Final Project
Digital Tools for Finance

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Introduction

This report is aimed on the estimation of the cost of capital of the main players of the oil industry.
The first part of the report gives a brief overview of main market characteristics of oil stocks.
The second part of the report is dedicated to the estimation of the cost of capital.

Overview of Market Data

Cost of Capital

Methodology

According to Damodaran (2001) and Plenborg and Pimentel (2016)

Beta estimation

Risk-free rate

Cost of Equity

Cost of Debt

Leverage Structure

Findings and Conclusion

References

Damodaran, Aswath (2001). *The dark side of valuation: valuing old tech, new tech, and new economy companies.* FT Press.

Plenborg, Thomas and Rene Coppe Pimentel (2016). "Best Practices in Applying Multiples for Valuation Purposes". In: *The Journal of Private Equity* 19(3), pp. 55–64. ISSN: 10965572, 21688508.