Duke Energy Corporation (DUK)

Updated August 7th, 2026, by Kody Kester

Key Metrics

Current Price:	$125	**5 Year CAGR Estimate:**	9.1%	**Market Cap:**	$97.7B
Fair Value Price:	$124	**5 Year Growth Estimate:**	6.5%	**Ex-Dividend Date:**	08/14/26
% Fair Value:	101%	**5 Year Valuation Multiple Estimate:**	-0.2%	**Dividend Payment Date:**	09/16/26
Dividend Yield:	3.5%	**5 Year Price Target**	$170	**Years Of Dividend Growth:**	20
Dividend Risk Score:	D	**Sector:**	Utilities	**Rating:**	Hold

Overview & Current Events

Duke Energy Corporation (DUK) is an electric and natural gas utility company serving millions of customers across the Southeast and Midwest. The company operates through two core segments: Electric Utilities and Infrastructure (generating and distributing electricity) and Gas Utilities and Infrastructure (delivering natural gas to residential, commercial, and industrial customers). DUK's diverse generation portfolio includes coal, natural gas, nuclear, hydroelectric, and expanding renewable energy sources, supported by grid-scale battery storage. The company is strategically positioned for growth through a $103 billion five-year capital investment plan focused on clean energy transition, grid modernization, electric vehicle infrastructure, and data center power supply opportunities.

On Aug. 4, 2026, DUK released its financial results for the second quarter ended Jun. 30, 2026. The company's total revenue grew by 1.1% year-over-year to $7.59 billion in the quarter. Growing electricity demand for major tech companies building AI data centers in their territories powered load growth for DUK during the quarter. Recent rate cases and infrastructure riders and customer base expansion across its service territories contributed to the regulated utility's topline growth for the quarter as well. These factors more than countered the headwind posed by mild weather patterns across parts of the footprint in the quarter. DUK's adjusted EPS climbed 14.4% over the year-ago period to $1.43 during the quarter. That topped the analyst consensus for the quarter by $0.13. Last month, DUK also upped its quarterly dividend per share by 1.9% to $1.085.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$4.69	$4.57	$4.72	$5.06	$5.12	$5.24	$5.27	$5.56	$5.90	$6.31	***$6.70***	***$9.18***
DPS	$3.36	$3.49	$3.63	$3.75	$3.82	$3.90	$3.98	$4.06	$4.14	$4.22	***$4.34***	***$5.15***
Shares[1]	700.0	700.0	727.0	733.0	769.0	769.0	770.0	770.7	776.0	777.7	***779.7***	***860.0***

Over the last decade, DUK's adjusted EPS have grown by just over 3% annually. In recent years, this has accelerated further to 5%. Moving forward, we think that DUK's adjusted EPS can rise by 6.5% annually through 2031, off an anticipated 2026 base of $6.70. The company's $103 billion five-year capital spending plan should power solid rate base growth over the next several years. This is why management anticipates hitting the top half of its 5% to 7% annual adjusted EPS growth target beginning in 2028 (5.2 GW of data centers of its 7.8 GW of economic development projects are already under construction in its service territories).

[1] Share count is in millions.

Disclosure: This analyst has a position in the security discussed in this research report.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	16.6	18.4	18.3	17.9	17.9	20.0	19.5	17.5	18.3	18.6	***18.7***	***18.5***
Avg. Yld.	4.3%	4.1%	4.2%	4.1%	4.2%	3.7%	3.9%	4.2%	3.8%	3.6%	***3.5%***	***3.0%***

Since 2016, DUK's P/E ratio has varied from the mid-teens to the low-20s. The average P/E ratio over that time was just above 18. Over the past five years, DUK's average P/E ratio was nearly 19. This is why we're roughly splitting the difference with our fair value P/E ratio of 18.5. While the interest rate environment will pressure the valuation, DUK's improved growth profile should basically offset this valuation headwind. Against the current-year P/E ratio of 18.7, shares are slightly overvalued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	72%	76%	77%	74%	75%	74%	76%	73%	70%	67%	***65%***	***56%***

