



Company	Ticker	Sector	Industry
Chevron Corporation	CVX-US	Energy	Oil Gas & Consumable Fuels

Business Description

Chevron Corp. engages in the provision of administrative, financial management, and technology support for energy and chemical operations. It operates through the Upstream and Downstream segments. The Upstream segment consists of the exploration, development, and production of crude oil and natural gas, the liquefaction, transportation, and regasification associated with liquefied natural gas, the transporting of crude oil by major international oil export pipelines, the processing, transporting, storage, and marketing of natural gas, and a gas-to-liquids plant. The Downstream segment consists of the refining of crude oil into petroleum products, the marketing of crude oil and refined products, the transporting of crude oil and refined products by pipeline, marine vessel, motor equipment, and rail car, and the manufacturing and marketing of commodity petrochemicals and plastics for industrial uses and fuel & lubricant additives. The company was founded in 1906 and is headquartered in San Ramon, CA.

Price Chart

Key Info & Metrics



Empirical Research Rank:	3
Date Purchased:	06/21/2022
Price:	\$169.88
52-Week Range:	\$135.94 - \$188.05
Dividend Yield:	3.40%
Market Cap (\$M):	\$323,906
Forward Price-to-Earnings:	12

Total Return

Year-to-Date:	-4.5%
1 Year:	7.6%
3 Year:	159.9%
5 Year:	80.2%

Investment Case - Updated: March 7, 2023

Chevron is one of the largest energy companies in the world. With its strong financial position, Chevron has been playing offense while competitors are playing defense. In 2020, Chevron acquired Noble Energy and its valuable acreage in the prolific Permian Basin in West Texas. It also acquired Renewable Energy Group in early 2022 to gain a foothold in renewable fuels. After years of spending on major projects in Australia and Western Europe, Chevron was able to significantly reduce its capital spending budget from its 2013 peak. As a result of this discipline, and a rebound in commodity prices, Chevron generated about twice as much free cash flow in 2021 than the prior nine years combined. In addition, the company was able to grow their free cash flow ~70% in 2022 to an all-time high of \$37.6B. Moving forward Chevron expects to maintain capital and cost discipline to deliver higher returns while growing their energy supplies.

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