# **ModernGraham Valuation**

## **Company Name:**

Church & Dwight Co., Inc.



Company Ticker CHD

Date of Analysis 2/22/2019

### 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	\$16,335,096,318	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		
5	. Earnings Growth	beginning and end	136.02%	Pass
6	. Moderate PEmg Ratio	PEmg < 20	28.46	Fail
7	. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	6.83	Fail

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.81 Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-6.08 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
	Coore	

**@0.00** 

Score

Suitability

Defensive No Enterprising No

#### Stage 2: Determination of Intrinsic Value

EPSmg	\$2.33
MG Growth Estimate	9.47%
MG Value	\$63.98
MG Value based on 3% Growth	\$33.80
MG Value based on 0% Growth	\$19.82
Market Implied Growth Rate	9.98%

MG Opinion

 Current Price
 \$66.34

 % of Intrinsic Value
 103.69%

Opinion Fairly Valued

MG Grade D+

#### Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$10.05
Graham Number	\$23.34
PEmg	28.46
Current Ratio	0.81
PB Ratio	6.83
Current Dividend	\$0.87
Dividend Yield	1.31%
Number of Consecutive Years of Dividend Growth	14

Morningstar

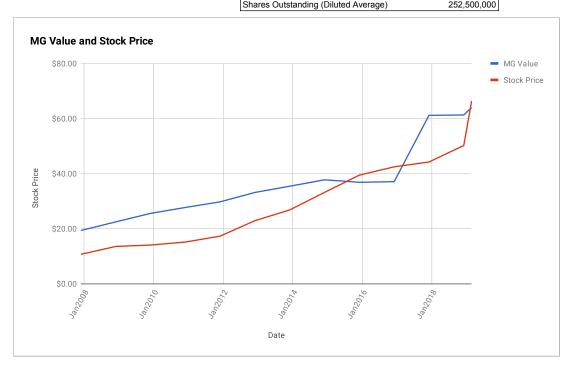
Useful Links: <u>ModernGraham tagged articles</u>

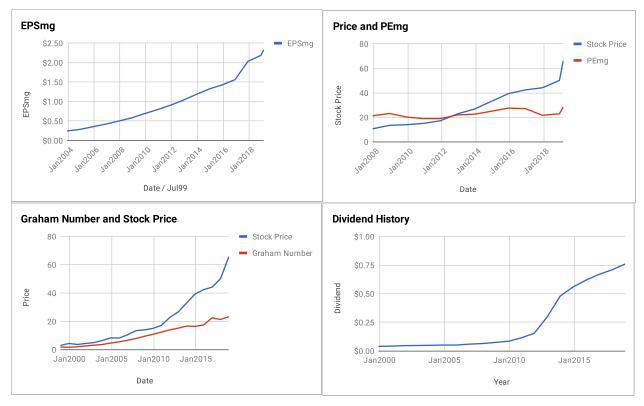
 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History	
Next Fiscal Year		Novik Figure Votes Fatiments	<b>#0.22</b>
Estimate	•	Next Fiscal Year Estimate	\$2.33
Dec2018	\$2.27	Dec2018	\$2.19
Dec2017	\$2.90	Dec2017	\$2.04
Dec2016	\$1.75	Dec2016	\$1.56
Dec2015	\$1.54	Dec2015	\$1.43
Dec2014	\$1.51	Dec2014	\$1.32
Dec2013	\$1.40	Dec2013	\$1.19
Dec2012	\$1.23	Dec2012	\$1.04
Dec2011	\$1.06	Dec2011	\$0.91
Dec2010	\$0.94	Dec2010	\$0.79
Dec2009	\$0.85	Dec2009	\$0.69
Dec2008	\$0.70	Dec2008	\$0.58
Dec2007	\$0.62	Dec2007	\$0.50
Dec2006	\$0.52	Dec2006	\$0.42
Dec2005	\$0.46	Dec2005	\$0.36
Dec2004	\$0.34	Dec2004	\$0.29
Dec2003	\$0.32	Dec2003	\$0.25
Dec2002	\$0.27	Balance Sheet Information	12/1/2018
Dec2001	\$0.19	Total Current Assets	\$1,078,200,000
Dec2000	\$0.14	Total Current Liabilities	\$1,326,300,000
Dec1999	\$0.19	Long-Term Debt	\$1,508,800,000
	-	Total Assets	\$6,069,200,000
		Intangible Assets	\$4,266,900,000
		Total Liabilities	\$3,615,400,000
		Shares Outstanding (Diluted Average)	252,500,000





#### 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 <u>Church & Dwight Co Inc Valuation – April 2018 \$CHD</u>
<u>Church & Dwight Co Inc Valuation – Initial Coverage \$CHD</u>

Other ModernGraham posts about related companies

International Flavors & Fragrances Inc Valuation – January 2019 \$IFF

Estee Lauder Companies Inc Valuation – December 2018 \$EL

Proctor & Gamble Co Valuation – November 2018 \$PG

Johnson & Johnson Valuation – November 2018 \$JNJ

Inter Parfums Inc Valuation – July 2018 \$IPAR

Service Corp International Valuation – July 2018 \$SCI

Avon Products Inc Valuation – June 2018 \$AVP

Colgate-Palmolive Co Valuation – June 2018 \$CL

Coty Inc Valuation – May 2018 \$COTY

Church & Dwight Co Inc Valuation - April 2018 \$CHD