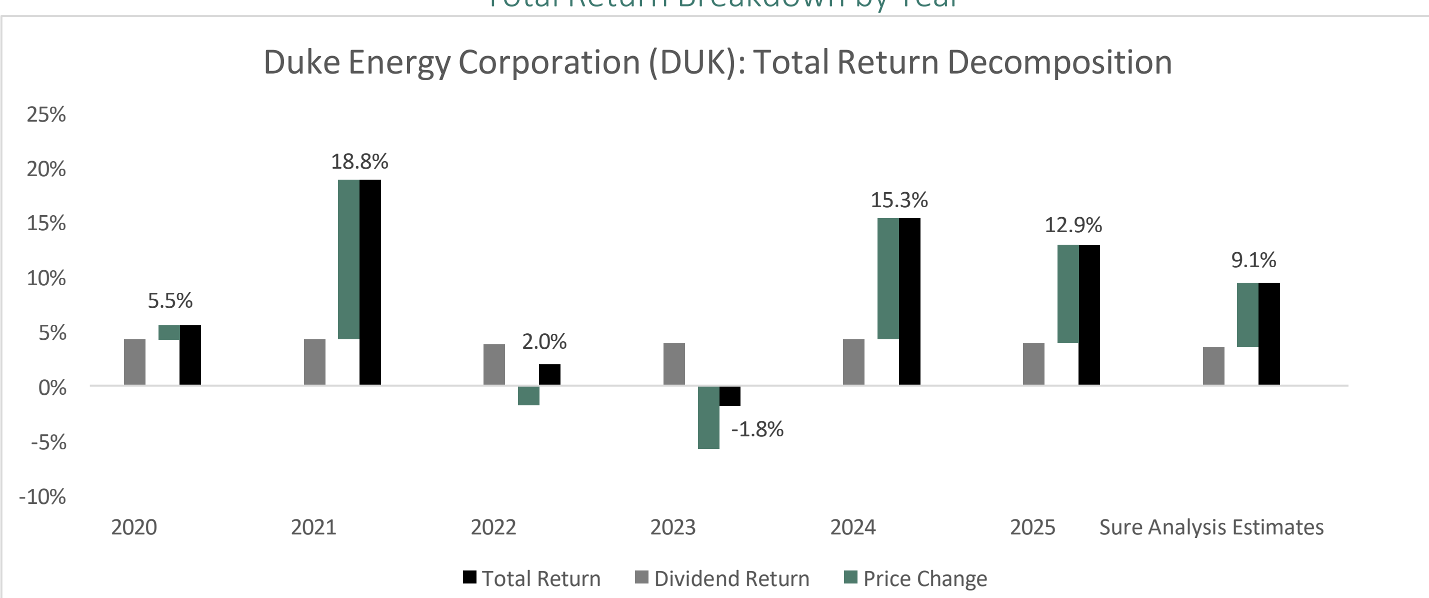
As a regulated utility, DUK has the benefit of operating as a vertically integrated regulated utility. In its core territories, it is granted exclusive territorial rights by state governments. This means that no competitor can legally build power lines or sell electricity to retail customers within DUK's footprint. In exchange for also earning predictable 9%+ to 10%+ returns on equity, it agrees to file rate cases through state regulators, who set electric and gas rates. A differentiator for the company is its speed-to-power strategy. While many grid interconnection requests take five to seven years, DUK's vertically integrated model allows it to plan, build, and bring massive industrial loads online years faster than fragmented wholesale power markets.

The regulated utility also benefits from a BBB+ S&P credit rating with a stable outlook. While dividend growth is likely to be modest for DUK to fund its growth capex ambitions, its dividend appears to be sustainable. The adjusted EPS payout ratio is set to be in the mid-60% range for 2026.

Final Thoughts & Recommendation

DUK's 3.5% dividend yield, 6.5% annual adjusted EPS growth prospects, and 0.2% annual valuation multiple downside potential could lead to 9.1% annual total returns through 2031. That's why we're reiterating our Hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	22,753	23,565	24,521	25,079	23,868	24,621	28,768	29,060	30,357	32,237
Gross Profit	6,797	7,223	6,728	7,028	6,864	7,196	7,890	8,503	9,404	10,174
Gross Margin	29.9%	30.7%	27.4%	28.0%	28.8%	29.2%	27.4%	29.3%	31.0%	31.6%
D&A Exp.	3,294	3,527	4,074	4,548	4,705	4,762	5,086	5,253	5,793	6,324
Operating Profit	5,655	5,990	5,448	5,721	5,527	5,841	6,424	7,103	7,938	8,577
Op. Margin	24.9%	25.4%	22.2%	22.8%	23.2%	23.7%	22.3%	24.4%	26.1%	26.6%
Net Profit	2,578	3,070	2,625	3,578	1,075	3,723	3,778	4,329	4,604	5,070
Net Margin	11.3%	13.0%	10.7%	14.3%	4.5%	15.1%	13.1%	14.9%	15.2%	15.7%
Free Cash Flow	(1,103)	(1,428)	(2,203)	(2,913)	(918)	(1,381)	(5,434)	(2,710)	73	(1,672)
Income Tax	1,156	1,196	448	519	(236)	268	300	438	590	642

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets ($B)	139	143	151	164	167	174	183	182	191	200
Cash & Equivalents	392	496	583	533	453	511	582	329	398	329
Acc. Receivable	2,644	2,774	3,134	3,060	3,153	3,522	4,415	4,131	4,121	4,230
Inventories	3,522	3,250	3,084	3,232	3,167	3,111	3,584	4,292	4,509	4,569
Goodwill & Int.	19,651	19,626	19,549	19,552	19,598	19,539	19,568	19,585	19,580	19,301
Total Liab. ($B)	98	101	107	116	118	123	131	132	139	147
Accounts Payable	2,994	3,043	3,487	3,487	3,144	3,531	4,754	4,228	5,479	5,223
LT Debt ($B)	47,895	52,279	54,529	59,558	61,203	64,775	72,091	76,169	81,646	88,245
Total Equity ($B)	41,033	41,739	43,817	44,860	46,002	47,334	47,360	47,150	49,154	50,869
LTD/E Ratio	1.23	1.30	1.32	1.34	1.34	1.38	1.55	1.64	1.70	1.76

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.9%	2.2%	1.8%	2.3%	0.6%	2.2%	2.1%	2.4%	2.5%	2.6%
Return on Equity	6.4%	7.4%	6.1%	7.8%	2.2%	7.4%	7.3%	8.5%	9.1%	9.7%
ROIC	3.0%	3.3%	2.7%	3.4%	1.0%	3.2%	3.1%	3.3%	3.4%	3.6%
Shares Out.	699.6	700.1	727	733.3	768.7	769.4	770.1	771	777	778
Revenue/Share	32.93	33.66	34.63	34.40	32.34	32.02	37.36	37.69	39.32	41.49
FCF/Share	(1.60)	(2.04)	(3.11)	(4.00)	(1.24)	(1.80)	(7.06)	(3.51)	0.09	(2.15)

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