Bulls and Bears

**Morningstar's Take**

JPM

* **Analyst**

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| **Price**11-15-2016 | **Fair Value Estimate** | **Uncertainty** |
| 79.36 USD | 72 USD | High |
|  |
| **Consider Buy** | **Consider Sell** | **Economic Moat** |
| 43.2 USD | 111.6 USD | Narrow |
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| **Stewardship Rating** |
| Standard |
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| **Bulls Say** |
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| • | JPMorgan has achieved a reasonable level of profitability despite a number of headwinds. Earnings could improve substantially once the firm is truly firing on all cylinders. |
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| • | JPMorgan did a remarkable job limiting its credit losses during the financial crisis. The bank is now paying the price for misdeeds at Washington Mutual and Bear Stearns, despite its best efforts to avoid responsibility for its predecessors. |
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| • | The bank and its management may have lost some cachet with investors and regulators, but customers are still flocking to JPMorgan Chase. |
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| **Bears Say** |
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| • | As a systemically important firm, and in light of recent missteps, JPMorgan is likely to remain under the regulatory microscope for years to come. |
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| • | It's difficult to quantify potential exposures (let alone losses) created by the firm's derivatives activities, as evidenced by the London Whale trades. |
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| • | Future CEOs may not be as talented as Jamie Dimon, who himself may be struggling to effectively manage such a large, complex financial institution. |
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| Name | Price | % Chg |   | TTM Sales $ mil |
|  |
| **JPMorgan Chase & Co** | **$79.36** | **-0.19** |  | **95,177** |
| [Industrial And Commercial Bank Of China Ltd ADR](http://quotes.morningstar.com/stock/IDCBY/s?t=0P0000KQJ4&culture=en-US) | $11.55 | 0.26 |  | 100,981  |
| [Industrial And Commercial Bank Of China Ltd H](http://quotes.morningstar.com/stock/IDCBF/s?t=0P0000AIM5&culture=en-US) | $0.57 | -0.19 |  | 100,981  |
| [China Construction Bank Corp ADR](http://quotes.morningstar.com/stock/CICHY/s?t=0P0000P358&culture=en-US) | $14.22 | 1.39 |  | 90,688  |
| [Wells Fargo & Co](http://quotes.morningstar.com/stock/WFC/s?t=0P000005WD&culture=en-US) | $52.59 | -1.18 |  | 88,271  |
| [Bank of America Corporation](http://quotes.morningstar.com/stock/BAC/s?t=0P000000PA&culture=en-US) | $20.16 | 0.40 |  | 82,835  |