

ModernGraham Valuation

Anadarko Petroleum Corporation



Company Name:

Company Ticker APC

Date of Analysis

3/27/2019

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	\$22,116,234,175	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.81	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	-160.64%	Fail
5. Earnings Growth	PEmg < 20	-24.30	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.00	Fail
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	0.81	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-17.93	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 Score		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	-\$1.82
MG Growth Estimate	9.22%
MG Value	\$0.00
MG Value based on 3% Growth	-\$26.42
MG Value based on 0% Growth	-\$15.49
Market Implied Growth Rate	-16.40%

MG Opinion

Current Price	\$44.27
% of Intrinsic Value	N/A
Opinion	Overvalued
MG Grade	D+

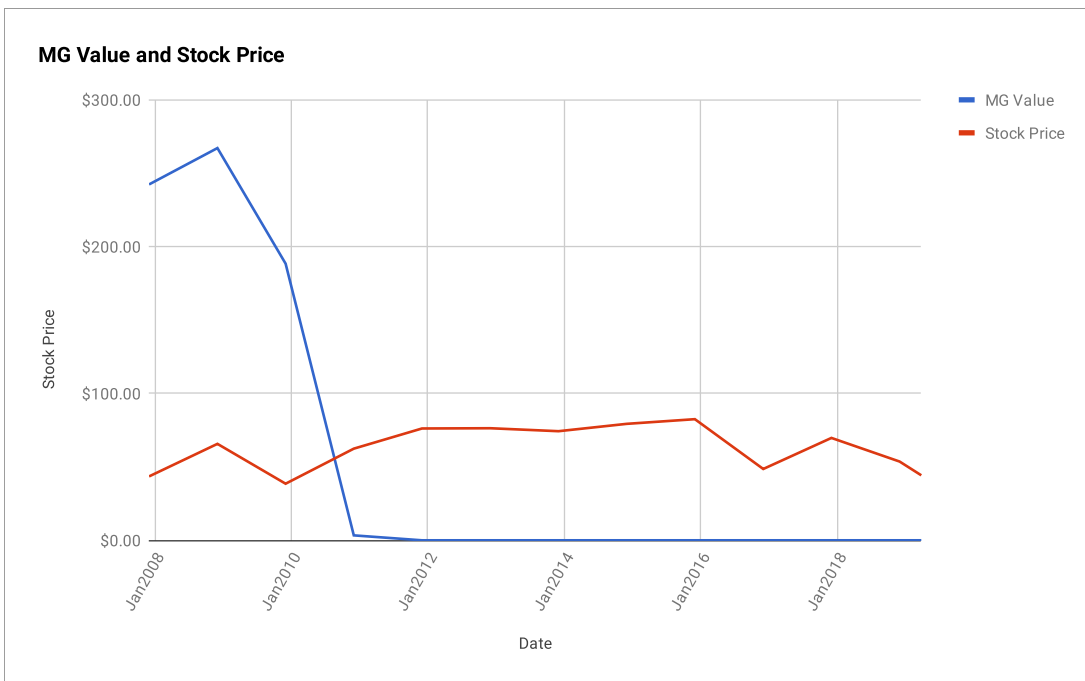
Stage 3: Information for Further Research

