

ModernGraham Valuation

Canadian Imperial
Bank of Commerce



Company Name:

Company Ticker TSE:CM

Date of Analysis

1/12/2017

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	\$44,083,347,168	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	1032.70%	Pass
5. Moderate PEmg Ratio	PEmg < 20	11.50	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.87	Pass

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	9.62
MG Growth Estimate	5.40%
MG Value	\$185.80
MG Value based on 3% Growth	\$139.53
MG Value based on 0% Growth	\$81.79
Market Implied Growth Rate	1.50%

MG Opinion

Current Price	\$110.68
% of Intrinsic Value	59.57%
Opinion	Undervalued
MG Grade	B

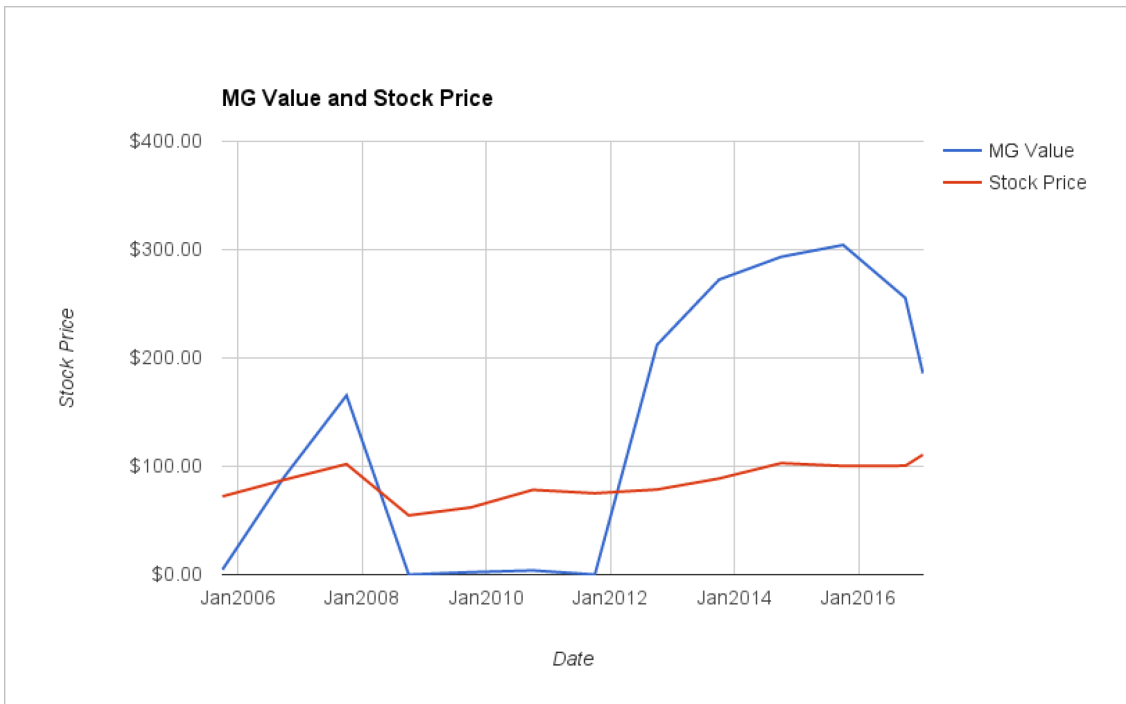
Stage 3: Information for Further Research

Graham Number	\$114.08
PEmg	11.50
PB Ratio	1.87
Dividend Yield	4.29%
Number of Consecutive Years of Dividend Growth	7

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	\$10.22	Next Fiscal Year Estimate	\$9.62
Oct2016	\$10.70	Oct2016	\$9.10
Oct2015	\$8.87	Oct2015	\$8.16
Oct2014	\$7.86	Oct2014	\$7.62
Oct2013	\$8.11	Oct2013	\$7.07
Oct2012	\$7.76	Oct2012	\$5.51
Oct2011	\$6.71	Oct2011	\$4.16
Oct2010	\$5.87	Oct2010	\$3.21
Oct2009	\$2.65	Oct2009	\$2.11
Oct2008	-\$5.89	Oct2008	\$2.29
Oct2007	\$9.21	Oct2007	\$6.04
Oct2006	\$7.43	Oct2006	\$4.24
Oct2005	-\$0.46	Oct2005	\$2.81
Oct2004	\$5.53	Oct2004	\$4.37
Oct2003	\$5.18	Oct2003	\$3.71
Oct2002	\$1.35	Oct2002	\$2.97
Oct2001	\$4.13	Oct2001	\$3.65
Oct2000	\$4.86		
		Balance Sheet Information	10/1/2016
Oct1999	\$2.22	Long-Term Debt & Capital Lease Obligation	\$3,366,000,000
Oct1998	\$2.26	Total Assets	\$501,357,000,000
Oct1997	\$3.51	Intangible Assets	\$2,949,000,000
		Total Liabilities	\$477,885,000,000
		Shares Outstanding (Diluted Average)	395,919,000





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

- [Bank of New York Mellon Corp Valuation – January 2017 \\$BK](#)
- [Simmons First National Corporation Valuation – Initial Coverage \\$SFNC](#)
- [ServisFirst Bancshares Inc Valuation – Initial Coverage \\$SFBS](#)
- [Ingredion Inc Valuation – Initial Coverage \\$INGR](#)
- [City Holding Company Valuation – Initial Coverage \\$CHCO](#)
- [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](#)