

Cromwell Property (CMW: 87.50c)

Cromwell Property offers 29th highest dividend yield in All Ordinaries Index, despite price rise Friday September 11, 2020 16:00 AEST

Cromwell Property Group (ASX:CMW), Australia's 14th largest Real estate company by market cap, is currently the 29th highest dividend yielding unit in the All Ordinaries Index of 475 stocks.

The dividend yield of 8.6% is 9.22 times the triple-A bond yield of 0.93%.

The unit has lifted 2.0c (2.3%) from its previous trading session to close at 87.50c. Compared with the All Ordinaries Index which fell 51.1 points (0.8%) in the day, the relative price increase was 3.2%. Today the unit traded at its four-day high of 88.0c.

Figure 1: Unit Identifiers

ISIN	AU000000CMW8
PermID	4295857693

Fig 2: Unit Summary

52-Week Range	64.60c-\$A1.27
Market Cap	\$A2.3 billion
Shares Outstanding	2,613,509,674
Relative Strength (3 mo)	37

Fig 3: Technical Indicators

Name	Value	Comment
RSI	51.2	Neutral
William % R	-53.3	Neutral
MFI	50.2	Neutral

Fig 4: Financials Summary

Year ended Jun	FY2019	FY2018	FY2017
Sales (USD M)	332.8	392.8	233.4
Pretax (USD M)	122.4	151.1	202.8
Net (USD M)	116.4	148.5	201.9
EPS (AUD)	0.0753	0.1089	0.1568

Bullish Signals

Undervaluation [compared with sector average]

Price/Earnings and Earnings Yield:

- Price/Earnings of 11.6. We estimate Cromwell Property unit is trading at a current year P/E of 16.3 and a forward year P/E of 18.5. The P/E of 11.6 plus annual inflation in the Australia of -0.3% adds up to 11.3, well within the value benchmark Rule of 19.

- Earnings yield of 8.6% is 9.3 times the 10-year bond yield of 0.93%.

Dividend Yield:

- The relative yield of CMW, defined by its yield of 8.6%, divided by average yield of dividend yielding stocks in the All Ordinaries Index of 5.0% is 172.4%. This suggests Cromwell Property unit is undervalued in dividend yield terms.

MCap/Total Assets:

- Tobin's Q Ratio, defined as MCap divided by Total Assets, is 0.6.

Compared with the rest of the market the unit is undervalued.

Undervaluation Indicator and rank of Cromwell Property in the Australian market:

Description	Value	Rank In Market
Dividend Yield %	8.6	In Top 10%

Fig 5: High Price Performance Indicators and rank of Cromwell Property in the Australian market:

Description	CMW Value	Rank In Market
Today's Trading Turnover	\$A4 million	In Top 9%
MCap	\$A2.3 billion	In Top 10%

Short Selling:

- The current short volume is 0.9 times its own historical average of 0.1%. It plummeted 47.4% from the previous day, tumbled 6.9% from a week ago and plummeted 55.0% from a month ago, a significant bullish indicator.