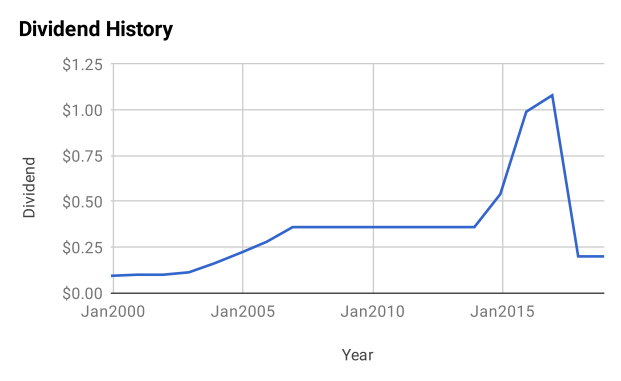
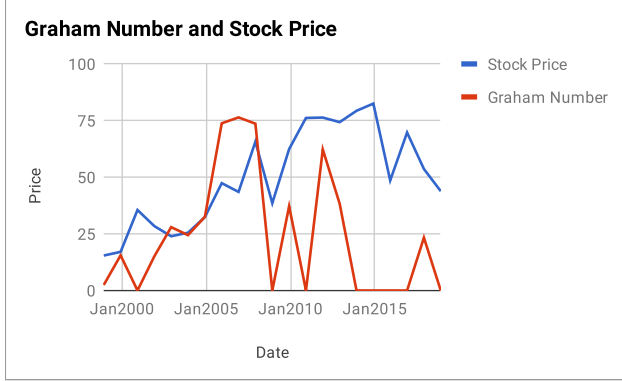
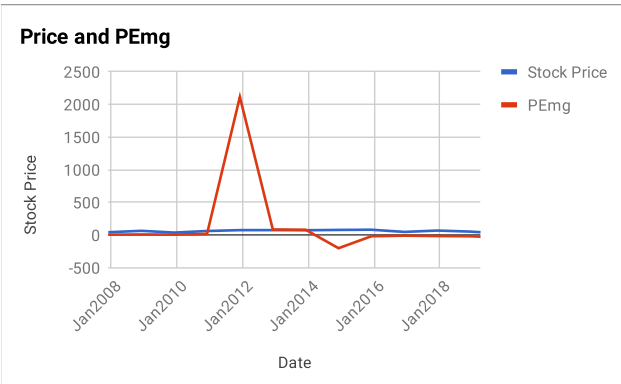
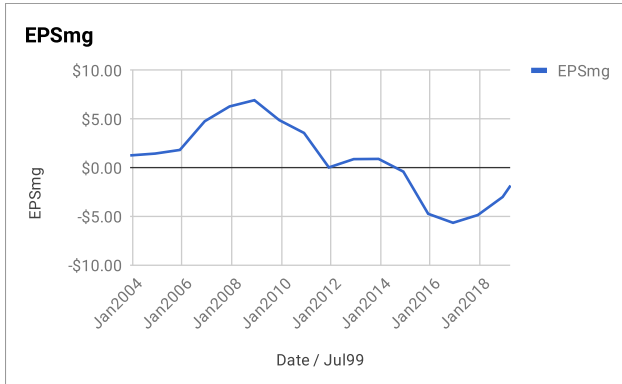
Net Current Asset Value (NCAV)	-\$51.79
Graham Number	\$0.00
PEmg	-24.30
Current Ratio	0.81
PB Ratio	2.00
Current Dividend	\$1.05
Dividend Yield	2.37%
Number of Consecutive Years of Dividend Growth	1

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2018	\$1.20	Dec2018	-\$3.00
Dec2017	-\$0.85	Dec2017	-\$4.85
Dec2016	-\$5.90	Dec2016	-\$5.65
Dec2015	-\$13.18	Dec2015	-\$4.73
Dec2014	-\$3.47	Dec2014	-\$0.40
Dec2013	\$1.58	Dec2013	\$0.91
Dec2012	\$4.74	Dec2012	\$0.89
Dec2011	-\$5.32	Dec2011	\$0.04
Dec2010	\$1.52	Dec2010	\$3.57
Dec2009	-\$0.28	Dec2009	\$4.89
Dec2008	\$6.91	Dec2008	\$6.94
Dec2007	\$8.08	Dec2007	\$6.30
Dec2006	\$10.24	Dec2006	\$4.78
Dec2005	\$2.45	Dec2005	\$1.83
Dec2004	\$1.59	Dec2004	\$1.46
Dec2003	\$2.55	Dec2003	\$1.27
Dec2002	\$0.81	Balance Sheet Information 12/1/2018	
Dec2001	-\$0.38	Total Current Assets	\$3,795,000,000
Dec2000	\$2.08	Total Current Liabilities	\$4,658,000,000
Dec1999	\$0.06	Long-Term Debt	\$15,470,000,000
		Total Assets	\$40,376,000,000
		Intangible Assets	\$5,630,000,000
		Total Liabilities	\$29,433,000,000
		Shares Outstanding (Diluted Average)	495,000,000





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**
- [Anadarko Petroleum Corp Valuation – June 2018 \\$APC](#)
 - [Anadarko Petroleum Co Valuation – April 2017 \\$APC](#)
 - [Anadarko Petroleum Corp Valuation – January 2016 Update \\$APC](#)
 - [32 Companies in the Spotlight This Week – 12/6/14](#)
 - [Anadarko Petroleum Corporation Annual Valuation – 2014 \\$APC](#)

- Other ModernGraham posts about related companies**
- [Cabot Oil & Gas Corp Valuation – March 2019 #COG](#)
 - [Concho Resources Inc Valuation – March 2019 #CXO](#)
 - [Valero Energy Corp Valuation – March 2019 #VLO](#)
 - [Occidental Petroleum Corp Valuation – March 2019 #OXY](#)
 - [Phillips 66 Valuation – March 2019 #PSX](#)
 - [Halliburton Co Valuation – March 2019 #HAL](#)
 - [Kinder Morgan Inc Valuation – February 2019 \\$KMI](#)
 - [National Oilwell Varco Inc Valuation – February 2019 \\$NOV](#)
 - [Diamondback Energy Inc Valuation – February 2019 \\$FANG](#)
 - [TechnipFMC PLC Valuation – February 2019 \\$FTI](#)