Complete this worksheet using the directions within to guide you. Submit your completed worksheet in the “Assignment and Grades” tab in your course menu. When you have submitted this assignment for grading, please return to Module 2 for a module wrap-up.

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| **Stock and Bond Valuation** | | | | | |
| **Directions** | **Tesla** | **General Motors** | **Apple** | **Google** | **Amazon** |
| **Step 1.** Examine the annual reports for the provided companies. | <http://www.annualreports.com/Company/tesla-motors> | <http://www.annualreports.com/Company/general-motors> | <http://www.annualreports.com/Company/apple-inc> | <http://www.annualreports.com/Company/google-inc> | <http://www.annualreports.com/Company/amazoncom-inc> |
| **Step 2.** Provide information the outstanding bonds outstanding at each company. | Principal Amount of Bond  Answer:  Maturity Date  Answer:  Coupon rate of interest  Answer:  Time period for each interest payment  Answer:  Price of the bond: *(Calculate using the most current* [*prime interest rate*](http://www.fedprimerate.com/prime_rate_history-monthly.htm#current-monthly-prime-rate)*.)*  Answer: | Principal Amount of Bond  Answer:  Maturity Date  Answer:  Coupon rate of interest  Answer:  Time period for each interest payment  Answer:  Price of the bond: *(Calculate using the most current* [*prime interest rate*](http://www.fedprimerate.com/prime_rate_history-monthly.htm#current-monthly-prime-rate)*.)*  Answer: | Principal Amount of Bond  Answer:  Maturity Date  Answer:  Coupon rate of interest  Answer:  Time period for each interest payment  Answer:  Price of the bond: *(Calculate using the most current* [*prime interest rate*](http://www.fedprimerate.com/prime_rate_history-monthly.htm#current-monthly-prime-rate)*.)*  Answer: | Principal Amount of Bond  Answer:  Maturity Date  Answer:  Coupon rate of interest  Answer:  Time period for each interest payment  Answer:  Price of the bond: *(Calculate using the most current* [*prime interest rate*](http://www.fedprimerate.com/prime_rate_history-monthly.htm#current-monthly-prime-rate)*.)*  Answer: | Principal Amount of Bond  Answer:  Maturity Date  Answer:  Coupon rate of interest  Answer:  Time period for each interest payment  Answer:  Price of the bond: *(Calculate using the most current* [*prime interest rate*](http://www.fedprimerate.com/prime_rate_history-monthly.htm#current-monthly-prime-rate)*.)*  Answer: |
| **Step 3.** Indicate if the bonds are selling at a premium or discount. | Premium or Discount?  Answer: | Premium or Discount?  Answer: | Premium or Discount?  Answer: | Premium or Discount?  Answer: | Premium or Discount?  Answer: |
| **Step 4.** Indicate factors *(other than the interest rates and the time periods)* to explain the differences in the prices of the bonds. | Additional Factors  1.  2.  3. | Additional Factors  1.  2.  3. | Additional Factors  1.  2.  3. | Additional Factors  1.  2.  3. | Additional Factors  1.  2.  3. |
| **Step 5.** Examine the [most recent dividend paid](https://media.gm.com/media/us/en/gm/news.detail.html/content/Pages/news/us/en/2019/jul/0731-dividend.html) by General Motors and respond to the provided prompts. | Assume the required rate of return is 2% and the growth rate is 1%. Calculate the price of the stock using the dividend discount model.  Answer:  Use the Internet to search for the current price of GM stock. Is it the same as your calculation?  Yes or No?:  If your calculation is not the same, explain why there is a difference.  Explanation: | | | | |