

ModernGraham Valuation

Company Name:

Company Ticker NEM
Date of Analysis

Newmont Mining Corp

6/27/2016



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	\$21,012,733,366	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.28	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	563.89%	Pass
6. Moderate PEmg Ratio	PEmg < 20	175.03	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.76	Pass

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	3.28	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.62	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

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$0.22
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$3.12
MG Value based on 0% Growth	\$1.83
Market Implied Growth Rate	83.27%

MG Opinion

Current Price	\$37.69
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	F

Stage 3: Information for Further Research

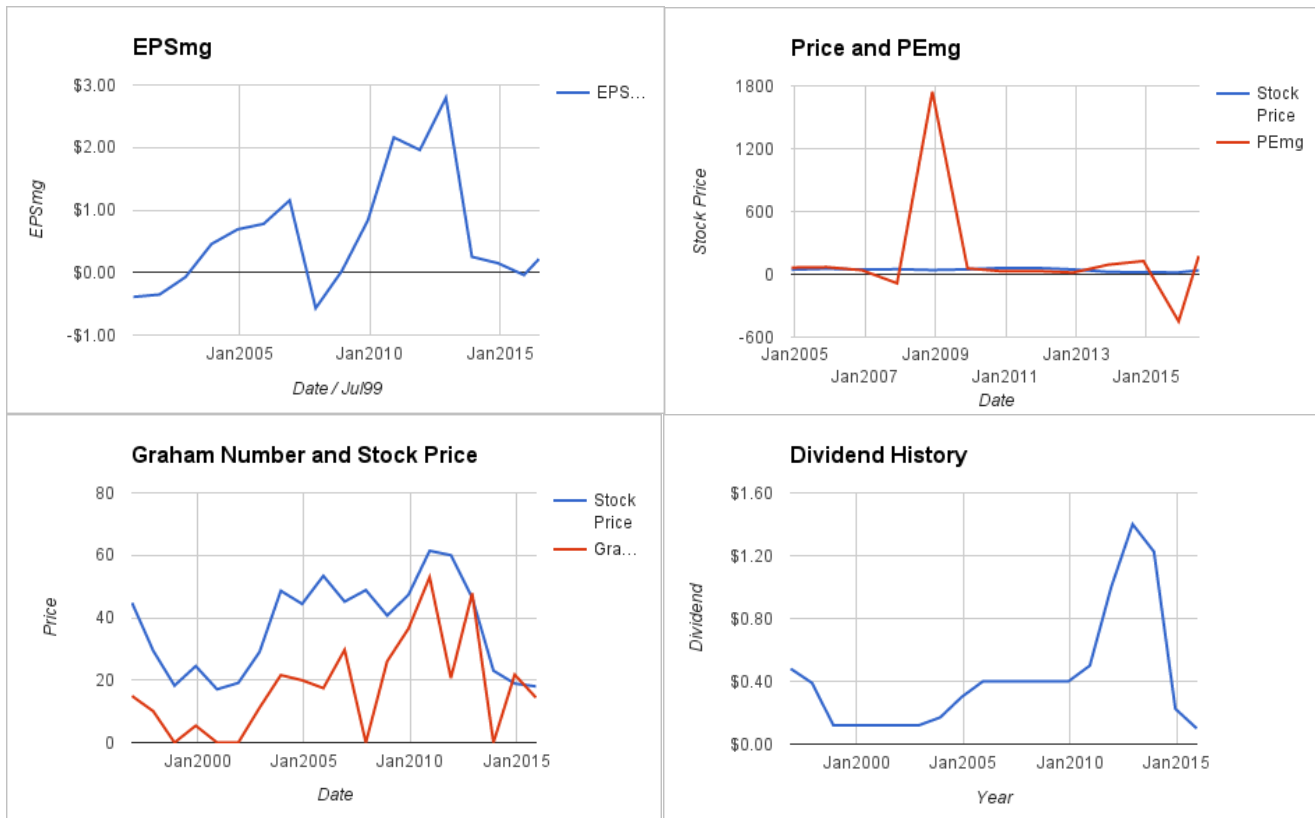
Net Current Asset Value (NCAV)	-\$15.86
Graham Number	\$21.30
PEmg	175.03
Current Ratio	3.28
PB Ratio	1.76
Current Dividend	\$0.10
Dividend Yield	0.27%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

[ModernGraham tagged articles](#) [Morningstar](#)
[Google Finance](#) [MSN Money](#)

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.94	Next Fiscal Year Estimate	\$0.22
Dec2015	\$0.43	Dec2015	-\$0.04
Dec2014	\$1.02	Dec2014	\$0.15
Dec2013	-\$4.94	Dec2013	\$0.25
Dec2012	\$3.63	Dec2012	\$2.79
Dec2011	\$0.73	Dec2011	\$1.96
Dec2010	\$4.55	Dec2010	\$2.16
Dec2009	\$2.66	Dec2009	\$0.83
Dec2008	\$1.87	Dec2008	\$0.02
Dec2007	-\$4.17	Dec2007	-\$0.57
Dec2006	\$1.75	Dec2006	\$1.15
Dec2005	\$0.72	Dec2005	\$0.78
Dec2004	\$0.99	Dec2004	\$0.69
Dec2003	\$1.15	Dec2003	\$0.46
Dec2002	\$0.41	Dec2002	-\$0.07
Dec2001	-\$0.16	Dec2001	-\$0.35
Dec2000	-\$0.11	Dec2000	-\$0.39
Dec1999	\$0.15	Balance Sheet Information 3/1/2016	
Dec1998	-\$2.47	Total Current Assets	\$4,780,000,000
Dec1997	\$0.44	Total Current Liabilities	\$1,458,000,000
Dec1996	\$0.63	Long-Term Debt	\$5,369,000,000
		Total Assets	\$24,553,000,000
		Intangible Assets	\$0
		Total Liabilities	\$13,204,000,000
		Shares Outstanding (Diluted Average)	531,000,000





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

[Newmont Mining Corporation Annual Valuation – 2015 \\$NEM](#)

[16 Companies in the Spotlight This Week – 4/26/14](#)

[Newmont Mining Corp \(NEM\) Annual Valuation – 2014](#)

Other
ModernGraham
posts about related
companies

[Silver Wheaton Corporation – February 2016 Update \\$SLW](#)

[Consol Energy Inc Valuation – November 2015 Update \\$CNX](#)

[Consol Energy Inc Valuation – November 2015 Update \\$CNX](#)

[Silver Wheaton Corporation Valuation – October 2015 Update \\$SLW](#)

[Natural Resource Partners LP Analysis – October 2015 Update \\$NRP](#)

[Peabody Energy Corporation Analysis – September 2015 Update \\$BTU](#)

[Freeport-McMoRan Inc. Analysis – September 2015 Update \\$FCX](#)

[Alliance Resource Partners LP Analysis – Initial Coverage \\$ARLP](#)

[Goldcorp Inc. Analysis – Initial Coverage \\$GG](#)

[Silver Wheaton Corporation Valuation – Initial Coverage \\$SLW](#)