

FIN3380 Individual Assignment #1.

Download the stock_list_student.xlsx from the Blackboard portal. Select one stock from each of five colored blocks (5 stocks to cover) in sheet **Company Names**. Each block contains 20 stocks, and their order roughly reflects their current market capitalization. You will be assigned to these stocks for the remainder of the course. I suggest choosing companies with lots of media coverage. It will be easier to find data to complete the assignments. Please find the PERMNO, PERMCO, and GVKEY for those firms from WRDS.

	Company Name	Ticker	PERMNO	PERMCO	GVKEY
1					
2					
3					
4					
5					

Try to find the historical names and tickers for the same stocks of the same companies in 2011, and let's see if they are different from the current ones.

	PERMCO	Ticker	Company Name
1			
2			
3			
4			
5			

For each stock, find the fiscal year-end date and publicly available data of their 2020 annual financial statement. Please use 2019 records when a firm did not file 2020 financial statements. Also, please read the press release and associated news coverage and collect data on their stock price at the last trading day of the month for their fiscal year-end 2020 (from WRDS or the SEC). Answer the following questions:

	Ticker	Fiscal Year End	Publicly Available Date	Total Asset	Book Value of Equity	Market Capitalization	Fiscal Year Return	S&P 500 Fiscal Year Return
1								
2								
3								
4								
5								

Repeat same exercise, for the five same stocks for fiscal year end of 2011.

	Ticker	Fiscal Year End	Publicly Available Date	Total Asset	Book Value of Equity	Market Capitalization	Fiscal Year Return	S&P 500 Fiscal Year Return

1								
2								
3								
4								
5								

FIN3380 Individual Assignment #2.

For each stock you choose in Assignment #1, please find the PERMNO, PERMCO, and GVKEY from WRDS on the event date specified in sheet **Events** in stock_list_student.xlsx for the companies you selected in Assignment #1.

	Company Name	Ticker	PERMNO	PERMCO	GVKEY
1					
2					
3					
4					
5					

1. As an analyst following the firms, you need to write a one-paragraph forecast for market reaction to each announcement, based on your understanding of the nature of the event and the market and firm standings.

	Ticker	Announcement Type	Your Expectation, such as + and -	Your Justification
1				
2				
3				
4				
5				

2. Next, find the firm's stock price two trading days before and two trading days after the announcement data. Calculate the return between the two sides of the window (-2, 2).

	Ticker	Announcement Date	Stock Price at $t=-2$	Stock Price at $t=2$	Return (-2, 2)
1					
2					
3					
4					
5					

3. Calculate the cumulative abnormal return of over window, (-1, 1), (-2, 2), and (0, 2) by using tools provided on WRDS. Your manager would prefer more robust model, such as Fama and French Models. the cumulative returns have the same sign as the corresponding raw returns in question 2?

	Ticker	Announcement Date	CAR (-1,1)	CAR (-2,2)	CAR (0,2)
1					
2					
3					
4					
5					

4. Does the market react as you predicted? If not, use your web expertise and facts to present a update explanation to your clients and boss (in one paragraph).

	Ticker	Is your Expectation confirmed?	Your updated justification
1			
2			
3			
4			
5			

FIN3380 Individual Assignment #3.

For each stock you choose in Assignment #1, find the date the company announced their Q4-2020 earnings, read the press release and associated news coverage, and collect data on the stock price and S&P 500 index level over the prior and subsequent 90-days. Answer the following questions:

1. What was (i) the date of the announcement, (ii) the EPS announced, (iii) the consensus analyst EPS target, and (iv) the EPS for the year prior?

Ticker Symbol	Announcement Date	\$EPS announced	Consensus Analyst \$EPS Estimate	\$EPS 1-year ago

2. Summarize in one paragraph for each stock, anything of note in the news coverage or press release

Ticker	Notes

3. What was the stock price 90 days before the earnings announcement (i.e, day $t = -90$)? 1 day before the earnings announcement (day $t = -1$)? Calculate the stock return for the period $(-90 \text{ to } -1)$. What was the return on the S&P 500 over the same period?

Ticker	Price at $t = -90$	Price at $t = -1$	Stock Return $(-90, -1)$	S&P 500 Index Return $(-90, -1)$

4. What was the stock price 1 day after the earnings announcement ($t = +1$)? 90 days after the earnings announcement ($t = +90$)? Calculate the stock returns for the periods $(-1 \text{ to } +1)$ and $(+1 \text{ to } +90)$? What was the return on the S&P 500 over the same period?

Ticker	Price at t = +1	Price at t = +90	Stock Return (-1,+1)	S&P 500 Index Return (-1,+1)	Stock Return (+1,+90)	S&P 500 Index Return (+1,+90)

FIN3380 Individual Assignment #4.

Coming soon.