% | 40.3\% | 38.3\% | 5.3\% |  | 21.4\% | 27.8\% | 30.0\% | 28.0\% | Income | Tax Rate | 28.0\% |
| Leases, Uncapitalized Annual rentals $\$ 693$ mill. Pension Assets-12/17 $\$ 14.7$ bill. Oblig. $\$ 19.1$ bill. |  |  |  |  |  | 6.1\% | 9.3\% | 10.6\% | 10.8\% | 9.4\% | 9.1\% | 3.3\% | NMF | 5.1\% | 8.9\% | 8.4\% | 9.0\% | Net Pro | t Margin | 9.3\% |
|  |  |  |  |  |  | 11005 | 19829 | 19634 | 21508 | 17232 | 10306 | 8883.0 | d2166 | 823.0 | 6850 | 4000 | 3000 | Workin | Cap'I (\$mill) | 5000 |
|  |  |  |  |  |  | 10130 | 11289 | 9812.0 | 12065 | 20057 | 24028 | 33664 | 35286 | 33571 | 28733 | 25000 | 26000 | Long-T | m Debt (\$mill) | 30000 |
| Common Stock 1,898,418,471 shs. |  |  |  |  |  | 91914 | 105081 | 122181 | 137832 | 150427 | 156191 | 152716 | 145556 | 148124 | 154554 | 157900 | 161600 | Shr. Eq | ity (\$mill) | 178000 |
|  |  |  |  |  |  | 10.6\% | 16.6\% | 20.6\% | 17.7\% | 12.8\% | 11.0\% | 2.8\% | -- | 4.2\% | 8.3\% | 7.5\% | 8.0\% | Return | n Total Cap'l | 8.5\% |
| MARKET CAP: $\mathbf{\$ 2 2 0}$ billion (Large Cap) |  |  |  |  |  | 11.4\% | 18.1\% | 22.0\% | 19.0\% | 14.2\% | 12.3\% | 3.0\% | NMF | 4.8\% | 9.6\% | 8.5\% | 9.0\% | Return | Shr. Equity | 10.0\% |
| CURRENT POSITION (\$MILL.) <br> Cash Assets |  |  | 4822 | $\begin{array}{rr} \hline 2018 & 6 / 30 / 19 \\ 10345 & 8571 \end{array}$ |  | 5.6\% | 12.7\% | 17.0\% | 14.0\% | 9.3\% | 7.2\% | NMF | NMF | NMF | 4.1\% | 2.5\% | 3.0\% | Retain | to Com Eq | 4.5\% |
|  |  |  | 51\% |  |  | 30\% | 23\% | 26\% | 35\% | 41\% | NMF | NMF | 113\% | 57\% | 69\% | 64\% | All Div' | to Net Prof | 56\% |


| (\$MILL.) |  |  |  | 51\% | 30\% | 23\% | 26\% | 35\% | 41\% | NMF | NM |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Receivables | 15353 | 15050 | 14383 | USIN |  |  |  |  | e |  |  |
| Inventory | 5585 | 5704 | 6809 | 促 |  | n | is | ne | e | 's |  | Inventory

Other Other
Current Assets Accts Payable Debt Due Other Current Liab.

| ANNUAL RATES | Past | Past | Est'd '166'18 |
| :--- | ---: | :---: | :---: |
| of change (per sh) | 10 Yrs. | 5 Yrs. | to '22'24 |
| Sales | $-4.0 \%$ | $-10.0 \%$ | $5.5 \%$ |
| "Cash Flow" | $0.5 \%$ | $-6.5 \%$ | $7.5 \%$ |
| Earnings | $-9.0 \%$ | $-21.5 \%$ | $16.5 \%$ |
| Dividends | $7.0 \%$ | $4.5 \%$ | $3.5 \%$ |
| Book Value | $8.0 \%$ | $2.5 \%$ | $3.5 \%$ |

Cal-

| 2016 | 23553 | 29282 | 30140 | 31497 | 114472 |
| :--- | ---: | :--- | :--- | :--- | :--- | ---: |


| 2017 | 33421 | 34480 | 36205 | 37616 | 141722 |
| :--- | :--- | :--- | :--- | :--- | :--- |
| 2018 | 37764 | 42236 | 43987 | 42352 | 166339 | |  | 2019 | 377200 | 42230 | 43987 | 42352 |
| :--- | :--- | :--- | :--- | :--- | :--- |
| 35200 | 38850 | 40000 | 40950 | 155000 |  |

Cal- $\quad$ EARNINGS PER SHARE A $\quad$ Full endar Mar. 31 Jun. 30 Sep. 30 Dec. 31 Yea

| 2016 | d .39 | d .78 | .68 | .22 | d. 27 |
| ---: | ---: | ---: | ---: | ---: | ---: |
| 2017 | 1.41 | .77 | 1.03 | .58 | 3.79 |
| 2018 | 1.90 | 1.78 | 2.11 | 1.95 | 7.74 |
| 2019 | 1.39 | 1.78 | 1.85 | 1.88 | 6.90 |
| 2020 | 1.85 | 1.90 | 1.90 | 1.95 | 7.60 |


| Cal- <br> endar | QUARTERLY DIVIDENDS PAID Ba <br> Mar.31 |  | Full <br> Year |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2015 | 1.07 | 1.07 | 1.07 | 1.07 | 4.28 |
| 2016 | 1.07 | 1.07 | 1.07 | 1.08 | 4.29 |
| 2017 | 1.08 | 1.08 | 1.08 | 1.08 | 4.32 |
| 2018 | 1.12 | 1.12 | 1.12 | 1.12 | 4.48 |
| 2019 | 1.19 | 1.19 |  |  |  |
|  |  |  |  |  |  |

[^0]Did
$56 \%$ liquids, $44 \%$ gas. (Affiliated companies account for $19 \%$ of total reserves.) Owns $50 \%$ interest in ChevronPhillips Chemical Co. Has approx. 51,900 employees. Vanguard owns $8.1 \%$ of stock; BlackRock, 6.8\%; State Street, 6.0\% (4/19 proxy). Chairman and CEO: Michael K. Wirth. Inc.: DE. Addr.: 6001 Bollinger Canyon Rd., San Ramon, CA 94583. Tel.: 925-842-1000. www.chevron.com.
The surge stems from investments in Texas oil fields and a pair of liquefied natural gas projects in Australia that are paying off big. Most likely, the advance will slow as mature assets are sold. A stillgood mid-single-digit growth rate in production is more likely over the next couple of years. Strong corporate finances support expansion plans.
Acquisitions will probably play a further role over the long term. Chevron purchased a refinery this spring, to the benefit of product sales. And while its bid for Anadarko Petroleum ultimately fell short, the move indicated an interest in taking such a step to expand horizons. Another merger bid is clearly within the realm of possibilities, and shareholder pressure on independent drilling companies may lead them to seek a deeppocketed suitor, such as Chevron.
For now, this top-quality stock offers good income during this period of low interest rates. Dividend growth potential is also solid. But the issue's total return possibilities are modest, and it is no longer timely (Rank: 3).
Robert Mitkowski
August 30, 2019


[^0]:    A) Based on diluted shares. Excludes non- of March, June, September, and December,
    recurring gain of $\$ 1.06$ in '17. Next earnings
    report due late October. $\begin{aligned} & \text { Dividend reinvestment plan available } \\ & \text { (C) In millions, adj. for stock split. }\end{aligned}$ report due late October.

