#### Thecasesolutions.com

JPMorgan Chase & the ClO Losses



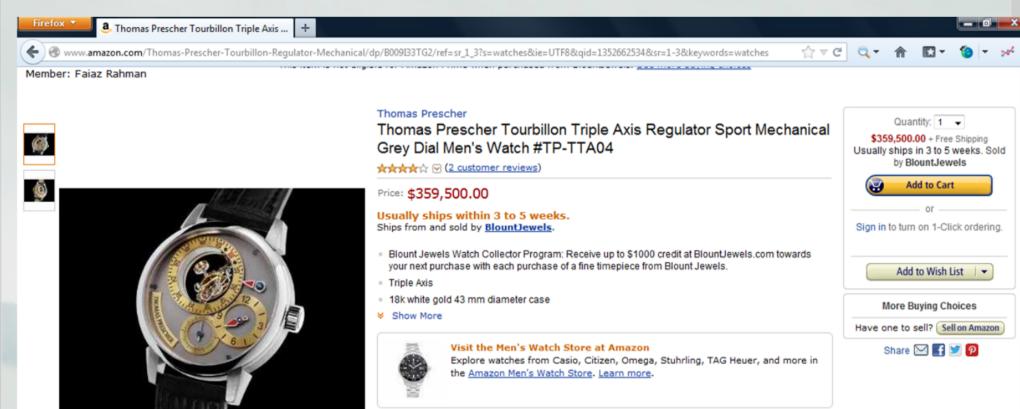
#### Thecasesolutions.com

JPMorgan Chase & the ClO Losses





## Valuation!!



#### Thecasesolutions.com

Share your own customer images

#### **Product Specifications**

Watch Information

Drand Caller or Calledian Name Thomas Breacher

























### So Coming to the Million \$ Questions???

- · What Is Valuation?
- · What is Discounted Cash Flow??

## The case solutions.com

#### Valuation is All About Judgement!!!

Valuation Techniques (such as DCF) are all Quantitative. Hence Valuation is a subjective matter

Thecasesolutions.com

# DCF:

The DCF calculation Takes all cash flows projected into the future (infinitely) and discounts it back to present value Represents a company's "intrinsic" value

The case solutions.com

## Intrinsic Value ??

Intrinsic valuation, relates the value of an asset to its intrinsic characteristics such as:

- 1) Its capacity to generate cash flows
- 2) Risk in the cash flows.
- 3) Growth of the Project's cash flows

Thecasesolutions.com

### DCF: The Steps

To use discounted cash flow valuation, we need

- · to estimate the life of the asset
- to estimate the future earnings or cash flows during the life of the asset
- to estimate the discount rate to apply to these cash flows to get present value
- · Choose the right DCF model for this asset and value it.

TheCaseSolutions.com