Nucor Corporation (NUE)

Updated May 8th, 2026, by Kody Kester

Key Metrics

Current Price:	$228	**5 Year CAGR Estimate:**	5.7%	**Market Cap:**	$52.1B
Fair Value Price:	$187	**5 Year Growth Estimate:**	9.0%	**Ex-Dividend Date:**	6/30/26[1]
% Fair Value:	122%	**5 Year Valuation Multiple Estimate:**	-3.8%	**Dividend Payment Date:**	8/11/26[1]
Dividend Yield:	1.0%	**5 Year Price Target**	$288	**Years Of Dividend Growth:**	53
Dividend Risk Score:	A	**Sector:**	Materials	**Rating:**	Hold

Overview & Current Events

Nucor Corporation (NUE) is the largest publicly traded U.S.-based steel corporation, with a market capitalization of roughly $52 billion. The company operates approximately 25 U.S. scrap-based steel production mills and is one of North America's largest recyclers. The steel industry is notoriously cyclical, which makes NUE's streak of 53 consecutive years of base dividend increases and status as a Dividend King even more remarkable. Also, the company is transitioning from being a commodity steel maker to a high-margin solution provider. Their downstream products (e.g., overhead doors and metal buildings) now account for about one-third of total revenue, which helps to counter this cyclicality. The company faces challenges from international competitors, as some countries, including China, subsidize their steel industry, making steel exported to the United States artificially cheap, though tariffs on imported steel have provided some protection.

On April 27th, 2026, NUE shared its earnings report for the first quarter ended April 4th, 2026. The company's net sales surged 21.3% higher year-over-year to $9.50 billion during the quarter. An all-time company record for quarterly shipments from the Steel Mills segment at 7 million tons surpassed the previous record set back in 2021. Total external shipments jumped 20% sequentially from Q4 2025 to 7.4 million tons. NUE also benefited from higher average selling prices across all product groups within the Steel Mills segment. According to CEO Leon Topalian, the current period was described as the best import backdrop in 30 years, due to federal trade policies and aggressive tariff enforcement reducing subsidized and unfairly traded steel from entering the U.S. NUE's diluted EPS soared 382% in the quarter to $3.23, which topped the analyst consensus by $0.44. Beyond lifting net sales, its massive shipment volumes also helped the company to achieve massive operating leverage and meaningful scale-up efficiencies. Federal trade policies reduced the floor of unfairly traded imports to 15% (from 22% a year prior), which allowed NUE to maintain higher pricing even as volume increased. The final boost came from the Lexington rebar micro mill and Kingman melt shop, reaching EBITDA positive status in March.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$2.26	$3.55	$7.64	$4.15	$3.23	$23.16	$28.79	$18.00	$8.46	$7.71	***$14.42***	***$22.19***
DPS	$1.50	$1.51	$1.52	$1.60	$1.61	$1.62	$2.00	$2.04	$2.16	$2.20	***$2.24***	***$2.86***
Shares[2]	318.7	318.0	305.6	301.8	302.2	272.4	253.5	244.9	232.8	228.3	***227.8***	***200.0***

Since 2016, NUE has compounded its diluted EPS base by nearly 15% annually. Still, we believe that the constructive federal trade policies will provide a major boost to the company over the coming years. Then, there's the fact that the West Virginia sheet mill is expected to ramp up in 2027. This will act as another growth driver for NUE. Lastly, there are the company's expansions into higher-margin automotive and galvanized steel. That's why we believe that diluted EPS can grow by 9% annually through 2031, off an anticipated 2026 base of $14.42.

[1] Estimated dates based on past dividend dates.
[2] Share count in millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	26.4	18.0	6.8	13.1	16.2	4.9	4.6	9.6	13.7	21.9	***15.8***	***13.0***
Avg. Yld.	2.5%	2.4%	2.9%	2.9%	3.0%	1.4%	1.5%	1.2%	1.9%	1.3%	***1.0%***	***1.0%***

Over the last decade, NUE's P/E ratio has ranged from as low as the mid-single-digits during cyclical booms to as much as the mid-20s during cyclical downcycles. Over that time, the average P/E ratio was almost 14. Moving forward, we believe that a reasonable fair value P/E ratio for NUE is 13. That accounts for the combination of a favorable operating environment, expansions into higher-margin businesses, and the continued cyclicality of its business. Relative to the current-year P/E ratio of 15.8, this suggests shares are significantly overvalued right now.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	66%	43%	20%	39%	50%	7%	7%	11%	26%	29%	*16%*	*13%*

