

# ModernGraham Valuation

Company Name:

CI Financial Corp

Company Ticker TSE:CIX

Date of Analysis

7/28/2018



## 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	\$6,104,398,878	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.81	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
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	87.77%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	11.17	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.41	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	0.81	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-3.84	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

<b>Defensive</b>	<b>Yes</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.06
MG Growth Estimate	5.45%
<b>MG Value</b>	<b>\$39.99</b>
MG Value based on 3% Growth	\$29.88
MG Value based on 0% Growth	\$17.52
Market Implied Growth Rate	1.34%

### MG Opinion

Current Price	\$23.02
% of Intrinsic Value	57.57%
<b>Opinion</b>	<b>Undervalued</b>
<b>MG Grade</b>	<b>B+</b>

## Stage 3: Information for Further Research

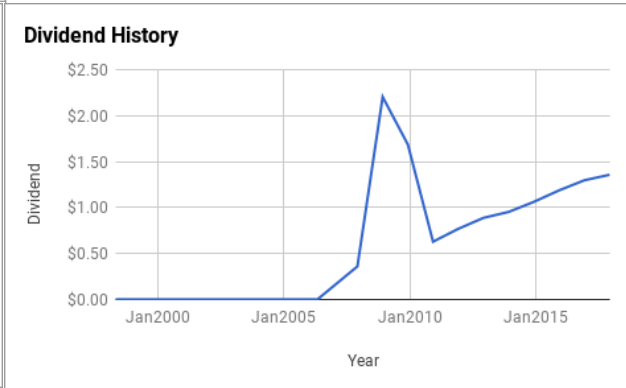
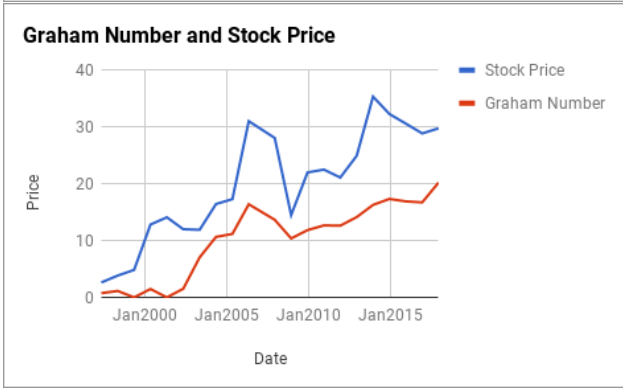
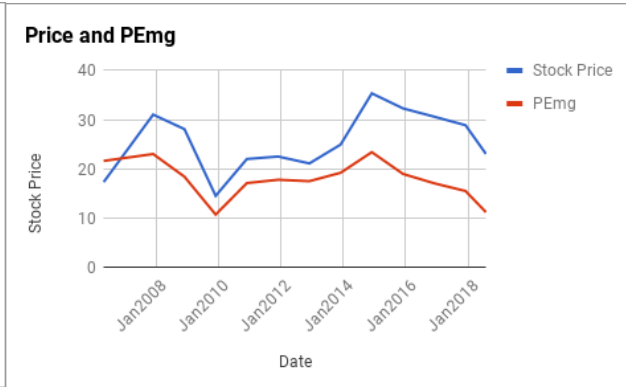
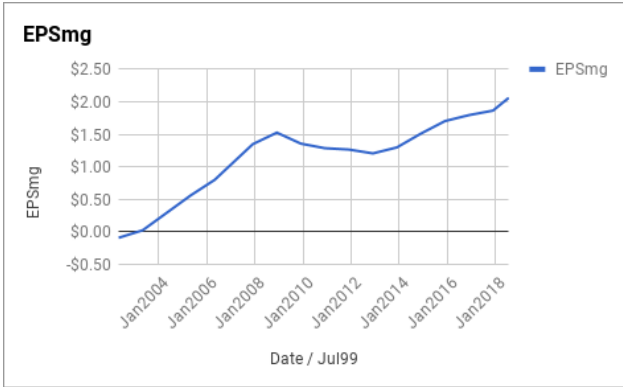
Net Current Asset Value (NCAV)	-\$6.06
Graham Number	\$20.21
PEmg	11.17
Current Ratio	0.81
PB Ratio	3.41
Current Dividend	\$1.40
Dividend Yield	6.08%
Number of Consecutive Years of Dividend Growth	8

### 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	\$2.40	Next Fiscal Year Estimate	\$2.06
Dec2017	\$1.89	Dec2017	\$1.86
Dec2016	\$1.85	Dec2016	\$1.80
Dec2015	\$1.98	Dec2015	\$1.70
Dec2014	\$1.84	Dec2014	\$1.51
Dec2013	\$1.50	Dec2013	\$1.30
Dec2012	\$1.24	Dec2012	\$1.21
Dec2011	\$1.31	Dec2011	\$1.27
Dec2010	\$1.13	Dec2010	\$1.29
Dec2009	\$0.83	Dec2009	\$1.36
Dec2008	\$1.61	Dec2008	\$1.53
Dec2007	\$2.21	Dec2007	\$1.35
May2006	\$1.08	May2006	\$0.80
May2005	\$0.97	May2005	\$0.56
May2004	\$0.82	May2004	\$0.29
May2003	\$0.31	May2003	\$0.02
May2002	-\$0.35	May2002	-\$0.09
May2001	\$0.06	<b>Balance Sheet Information 3/1/2018</b>	
May2000	-\$0.01	Total Current Assets	\$992,498,000
May1999	\$0.06	Total Current Liabilities	\$1,226,032,000
May1998	\$0.06	Long-Term Debt	\$896,323,000
		Total Assets	\$4,450,387,000
		Intangible Assets	\$3,374,753,000
		Total Liabilities	\$2,628,370,000
		Shares Outstanding (Diluted Average)	269,970,000





**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** [CI Financial Corp Valuation – Initial Coverage \\$TSE-CIX](#)

**Other ModernGraham posts about related companies** [Canadian General Investments Ltd Valuation – July 2018 \\$TSE-CGI](#)  
[SLM Corp Valuation – July 2018 \\$SLM](#)  
[IGM Financial Inc Valuation – July 2018 \\$TSE-IGM](#)  
[Main Street Capital Corp Valuation – July 2018 \\$MAIN](#)  
[Legg Mason Inc Valuation – June 2018 \\$LM](#)  
[T. Rowe Price Group Inc Valuation – June 2018 \\$TROW](#)  
[Moody's Corporation – June 2018 \\$MCO](#)  
[Charles Schwab Corp Valuation – June 2018 \\$SCHW](#)  
[Willis Towers Watson PLC Valuation – Initial Coverage June 2018 \\$WLTW](#)  
[PayPal Holdings Inc Valuation – June 2018 \\$PYPL](#)