

ModernGraham Valuation

Company Name:

Company Ticker TSE:CHE.UN

Date of Analysis

12/16/2016

Chemtrade Logistics
Income Fund



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	\$1,275,794,170	Fail
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.08	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	-94.91%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	134.26	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.61	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	1.08	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	45.47	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	\$0.14
MG Growth Estimate	-4.25%
MG Value	\$0.00
MG Value based on 3% Growth	\$1.97
MG Value based on 0% Growth	\$1.16
Market Implied Growth Rate	62.88%

MG Opinion

Current Price	\$18.26
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$16.45
Graham Number	\$11.40
PEmg	134.26
Current Ratio	1.08
PB Ratio	1.61
Current Dividend	\$1.20
Dividend Yield	6.57%
Number of Consecutive Years of Dividend Growth	0

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		Next Fiscal Year Estimate	
	\$0.51		\$0.14
Dec2015	-\$0.69	Dec2015	\$0.11
Dec2014	\$0.35	Dec2014	\$0.60
Dec2013	\$0.13	Dec2013	\$0.81
Dec2012	\$0.94	Dec2012	\$1.18
Dec2011	\$1.48	Dec2011	\$1.24
Dec2010	\$0.92	Dec2010	\$1.04
Dec2009	\$1.52	Dec2009	\$1.00
Dec2008	\$1.21	Dec2008	\$0.70
Dec2007	\$0.61	Dec2007	\$0.48
Dec2006	\$0.11	Dec2006	\$0.48
Dec2005	\$0.48	Dec2005	\$0.66
Dec2004	\$0.71	Dec2004	\$0.70
Dec2003	\$0.81	Dec2003	\$0.60
Dec2002	\$0.91	Dec2002	\$0.43
Dec2001	\$0.46	Dec2001	\$0.15
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 9/1/2016	
Dec1998	\$0.00	Total Current Assets	\$254,093,000
Dec1997	\$0.00	Total Current Liabilities	\$236,146,000
Dec1996	\$0.00	Long-Term Debt	\$816,047,000
		Total Assets	\$2,172,918,000
		Intangible Assets	\$1,099,799,000
		Total Liabilities	\$1,390,323,000
		Shares Outstanding (Diluted Average)	69,088,000





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:

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ModernGraham
posts about the
company

#N/A

Other
ModernGraham
posts about related
companies

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[Ashland Inc Valuation – July 2016 \\$ASH](#)
[FMC Corporation Valuation – July 2016 \\$FMC](#)
[Eastman Chemical Company Valuation – July 2016 \\$EMN](#)
[Dow Chemical Co Valuation – July 2016 \\$DOW](#)
[Olin Corporation Valuation – June 2016 \\$OLN](#)
[LyondellBasell Industries Valuation – June 2016 \\$LYB](#)
[Praxair Inc Valuation – June 2016 \\$PX](#)
[Albemarle Corp Valuation – February 2016 \\$ALB](#)
[Airgas Inc Stock Valuation – February 2016 \\$ARG](#)