Corporate Finance: Newsletter – March 2, 2013

Where we are in class…

Lecture Notes Packet 1 (pdf)

Last session: Page 138

Next week: Page 185

Applied Corporate Finance Book

Last Session

Next week

Chapter 1
Chapter 2
Chapter 3
Chapter 4
Chapter 5
Chapter 6
Chapter 7
Chapter 8
Chapter 9
Chapter 10
Chapter 11
Chapter 12

Where you should be in the project…

Project

Do the risk analysis for your company

Pick a company & group
Get data from Bloomberg
Get latest Edgar filings (10-K, 14-DEF) and annual report
I. Corporate Governance Analysis
II. Stockholder Analysis
III. Risk and Return Analysis
IV. Measuring Investment Returns
V. Capital Structure Choices
VI. Optimal Capital Structure
VII. Mechanics of Moving to the Optimal
VIII. Dividend Policy
IX. A Framework for analysing Dividend Policy
X. Valuation

Data Notes…

To get a rough measure of the performance of your stock relative to its sector and the market, visit the Morningstar site (enter the index in the interactive graph to the right)
http://www.morningstar.com/

You can then enter your stock's symbol, and then look up total returns.

You can get an estimate of beta for your company by going to the Reuters site for your company:

http://www.marketguide.com

To see comparable numbers on Jensen's alphas (over the last 5 years) , betas and R-squared for the sector in which your firm operates, you can visit my web site at:

http://www.stern.nyu.edu/~adamodar/New_Home_Page/data.html

You can download the data in excel format.

Miscellaneous FAQs

What will this quiz cover?

It will cover the first three chapters and much of the fourth (through betas being weighted averages) of the book and everything in the lecture notes through the very last class before the first quiz.

How can I best prepare for the quiz?

Work through as many problems as you can. The less of a quantitative background you have, the more important it becomes that you do this.