

ModernGraham Valuation

Company Name:

Company Ticker LYB
Date of Analysis

LyondellBasell
Industries NV

1/3/2019



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	\$31,908,835,157	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.82	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-100.47%	Fail
5. Earnings Growth	PEmg < 20	7.68	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.93	Pass
7. Moderate Price to Assets			

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	1.82	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.45	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 Score		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$10.84
MG Growth Estimate	11.51%
MG Value	\$341.49
MG Value based on 3% Growth	\$157.11
MG Value based on 0% Growth	\$92.10
Market Implied Growth Rate	-0.41%

MG Opinion

Current Price	\$83.17
% of Intrinsic Value	24.36%
Opinion	Undervalued
MG Grade	B

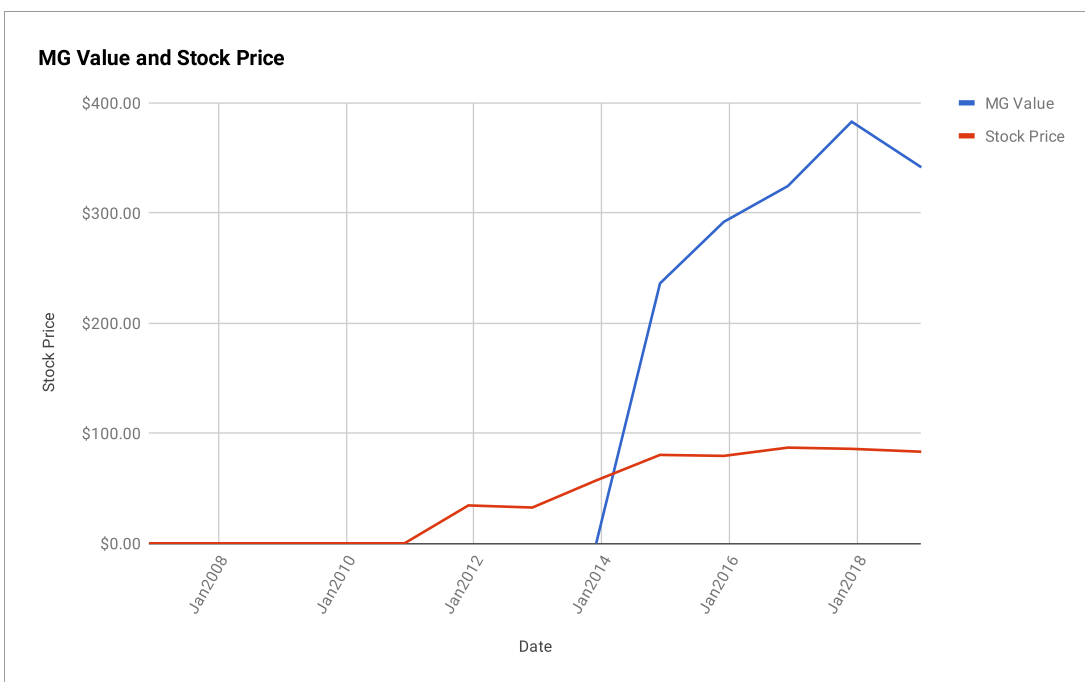
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$16.01
Graham Number	\$77.64
PEmg	7.68
Current Ratio	1.82
PB Ratio	2.93
Current Dividend	\$3.55
Dividend Yield	4.27%
Number of Consecutive Years of Dividend Growth	7

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$11.81	Next Fiscal Year Estimate	\$10.84
Dec2017	\$12.23	Dec2017	\$9.94
Dec2016	\$9.13	Dec2016	\$8.43
Dec2015	\$9.59	Dec2015	\$7.58
Dec2014	\$7.99	Dec2014	\$6.13
Dec2013	\$6.75	Dec2013	-\$469.00
Dec2012	\$4.92	Dec2012	-\$944.17
Dec2011	\$3.74	Dec2011	-\$1,419.05
Dec2010	\$2.78	Dec2010	-\$1,893.79
Dec2009	-\$7,105.20	Dec2009	-\$2,368.40
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information 9/1/2018	
Dec2000	\$0.00	Total Current Assets	\$11,383,000,000
Dec1999	\$0.00	Total Current Liabilities	\$6,242,000,000
Dec1998	\$0.00	Long-Term Debt	\$7,471,000,000
		Total Assets	\$28,696,000,000
		Intangible Assets	\$2,801,000,000
		Total Liabilities	\$17,627,000,000
		Shares Outstanding (Diluted Average)	390,000,000





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

- [10 Best Dividend Paying Stocks for the Enterprising Investor – September 2018](#)
- [10 Best Dividend Paying Stocks for the Enterprising Investor – May 2018](#)
- [10 Low PE Stock Picks for the Enterprising Investor – May 2018](#)
- [10 Undervalued Stocks for the Enterprising Investor – April 2018](#)
- [5 Great Stocks This Week – 3/5/18](#)

Other ModernGraham posts about related companies

- [DowDuPont Inc Valuation – November 2018 \\$DWD](#)
- [Chemtrade Logistics Income Fund Valuation – July 2018 \\$TSE:CHE.UN](#)
- [PPG Industries Inc Valuation – May 2018 \\$PPG](#)
- [Innospec Inc Valuation – April 2018 \\$IOSP](#)
- [Innophos Holdings Inc Valuation – March 2018 \\$IPHS](#)
- [Olin Corp Valuation – March 2018 \\$OLN](#)
- [A Schulman Inc Valuation – March 2018 \\$SHLM](#)
- [FMC Corp Valuation – March 2018 \\$FMC](#)
- [Compass Minerals International Inc Valuation – March 2018 \\$CMP](#)
- [Ashland Global Holdings Inc Valuation – March 2018 \\$ASH](#)