

## **Microeconomics Research Project Corporate Business and Market Analysis**

In this second corporate business project, choose one of the publicly listed companies in the global stock markets. Collect data and information to answer the research questions below. For relevant concepts and theories, refer to the theories covered in lectures 17-19 (slides and notes) and corresponding textbook chapters. The final report must be organized in PowerPoint presentation slides. Sources and links must be provided for all data information and research findings. Please follow all instructions and keep your answers clear, concise, and concrete. Academic integrity policy applies.

### **I. Demand Analysis**

1. What are the shapes of demand facing the company for its various products?
2. What are the different types of customers contributing to its sales revenue?
3. Which is the group of customers most sensitive to the price change?
4. Which is the group of customers least sensitive to the price change?
5. Did the company price discriminate its customers? How? Is it successful?
6. Did the company design and set other price strategies to maximize its profit?

### **II. Supply Analysis**

1. What are the upstream and downstream firms in the company's production network?
2. What are the major suppliers for the company? For what components of its product?
3. Does the company rely heavily on a particular supplier for a key component of its product?
4. Does the company diversify its suppliers for the key components? Do you think it is necessary?
5. Are there any major risks in the production and distribution process? How did it control them?

### **III. Stock Price and Investment Analysis**

1. Graph historical stock price and market capitalization for the past five years.
2. Graph forward dividend yield (or other dividend-price ratio) for the past five years.
3. Graph revenue growth or profit margin (or other profitability indicators) for the past five years.
4. Graph the stock market index and detect its correlation with the stock prices for the past five years.
5. Does the company's market capitalization share the same trend as its stock price over time?
6. Can the stock price change be explained by the company's forward dividend yield?
7. Can the stock price change be explained by the company's revenue growth or profit margin?
8. Does the stock price move in the same or opposite direction as the overall stock market index?
9. Do you recommend buying or selling the stock now? Why?