



SONIC CAPITAL GROUP
PREMIER FINANCIAL RESEARCH

Recommendation: Buy

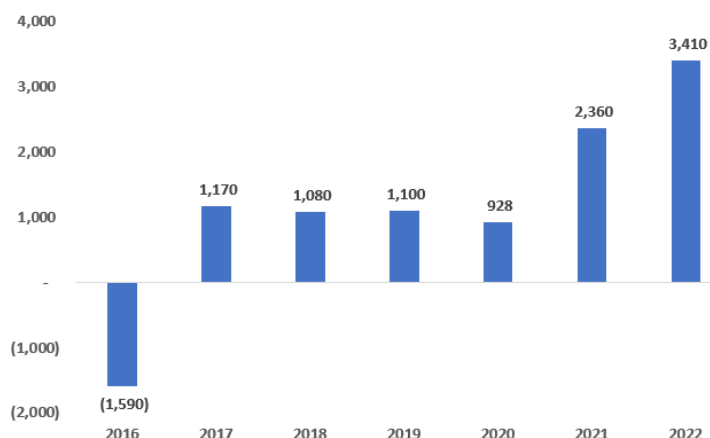
Key Stock Statistics

- Last: 74.46
- Market Cap: 14.57B
- Dividend Yield: 2.15%
- EPS (TTM): \$16.39
- P/E: 4.54, Earnings Yield: 21.092%
- Current Ratio: 3.6
- Return on Equity (ROE): 81%
- Return on Assets (ROA): 28%

Overview

CF Industries Holdings, Inc. engages in the manufacture and distribution of nitrogen fertilizer. The company is headquartered in Deerfield, Illinois and currently employs 2,700 full-time employees. The firm operates nitrogen manufacturing complexes in the United States, Canada and the United Kingdom. Its segments include Ammonia, Granular Urea, UAN, AN and Other. The Ammonia segment produces anhydrous ammonia (ammonia), which contains 82% nitrogen and 18% hydrogen. The Granular Urea segment produces granular urea, which contains 46% nitrogen. The UAN segment produces urea ammonium nitrate solution (UAN). UAN is a liquid fertilizer product with a nitrogen content that typically ranges from 28% to 32%, and is produced by combining urea and ammonium nitrate. The AN segment produces ammonium nitrate (AN). AN, which has a nitrogen content between 29% and 35%, is produced by combining anhydrous ammonia and nitric acid. The Other segment includes diesel exhaust fluid (DEF), urea liquor, and nitric acid.

Free Cash Flow Analysis



Free Cash Flow has increased 191% over the past five years, breaching \$3.41 billion in 2022. These record levels leave CF trading at just 4.3x FCF, a historical low comparable its 2009, 2011, and 2020 lows.

Price-to-Sales



In addition to CF's strong Free-Cash-Flow, the company's P/S ratio is now only 1.30x, having topped \$11 Billion in revenue during 2022.

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