

# ModernGraham Valuation

Company Name:

Goldcorp Inc. (USA)

Company Ticker GG

Date of Analysis

7/1/2018



## 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	\$11,764,710,000	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.92	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	-76.25%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	-26.85	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.84	Fail

*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	0.92	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-21.65	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		Pass
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	-\$0.51
MG Growth Estimate	6.64%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	-\$7.40
MG Value based on 0% Growth	-\$4.34
Market Implied Growth Rate	-17.67%

### MG Opinion

Current Price	\$13.71
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

## Stage 3: Information for Further Research

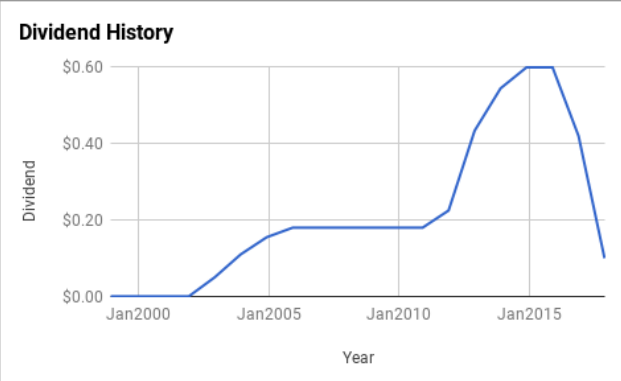
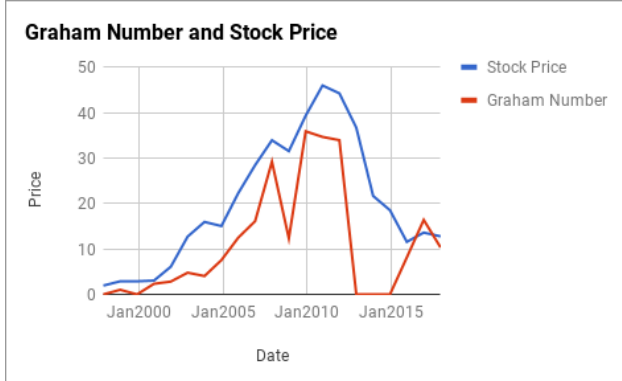
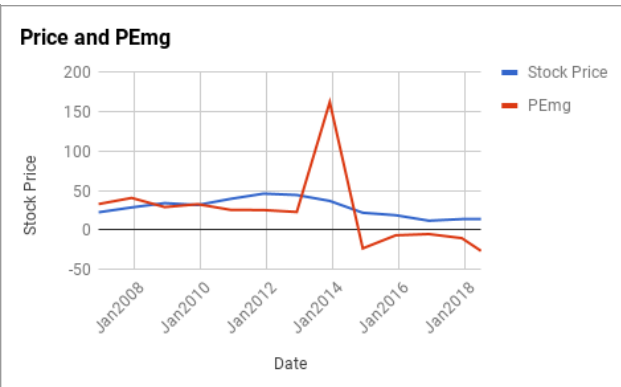
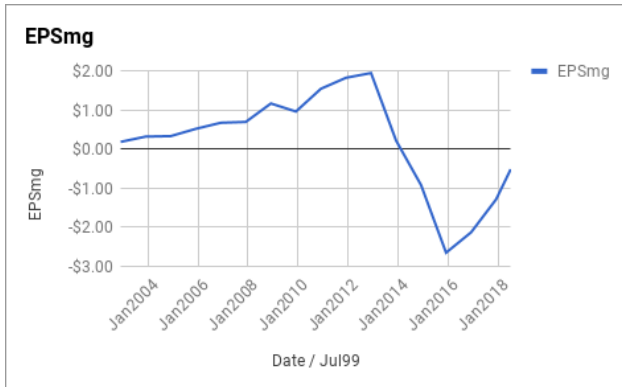
Net Current Asset Value (NCAV)	-\$7.25
Graham Number	\$10.33
PEmg	-26.85
Current Ratio	0.92
PB Ratio	0.84
Current Dividend	\$0.08
Dividend Yield	0.58%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$0.29	Next Fiscal Year Estimate	-\$0.51
Dec2017	\$0.76	Dec2017	-\$1.28
Dec2016	\$0.19	Dec2016	-\$2.13
Dec2015	-\$5.03	Dec2015	-\$2.65
Dec2014	-\$2.66	Dec2014	-\$0.92
Dec2013	-\$3.34	Dec2013	\$0.23
Dec2012	\$1.95	Dec2012	\$1.95
Dec2011	\$2.18	Dec2011	\$1.83
Dec2010	\$2.71	Dec2010	\$1.55
Dec2009	\$0.33	Dec2009	\$0.97
Dec2008	\$2.06	Dec2008	\$1.17
Dec2007	\$0.65	Dec2007	\$0.70
Dec2006	\$0.93	Dec2006	\$0.68
Dec2005	\$0.83	Dec2005	\$0.52
Dec2004	\$0.27	Dec2004	\$0.34
Dec2003	\$0.53	Dec2003	\$0.33
Dec2002	\$0.37	Dec2002	\$0.19
Dec2001	\$0.31	<b>Balance Sheet Information 3/1/2018</b>	
Dec2000	-\$0.12	Total Current Assets	\$1,071,000,000
Dec1999	\$0.08	Total Current Liabilities	\$1,165,000,000
Dec1998	-\$0.02	Long-Term Debt	\$2,035,000,000
		Total Assets	\$21,615,000,000
		Intangible Assets	\$0
		Total Liabilities	\$7,396,000,000
		Shares Outstanding (Diluted Average)	872,000,000





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  
[Goldcorp Inc Valuation – August 2016 \\$GG](#)  
[Goldcorp Inc. Analysis – Initial Coverage \\$GG](#)

Other ModernGraham posts about related companies  
[Freeport-McMoRan Inc Valuation – May 2018 \\$FCX](#)  
[Newmont Mining Corp Valuation – March 2018 \\$NEM](#)  
[Lucara Diamond Corp Valuation – March 2018 \\$TSE-LUC](#)  
[MAG Silver Corp Valuation – Initial Coverage \\$TSE:MAG](#)  
[Osisko Gold Royalties Ltd Valuation – Initial Coverage \\$TSE:OR](#)  
[Alcoa Corp Valuation – Initial Coverage \\$AA](#)  
[New Gold Inc \(USA\) Valuation – Initial Coverage \\$NGD](#)  
[Dominion Diamond Corp Valuation – Initial Coverage \\$TSE:DDC](#)  
[Lundin Mining Co Valuation – Initial Coverage \\$TSE:LUN](#)  
[Lucara Diamond Corp Valuation – Initial Coverage \\$TSE:LUC](#)