LESSON 24

Lecture Topics

1. basics of Price / Revenue relationships
2. Value Line relative valuation
3. basics of bond pricing
4. TAKE HOME QUIZ: due at the beginning of the class on Tuesday
   20 points maximum; if you decide not to do it, your grade will be your
   quiz 1 grade minus 2 points; if you do turn it in your grade will be
   no lower than quiz 1 minus 5 points (and hopefully will be higher).

Notes

1. 2 days left until PDD (project delivery day); do you have a timetable?
   (project is due on or before Friday December 3, 1999 at 3:00 p.m.)

2. Final Examination will cover the following textbook chapters:
   chapters: 1 - 16
   chapter: 19

3. Class Presentations next week: (10 minute pitch; 5 minutes of discussion)
   Tuesday: GE  CHV  T
   Thursday C  MRK  ??

Price / Sales Relationship for the simple dividend model

\[
\frac{P_0}{sales_0} = \frac{[ni_0/sales_0]}{k-g} (1-b)(1+g)
\]

sales = total revenues per share