

In the following report I have done a brief exploration and research on YahooFinance taking JPMorgan Chase as an example to study stocks in order to make investment or take other financial decisions. I believe that real learning and understanding can be done only through real exploration and investigation.

## **Report:**

JPMorgan Chase & Co. stands as one of the most influential financial institutions in the world. With a legacy that stretches back over 200 years, it operates a diverse range of services including investment banking, financial services for consumers and businesses, financial transaction processing, asset management, and private equity.

Through this financial analysis, I aim to provide an in-depth examination of JPMorgan Chase's current financial health and performance, based on today's data and reports available from Yahoo Finance.

## **Analysis of JPMorgan Chase's financial status:**

We need to go to Yahoo Finance <https://finance.yahoo.com/>.

Search for JPMorgan Chase: In the search bar, type in "JPMorgan Chase" or its ticker symbol "JPM".

## **Data & Figures (as of June 20th, 2024):**

### **Price & Performance**

- **Current Price:** \$197.00
- **Day's Range:** \$194.13 - \$197.96
- **Change:** +\$2.02
- **% Change:** +1.04%

### **Key Statistics**

- **P/E Ratio (TTM):** 11.89
- **EPS (TTM):** \$16.59
- **Total Revenue:** \$158,512,000
- **Net Income from Continuing & Discontinued Operations:** \$50,349,000

### **Profitability Analysis**

#### **P/E Ratio (Price-to-Earnings Ratio)**

- **Current P/E Ratio:** 11.89
  - **Industry Comparison:** The average P/E ratio for the banking industry is typically between 10 and 15. A P/E ratio of 11.89 suggests that JPMorgan Chase is relatively undervalued compared to its peers, indicating potential for price appreciation.

## EPS (Earnings Per Share)

- **Current EPS:** \$16.59
  - **Analysis:** A high EPS indicates strong profitability. JPMorgan Chase's EPS of \$16.59 is a solid figure, demonstrating the company's ability to generate significant earnings relative to the number of shares outstanding.

## Revenue and Net Income

- **Total Revenue:** \$158.51 billion
- **Net Income:** \$50.35 billion
  - **Profit Margin:**

$$\text{Profit Margin} = [(\text{Net Income}) / (\text{Total Revenue})] \times 100$$

$$= (50,349,000 / 158,512,000) \times 100$$

$$= 31.76\%$$

**Analysis:** A profit margin of 31.76% is quite strong for a major bank, indicating efficient operations and good cost management.

## Investment Considerations

### Strengths

1. **Solid Earnings and Profitability:** The high EPS and strong profit margin reflect JPMorgan Chase's robust profitability.
2. **Attractive Valuation:** With a P/E ratio of 11.89, JPMorgan Chase appears undervalued compared to the broader market and its peers. This suggests potential for capital appreciation.
3. **Stable Stock Performance:** The positive price change (+1.04%) indicates investor confidence and a stable market position.

### Risks

1. **Market Volatility:** As a major financial institution, JPMorgan Chase is susceptible to market fluctuations and economic cycles.
2. **Regulatory Environment:** The banking sector is heavily regulated, and changes in regulations can impact profitability and operations.

Based on the data which I acquired today(20th June) from YahooFinance, JPMorgan Chase exhibits strong financial health with good profitability metrics, an attractive valuation, and a positive market sentiment. The current P/E ratio of 11.89 and EPS of \$16.59 indicate that the stock is potentially undervalued, offering a compelling investment opportunity.

### **Investment Recommendation**

Given the solid earnings performance, attractive valuation, and stable price movement, investing in JPMorgan Chase appears to be a good idea. However, investors should consider the broader economic conditions and potential regulatory changes that could impact the banking sector.