**Team Lambda**

**Analytic Plan**

**Predicting Investor Stock Purchases**

Requirements:

* Include a brief discussion as to how will you know if your question is answered and your hypothesis is supported given potential results.
* Make sure to provide sufficient technical details to outline your analysis plan. This can be an outline or bulleted list, but the rest of your proposal should be written in complete sentences.
* A good analysis plan should include (1) any further cleaning or pre-processing steps to be taken, (2) what you expect your preliminary (first) model to be, and (3) at least two more ideas for models you think would be appropriate to answer your question.
* Make sure to tell us your coding language!
* Include your link to your GitHub repo (and don't forget to push data & code to your repo!

**\*\*\*\*Draft :**

**Research Question:**  
Are investors like Warren Buffett likely to buy specific stocks next based on historical data and known investment behaviors?

**Motivation:**

This question comes from wanting to learn about and forecast how value-based investors, such as Warren Buffett, make their investment choices. Buffett's way of investing is well-researched, and his choices can often sway market trends. By looking at past stock data and matching it with Buffett's established guidelines (like solid fundamentals, being undervalued, and having steady profits), we hope to find stocks that fit his investment approach.

**Need:**

* This question addresses the need for predictive investment strategies by utilizing past data to forecast future stock buys made by successful investors. By examining the traits of companies that Warren Buffett usually invests in, we can create models that help spot other stocks that fit his investment approach.
* This is crucial because renowned investors like Warren Buffett have a proven history, and studying their actions can assist others in enhancing their investment strategies, particularly in value investing.
* This question holds significance for individual investors, financial analysts, and anyone keen on predictive analytics in the stock market.

**Why Worth the Time/Effort:**

Looking into this question is valuable because it connects the ideas of investment theory with the actual process of choosing stocks. It also offers a way to use machine learning and statistics in making real financial choices.

**Data & Methods:**

**Data Dictionary:**

* **Long Name**: Company name.
* **As Of Date**: Date of the financial data.
* **Quarter/Year**: Reporting period.
* **Market Value (%)**: Percentage of market value.
* **Div Yld**: Dividend Yield.
* **P/E**: Price-to-Earnings ratio.
* **P/B**: Price-to-Book ratio.
* **Debt/Equity**: Debt-to-Equity ratio.
* **ROE**: Return on Equity.
* **ROA**: Return on Assets.
* **Profit Margin**: Net profit margin.
* **Free CF**: Free Cash Flow.
* **ROC**: Return on Capital.