

ModernGraham Valuation

Company Name:

CONSOL Energy Inc.

Company Ticker CNX

Date of Analysis

3/14/2017



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$3,471,472,450	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.67	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-174.96%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	-15.33	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.91	Fail

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.67	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-8.68	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.99
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	-\$14.31
MG Value based on 0% Growth	-\$8.39
Market Implied Growth Rate	-11.92%

MG Opinion

Current Price	\$15.13
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$20.75
Graham Number	\$6.96
PEmg	-15.33
Current Ratio	0.67
PB Ratio	0.91
Current Dividend	\$0.02
Dividend Yield	0.13%
Number of Consecutive Years of Dividend Growth	1

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.13	Next Fiscal Year Estimate	-\$0.99
Dec2016	-\$3.70	Dec2016	-\$1.03
Dec2015	-\$1.64	Dec2015	\$0.62
Dec2014	\$0.70	Dec2014	\$1.81
Dec2013	\$2.87	Dec2013	\$2.37
Dec2012	\$1.70	Dec2012	\$2.18
Dec2011	\$2.76	Dec2011	\$2.35
Dec2010	\$1.60	Dec2010	\$2.14
Dec2009	\$2.95	Dec2009	\$2.42
Dec2008	\$2.40	Dec2008	\$2.12
Dec2007	\$1.45	Dec2007	\$1.84
Dec2006	\$2.20	Dec2006	\$1.78
Dec2005	\$3.13	Dec2005	\$1.41
Dec2004	\$1.09	Dec2004	\$0.57
Dec2003	-\$0.05	Dec2003	\$0.35
Dec2002	\$0.08	Dec2002	\$0.57
Jun2001	\$1.17	Jun2001	\$0.80
Jun2000	\$0.68	Balance Sheet Information	12/1/2016
Jun1999	\$0.31	Total Current Assets	\$626,139,000
Dec1998	\$0.87	Total Current Liabilities	\$940,014,000
Dec1997	\$0.85	Long-Term Debt	\$2,722,995,000
		Total Assets	\$9,183,981,000
		Intangible Assets	\$0
		Total Liabilities	\$5,385,586,000
		Shares Outstanding (Diluted Average)	229,387,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other ModernGraham posts about the company

- [Consol Energy Inc Valuation – November 2015 Update \\$CNX](#)
- [22 Companies in the Spotlight This Week – 11/29/14](#)
- [Consol Energy Inc. Annual Valuation – 2014 \\$CNX](#)

Other ModernGraham posts about related companies

- [Silver Standard Resources Inc Valuation – Initial Coverage \\$TSE:SSO](#)
- [Sandstorm Gold Ltd Valuation – Initial Coverage \\$TSE:SSL](#)
- [Kirkland Lakes Gold Ltd Valuation – Initial Coverage \\$TSE:KL](#)
- [Klondex Mines Ltd Valuation – Initial Coverage \\$TSE:KDX](#)
- [Natural Resource Partners LP Valuation – February 2017 \\$NRP](#)
- [Kaiser Aluminum Corp Valuation – Initial Coverage \\$KALU](#)
- [Freeport-McMoRan Inc Valuation – January 2017 \\$FCX](#)
- [Semafo Inc Valuation – Initial Coverage \\$TSE:SMF](#)
- [U.S. Silica Holdings Inc Valuation – Initial Coverage \\$SLCA](#)
- [Ivanhoe Mines Ltd Valuation – Initial Coverage \\$TSE:IVN](#)