ModernGraham Valuation

Company Name:

Company Ticker CCL

Date of Analysis

7/21/2016



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	\$34,384,252,634 Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.20 Fail
	3. Earnings Stability	Positive EPS for 10 years prior	Pass
	4. Dividend Record	Dividend Payments for 10 years prior	Fail
	5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-10.75% Fail
	6. Moderate PEmg Ratio	PEmg < 20	19.36 Pass
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.50 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	0.20 Fail
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-1.31 Fail
	3. Earnings Stability	Positive EPS for 5 years prior	Pass
	4. Dividend Record	Currently Pays Dividend	Pass
	5. Earnings Growth	EPSmg greater than 5 years ago	Pass

Carnival Corp

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

	EPSmg		\$2.34
	MG Growth Estimate		1.05%
	MG Value		\$24.80
	MG Value based on 3% Growth		\$33.94
	MG Value based on 0% Growth		\$19.90
	Market Implied Growth Rate		5.43%
MG Opinion			
	Current Price		\$45.32
	% of Intrinsic Value		182.78%
	Opinion	Overvalued	
	MG Grade	С	

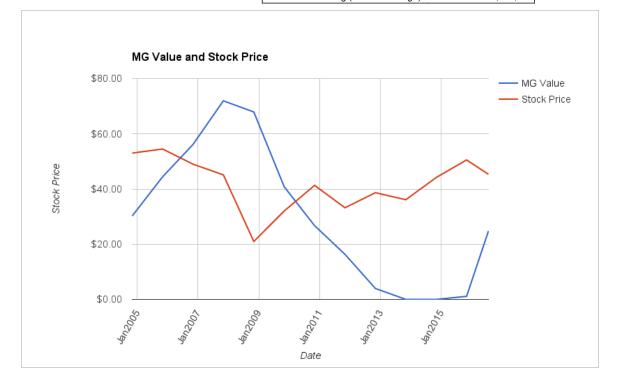
Stage 3: Information for Further Research

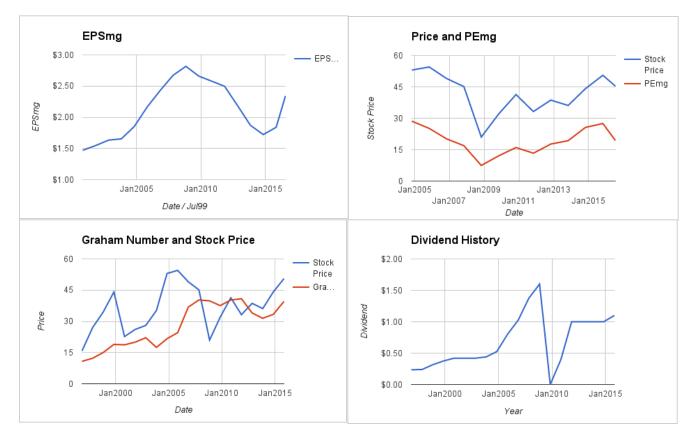
Net Current Asset Value (NCAV)	-\$20.53
Graham Number	\$55.80
PEmg	19.36
Current Ratio	0.20
PB Ratio	1.50
Current Dividend	\$1.25
Dividend Yield	2.76%
Number of Consecutive Years of Dividend Growth	2

Useful Links:

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

EPS History		EPSmg History	
Next Fiscal Year Estimate	¢0.03	Next Fiscal Year Estimate	\$2.34
Nov2015	\$2.26		\$1.84
Nov2014	\$1.59		\$1.72
Nov2013	\$1.39		\$1.8
Nov2012	\$1.67	Nov2012	\$2.19
Nov2011	\$2.42	Nov2011	\$2.50
Nov2010	\$2.47	Nov2010	\$2.58
Nov2009	\$2.24	Nov2009	\$2.66
Nov2008	\$2.90	Nov2008	\$2.82
Nov2007	\$2.95	Nov2007	\$2.67
Nov2006	\$2.77	Nov2006	\$2.43
Nov2005	\$2.70	Nov2005	\$2.17
Nov2004	\$2.24	Nov2004	\$1.85
Nov2003	\$1.66	Nov2003	\$1.65
Nov2002	\$1.73	Nov2002	\$1.6
Nov2001	\$1.58	Nov2001	\$1.5
Nov2000	\$1.60	Nov2000	\$1.47
Nov1999	\$1.66	Balance Sheet Information	5/1/2010
Nov1998	\$1.40	Total Current Assets	\$1,600,000,000
Nov1997	\$1.12	Total Current Liabilities	\$7,841,000,000
Nov1996	\$0.98	Long-Term Debt	\$8,183,000,000
		Total Assets	\$39,851,000,000
		Intangible Assets	\$4,324,000,000
		Total Liabilities	\$17,060,000,000
		Shares Outstanding (Diluted Average)	753,000,000





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	5 Speculative and Overvalued Companies to Avoid – May 2015
	Carnival Corporation Annual Valuation – 2015 \$CCL
	14 Companies in the Spotlight This Week – 4/12/14
	Carnival Corporation (CCL) Annual Valuation – 2014

Other ModernGraham posts about related companies	Marriott International Inc Valuation – July 2016 \$MAR
	Starwood Hotels & Resorts Worldwide Inc. Analysis – July 2015 Update \$HOT
	Carnival Corporation Annual Valuation – 2015 \$CCL
	Marriott International Inc. Annual Valuation – 2015 \$MAR
	Wyndham Worldwide Corporation Annual Valuation – 2014 \$WYN
	Starwood Hotels & Resorts Annual Valuation – 2014 \$HOT
	Carnival Corporation (CCL) Annual Valuation – 2014