

ModernGraham Valuation

Company Name:

Company Ticker CHCO

Date of Analysis

12/13/2016

City Holding
Company



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

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$979,686,851	Fail
2. Earnings Stability	Positive EPS for 10 years prior		Pass
3. 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	38.09%	Pass
4. Earnings Growth	PEmg < 20	20.19	Fail
5. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.29	Pass
6. Moderate Price to Assets			

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior		Pass
2. Dividend Record	Currently Pays Dividend		Pass
3. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	3.31
MG Growth Estimate	4.50%
MG Value	\$57.95
MG Value based on 3% Growth	\$48.04
MG Value based on 0% Growth	\$28.16
Market Implied Growth Rate	5.84%

MG Opinion

Current Price	\$66.89
% of Intrinsic Value	115.42%
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

Graham Number	\$46.73
PEmg	20.19
PB Ratio	2.29
Dividend Yield	2.54%
Number of Consecutive Years of Dividend Growth	5

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	\$3.35	Next Fiscal Year Estimate	\$3.31
Dec2015	\$3.53	Dec2015	\$3.21
Dec2014	\$3.38	Dec2014	\$2.98
Dec2013	\$3.04	Dec2013	\$2.75
Dec2012	\$2.61	Dec2012	\$2.55
Dec2011	\$2.67	Dec2011	\$2.52
Dec2010	\$2.47	Dec2010	\$2.49
Dec2009	\$2.68	Dec2009	\$2.55
Dec2008	\$1.74	Dec2008	\$2.54
Dec2007	\$3.01	Dec2007	\$2.91
Dec2006	\$2.99	Dec2006	\$2.77
Dec2005	\$2.84	Dec2005	\$2.35
Dec2004	\$2.75	Dec2004	\$1.63
Dec2003	\$2.58	Dec2003	\$0.78
Dec2002	\$1.90	Dec2002	-\$0.16
Dec2001	-\$1.54	Dec2001	-\$0.90
Dec2000	-\$2.27	Dec2000	-\$0.29
Dec1999	\$0.37	Balance Sheet Information 9/1/2016	
Dec1998	\$0.31	Long-Term Debt & Capital Lease Obligation	\$16,495,000
Dec1997	\$1.60	Total Assets	\$3,866,361,000
Dec1996	\$1.34	Intangible Assets	\$79,284,000
		Total Liabilities	\$3,431,577,000
		Shares Outstanding (Diluted Average)	14,910,000





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

#N/A

Other
ModernGraham
posts about related
companies

[Southside Bancshares Inc Valuation – Initial Coverage \\$SBSI](#)
[Independent Bank Corp Valuation – Initial Coverage \\$INDB](#)
[Cullen/Frost Bankers Inc Valuation – Initial Coverage \\$CFR](#)
[Signature Bank Valuation – Initial Coverage \\$SBNY](#)
[Cardinal Financial Corp Valuation – Initial Coverage \\$CFNL](#)
[Citizens Financial Group Inc Valuation – Initial Coverage \\$CFG](#)
[BB&T Corporation Valuation – November 2016 \\$BBT](#)
[SunTrust Banks Inc Valuation – August 2016 \\$STI](#)
[Comerica Inc Valuation – August 2016 \\$CMA](#)
[US Bancorp Valuation – August 2016 \\$USB](#)