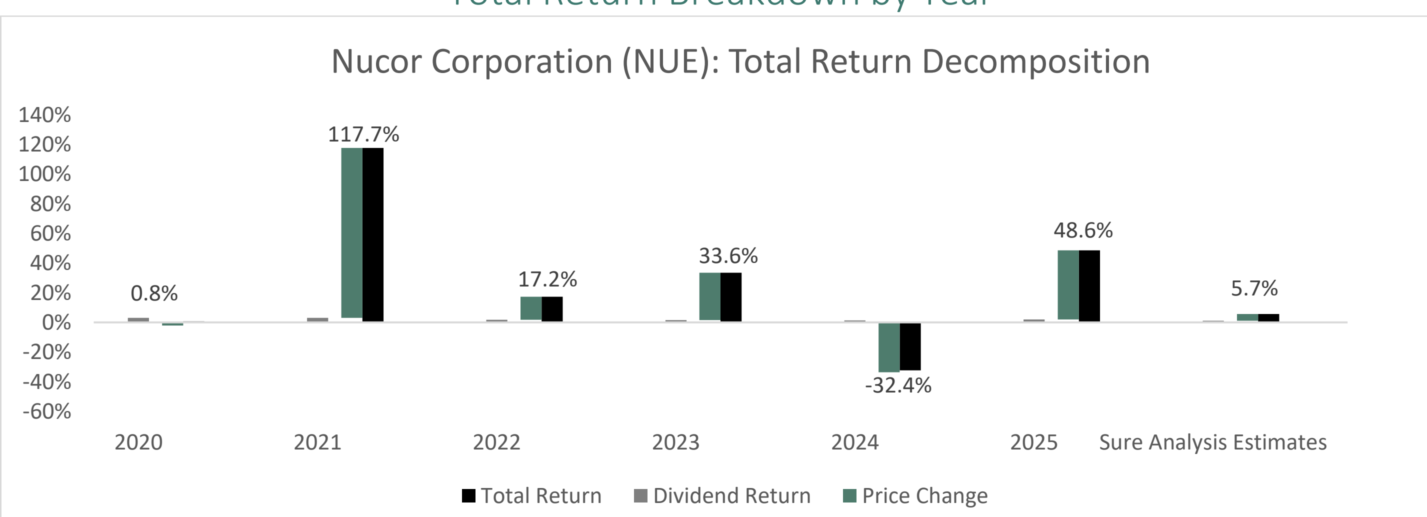
NUE's key competitive advantage is that it was the pioneer of the Electric Arc Furnace (EAF) mini-mill model. During periods of low demand or higher electricity prices, the company can dial down its EAFs to protect margins in a downturn. Mini-mills are also much cheaper and faster to build than integrated blast furnace complexes, which allows NUE to scale capacity with much lower capital intensity. The other competitive advantage is that one-third of its net sales comes from selling finished infrastructure. These are specialized steel products used for utility towers and data center racking, which are priced based on value and engineering rather than the commodity spot price of steel.

NUE's balance sheet is also very strong. As of April 4th, 2026, the company's debt-to-capital ratio was 24%. This suggests that it is very well-capitalized. NUE also had $3.2 billion in liquidity to end the quarter, which gives it plenty of flexibility to execute its $4 billion share repurchase program over time (this was approved in February). NUE's dividend is also very sustainable, with the payout ratio set to be around 16% in 2026. That should allow the company to extend its 53-year dividend growth streak for the foreseeable future.

Final Thoughts & Recommendation

NUE's 1.0% dividend yield, 9.0% annual diluted EPS growth prospects, and 3.8% annual valuation multiple contraction potential could generate 5.7% annual total returns through 2031. As a result, we're maintaining our Hold rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	16,208	20,252	25,067	22,589	20,140	36,484	41,512	34,714	30,734	32,494
Gross Profit	2,039	2,586	4,286	2,679	2,247	11,054	12,437	7,824	4,123	3,903
Gross Margin	12.6%	12.8%	17.1%	11.9%	11.2%	30.3%	30.0%	22.5%	13.4%	12.0%
SG&A Exp.	597	688	861	711	615	1,707	1,997	1,584	1,123	1,219
D&A Exp.	687	727	720	735	785	865	1,062	1,168	1,356	1,480
Operating Profit	1,465	1,921	3,405	1,934	1,650	9,348	10,440	6,240	3,000	2,684
Op. Margin	9.0%	9.5%	13.6%	8.6%	8.2%	25.6%	25.1%	18.0%	9.8%	8.3%
Net Profit	898	1,376	2,472	1,364	832	7,090	8,048	4,896	2,310	2,031
Net Margin	5.5%	6.8%	9.9%	6.0%	4.1%	19.4%	19.4%	14.1%	7.5%	6.3%
Free Cash Flow	1,145	603	1,411	1,332	1,154	4,609	8,124	4,898	806	(188)
Income Tax	398	369	748	412	(0)	2,078	2,165	1,360	583	530

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	15,224	15,841	17,921	18,345	20,125	25,823	32,479	35,340	33,940	35,104
Cash & Equivalents	2,196	999	1,399	1,835	3,048	2,618	4,858	7,131	4,139	2,699
Acc. Receivable	1,632	2,029	2,506	2,160	2,299	3,854	3,591	2,953	2,675	3,105
Inventories	2,480	3,462	4,554	3,842	3,569	6,011	5,454	5,578	5,106	5,462
Goodwill & Int.	2,920	3,111	3,013	2,943	2,898	3,931	7,242	7,077	7,422	7,177
Total Liabilities	6,969	6,756	7,719	7,553	8,894	11,219	12,909	13,217	12,523	12,980
Accounts Payable	838	1,181	1,428	1,202	1,432	1,974	1,650	2,020	1,832	1,890
Long-Term Debt	4,339	3,742	4,233	4,395	5,358	5,651	6,724	6,805	6,818	7,101
Total Equity	7,880	8,739	9,792	10,358	10,789	14,016	18,415	20,941	20,294	20,936
LTD/E Ratio	0.55	0.43	0.44	0.43	0.50	0.41	0.37	0.33	0.35	0.35

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	6.0%	8.9%	14.6%	7.5%	4.3%	30.9%	27.6%	14.4%	6.7%	5.9%
Return on Equity	11.1%	15.9%	25.6%	13.0%	7.6%	54.9%	47.1%	23.5%	10.6%	9.3%
ROIC	7.2%	10.8%	18.1%	9.2%	5.2%	38.3%	34.4%	17.7%	8.0%	7.0%
Shares Out.	319	318	305	301	298	270	252	241	231	229
Revenue/Share	50.68	63.14	79.14	73.94	66.41	124.35	157.74	138.63	128.86	140.67
FCF/Share	3.58	1.88	4.46	4.36	3.80	15.71	30.87	19.56	3.38	(0.81)

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.