

Companies with Strong Fundamentals

By Omair S

NYSE Dataset

This dataset contains fundamentals of companies listed in the NYSE, extracted from annual SEC 10K filings (2012-2016). Prices were fetched from Yahoo Finance, fundamentals are from Nasdaq Financials, extended by some fields from EDGAR SEC databases. The dataset also contains daily prices of the securities for further analysis.

Figure 1: The graph draws out the relationship between Total Liabilities and Total Assets for companies listed in the NYSE. As expected, the relationship is linear for the most part, with rising assets increasing the companies appetite to take on liabilities. However, the strength of the bias towards assets has changed over the years. The closer the company is to the line $y=x$, the closer it is to being insolvent. Points below the fitted line, in red, represent companies with strong balance sheets and good net incomes, in strong quarters, thereby being good picks for long term investors.

