Accounting Ratios

- **Working Capital Ratios**
    - Current Assets / Current Liabilities
    - Shows how much of your business revenue must be used to meet payment obligations as they fall due
    - Shows you how much you have left to use for new opportunities
    - Generally, a 1.5-2:1 is a good WC ratio, it usually indicates a company is on solid financial ground in terms of liquidity
- **EPS**
    - Earnings Per Share
    - [Net Income - Preferred Dividends] / Weighted Average Number of Shares Outstanding
    - How much money a company makes for each share of its stock
    - Widely used for estimating corporate value
    - No fixed "good" EPS
        - Depending on where the business is at and where they want to go
- **Price-Earning Ratio**
    - Share Price / Earnings Per Share
    - A way to measure how expensive a company's shares are
    - A high P/E ratio can mean a stock's price is high relative to earnings and possibly overvalued
    - A low P/E ratio can mean that the current stock price is low relative to earnings
- **Debt-to-Equity-Ratio**
    - [Short-Term Debt + Long-Term Debt + Other Fixed Payments] / Shareholder's Equity
    - Indicates how much debt a company is using to finance its assets relative to the value of shareholders' equity
    - Around 1-1.5:1 is a good ratio, however, the ideal debt-to-equity ratio will vary depending on the industry
- Return-on-Equity Ratio
    - Net Income / Average Total Equity
    - Measurement of a corporation's performance in a given period
        - Their efficiency in generating income
    - Normally a good ratio is around 1.15-1.2:1
- **Quick Ratio**
    - [Current Assets - Inventory] / Current Liabilities
    - Measures a company's ability to quickly convert liquid assets into cash to pay for its short-term financial obligations.
    - Generally, higher is better
- **Gross Profit Margin**
    - [Revenue - COGS] / Revenue
    - The money the company makes after accounting for the cost of doing business
    - 50-70% is generally considered healthy

- Very dependent on the given industry

Bloomberg Terminal
- Important Features
  - Allows user access to **Bloomberg data service**
    - Provides real-time global financial data, news feeds, and messages
  - Investors can use the **Bloomberg terminal trading system**
    - Facilitates the placement of financial transaction
    - Stocks and options trades
  -

API Information
- API location
  - All API's that we would use can be found at the SEC website with clear directions on how to access them
    - https://www.sec.gov/edgar/sec-api-documentation
  - data.sec.gov/api/xbrl/frames/ can be used to distinguish the CIK from the company searched.

Other Important Information

Reports
Idea: just link to the reports.
- Quarterly
  - 10Q
    - Information included
      - Condensed financial statements
  -
- SemiAnnual
  - 1-SA
    - Filed 90 days after the semi-annual period ends (a lot can change in 90)
    - The report must be signed by the issuer, its principal executive officer, principal financial officer and principal accounting officer.
    - Information is reported correctly under GAAP
      - Information included
        - Balance sheets
        - Consolidated income statements
        - Statement of cash flows
        - An analysis/reconciliation of the stockholders equity portion of the balance sheet
        - All financial statements of other companies or entities owned

- Annual
    - 10K
        - Need date reported
        - An annual report to security holders is required
        - Information included
            - Subsidiaries
            - Financial statements
            - Eps

API Useful info:
- Submission
    - Name
    - Stock exchange
    - Ticker symbol
- Company Concept
    - One thing per call
- Company Facts
    - Everything available in company concept, in one call
- Frames
    - Send year or quarter