## **BLOOMBERG EQUITY RESEARCH CASE**

## FI 118 Introduction to Finance - Spring 2024

This project is designed to familiarize you with the Bentley Trading Room, the Bloomberg analysis platform, as well as with equity statistics and financial ratios we will be discussing in class throughout the semester.

- 1) Look up which stocks are in the S&P 500 Index and choose any three. Look up news on each stock (from any reputable news source), and find one article for each. Record the date of the articles, the prices of the stocks, and the links which you will later use as citations. Note the 'ticker symbol' of each of your stocks.
- 2) Set up a Bloomberg account in the Trading Room (directions attached). Trading Room staff can help you if you get stuck, but try to do this on your own.

3) Log into Bloomberg. Go to the main Bloomberg page and type the ticker symbol of one of your companies (eg AAPL) into the blue search box at the top left of the screen, but do not hit enter. As you finish typing the ticker you will see **SECURITIES** below. Using the mouse, select **US Equity**. Then type **DES** into the top left cursor box

to get to the Profile page, where you should record the following data for each of your three stocks.

- Px (Price)
- Mkt Cap (Market Capitalization)
- P/E (Price Earnings Ratio)
- Est EPS (Estimated Earnings Per Share)
- 12M Tot Ret (12 month total return)
- Beta vs SPX (stock beta compared to S&P500)

While on the Profile page, type GRAB in the cursor box which will take a screenshot of the page you can then email to yourself. Do this for all three stocks.

- 4) At least one week after you get the above data, log into Bloomberg. For each of your stocks, enter in the ticker, select US Equity and then DES for that stock, then tab to the Ratios page to get this information.
  - P/S (Price to Sales)
  - Bk Val Per Sh (Book Value Per Share)
  - Curr Ratio (Current Ratio)
  - P/CF (Price / Cash Flow)
  - OPM (Operating Margin)

Use the GRAB function to take a screenshot of the Ratios page for each of your three stocks.





- 5) At least one week after the above data, log into Bloomberg. For each of your stocks, enter the ticker and go to US EQUITY. In the cursor bar, type GP (to graph the price.) Type GRAB in the cursor box and email yourself the chart for each of your stocks.
- 6) Look up news on each stock (any reputable source), and find one article for each. Record the date of the article, the price of the stock, and the link which you will use as a citation. You are now ready to write the final report.

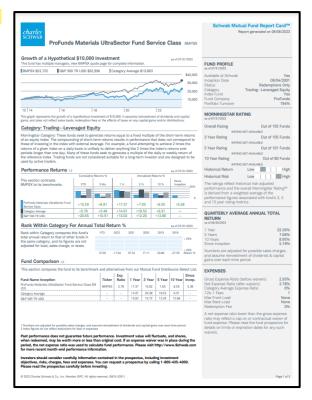
## **Final Report**

Write a one page equity research report (in a professional style similar to the one at right) including:

Show all of the data (in #3 and #4 above) you got from the Profile page and Ratios page for your three stocks. Define each of those statistics and ratios (eleven in total).

For each of your stocks

- Give a 2-3 sentence summary of the company and what they do.
- Briefly summarize the initial news with no use of quotations (put footnotes on page 2.)
- Give a 3-5 sentence summary of information on each stock using at least three (in total) of the ratios and statistics, showing an understanding of what the ratios/statistics mean.
  (e.g. With a market capitalization of only \$9.32 billion, Ralph Lauren Corp. is one of the smallest stocks in the S&P500.)
- Show the Bloomberg price chart you downloaded for that stock.
- Briefly summarize the final news with no use of quotations (put footnotes on page 2.)

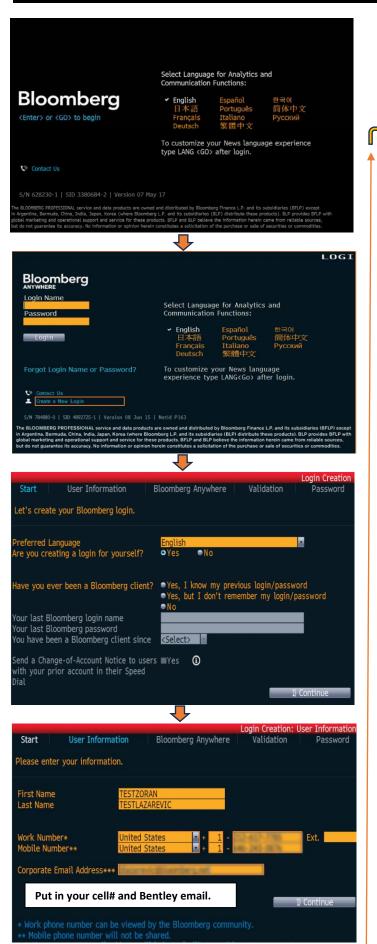


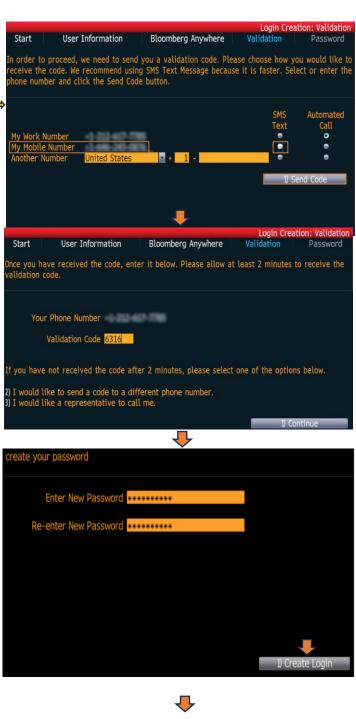
All the data above should be on a single page. On the second page, please show your footnote citations as well as the six Bloomberg GRAB screenshots asked for in #3 and #4.

The professional format of the report will allow it to be potentially useful to you if you interview for an internship and the interviewer asks about your coursework. Such a report is easy for the interviewer to read and understand and can look very impressive — so make it look good!

Submit as a single pdf via TURNITIN on Brightspace.

## FI118 Introduction to Finance - How to Create a Bloomberg Login





You are done!

It is suggested you send yourself an email with your Bloomberg ID and password as a reference.