ModernGraham Valuation

Company Name:

Company Ticker CL Date of Analysis

Colgate-Palmolive Company



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

4/8/2017

Defensive Investor	must pass 6 out of the following 7 tests.		
	1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$65,228,629,202 Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.31 Fail
	3. Earnings Stability	Positive EPS for 10 years prior	Pass
	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	15.24% Fail
	6. Moderate PEmg Ratio	PEmg < 20	29.87 Fail
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	-271.55 Fail
	7. Moderate File to Assets	PB Ralio < 2.5 OR PB PEllig < 50	-271.55 Fail
Enterprising Invest	or; 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	1.31 Fail
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	6.31 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
		Score	
Suitability			
	Defensive	No	
	Defensive	NO	
	Enterprising	No	
Stage 2: Det	Enterprising		
Stage 2: Det	Enterprising ermination of Intrinsic Value	No	
Stage 2: Det	Enterprising ermination of Intrinsic Value EPSmg	No \$2.46	
Stage 2: Det	Enterprising ermination of Intrinsic Value	No \$2.46 0.33%	
Stage 2: Det	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate	No \$2.46 0.33% \$22.55	
Stage 2: Det	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth	No \$2.46 0.33% \$22.55 \$35.66	
Stage 2: Det	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth	No \$2.46 0.33% \$22.55	
Stage 2: Det	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth	No \$2.46 0.33% \$22.55 \$35.66 \$20.90	
-	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth	No \$2.46 0.33% \$22.55 \$35.66 \$20.90	
-	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate	No \$2.46 0.33% \$22.55 \$35.66 \$20.90 10.68%	
-	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price	No \$2.46 0.33% \$22.55 \$35.66 \$20.90 10.68% \$73.45	
-	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value	No \$2.46 0.33% \$22.55 \$35.66 \$20.90 10.68% \$73.45 325.72%	
MG Opinion	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value Opinion MG Grade	No \$2.46 0.33% \$22.55 \$35.66 \$20.90 10.68% \$73.45 325.72% Overvalued	
MG Opinion	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value Opinion MG Grade	No \$2.46 0.33% \$22.55 \$35.66 \$20.90 10.68% \$73.45 325.72% Overvalued C-	
MG Opinion	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value Opinion MG Grade permation for Further Research Net Current Asset Value (NCAV)	No \$2.46 0.33% \$22.55 \$35.66 \$20.90 10.68% \$73.45 325.72% Overvalued C-	
MG Opinion	Enterprising ermination of Intrinsic Value EPSmg MG Growth Estimate MG Value MG Value based on 3% Growth MG Value based on 0% Growth Market Implied Growth Rate Current Price % of Intrinsic Value Opinion MG Grade	No \$2.46 0.33% \$22.55 \$35.66 \$20.90 10.68% \$73.45 325.72% Overvalued C-	

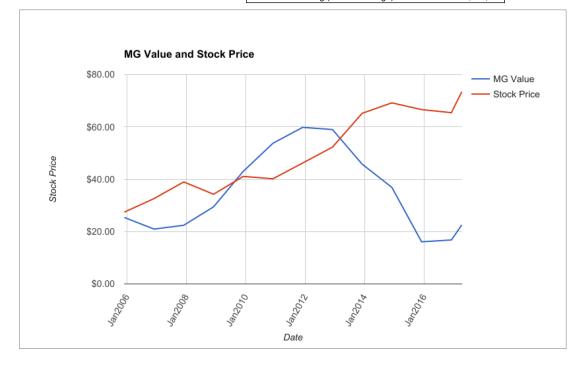
PEmg	29.87
Current Ratio	1.31
PB Ratio	-271.55
Current Dividend	\$1.55
Dividend Yield	2.11%
Number of Consecutive Years of Dividend	20
Number of Consecutive Years of Dividend Growth	20

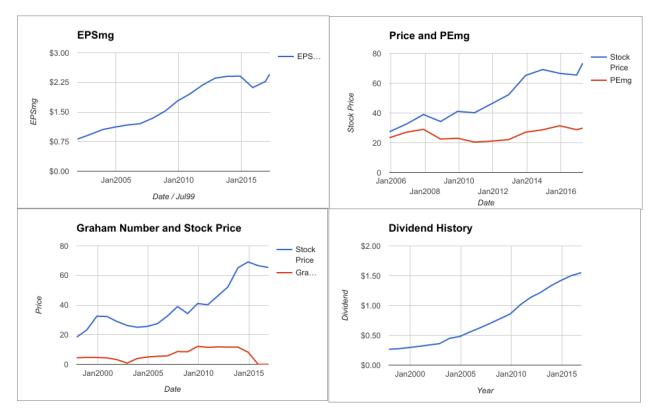
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Morningstar MSN Money Seeking Alpha SEC Filings

EPS History		EPSmg History	
Next Fiscal Year			
Estimate	\$2.87	Next Fiscal Year Estimate	\$2.4
Dec2016	\$2.72	Dec2016	\$2.2
Dec2015	\$1.52	Dec2015	\$2.1
Dec2014	\$2.36	Dec2014	\$2.4
Dec2013	\$2.38	Dec2013	\$2.4
Dec2012	\$2.57	Dec2012	\$2.3
Dec2011	\$2.47	Dec2011	\$2.1
Dec2010	\$2.16	Dec2010	\$1.9
Dec2009	\$2.19	Dec2009	\$1.7
Dec2008	\$1.83	Dec2008	\$1.5
Dec2007	\$1.60	Dec2007	\$1.3
Dec2006	\$1.23	Dec2006	\$1.2
Dec2005	\$1.22	Dec2005	\$1.1
Dec2004	\$1.17	Dec2004	\$1.1
Dec2003	\$1.23	Dec2003	\$1.0
Dec2002	\$1.10	Dec2002	\$0.9
Dec2001	\$0.95	Dec2001	\$0.8
Dec2000	\$0.85	Balance Sheet Information	12/1/201
Dec1999	\$0.74	Total Current Assets	\$4,338,000,00
Dec1998	\$0.65	Total Current Liabilities	\$3,305,000,00
Dec1997	\$0.57	Long-Term Debt	\$6,520,000,00
		Total Assets	\$12,123,000,00
		Intangible Assets	\$3,420,000,00
		Total Liabilities	\$12,366,000,00
		Shares Outstanding (Diluted Average)	898,400,00





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	Colgate-Palmolive Co Valuation – January 2016 Update \$CL 32 Companies in the Spotlight This Week – 12/6/14 Colgate-Palmolive Annual Valuation – 2014 \$CL 10 Companies in the Spotlight This Week – 11/30/2013 ModernGraham Valuation: Colgate-Palmolive (CL)
Other ModernGraham posts about related companies	<u>Coty Inc Valuation – Initial Coverage \$COTY</u> <u>Signet Jewelers Ltd Valuation – Initial Coverage \$SIG</u> <u>Inter Parfums Inc Valuation – Initial Coverage \$IPAR</u>

Signet Jewelers Ltd Valuation – Initial Coverage \$SIG Inter Parfums Inc Valuation – Initial Coverage \$IPAR Church & Dwight Co Inc Valuation – Initial Coverage \$CHD Service Corporation Intl Valuation – Initial Coverage \$SCI Avon Products Inc Valuation – July 2016 \$AVP Proctor & Gamble Co Valuation – July 2016 \$PG International Flavors & Fragrances Inc Valuation – June 2016 \$IFE Kimberly-Clark Corporation Valuation – June 2016 \$KMB Estee Lauder Companies Inc Valuation – May 2016 \$EL