

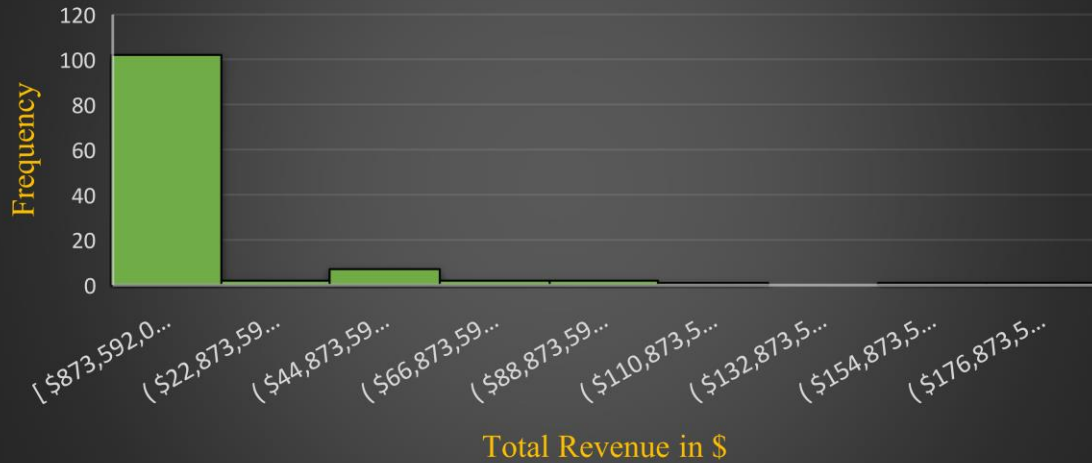
Analyze NYSE Data



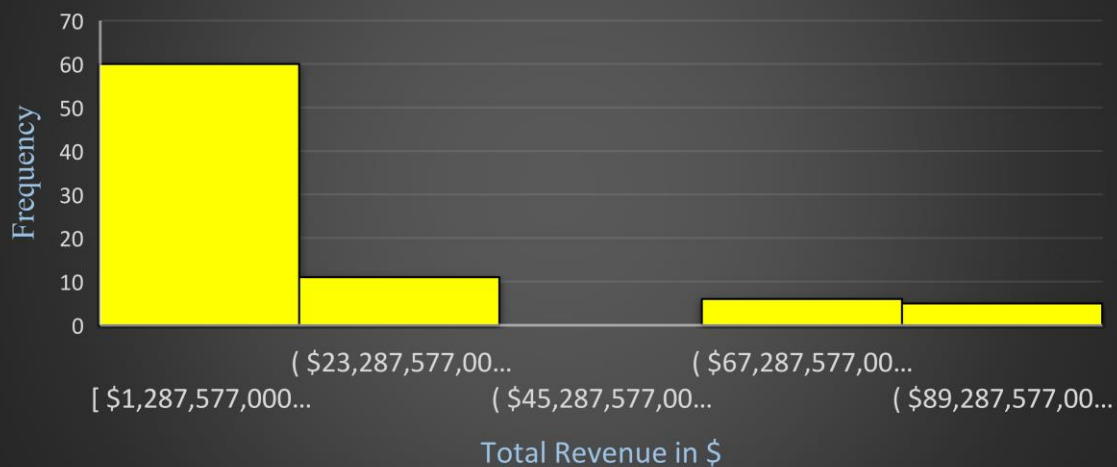
By: Mazoun Alnofli

Is the Level of Total Revenue Expenditure for the Information Technology Sector Comparable to that of the Financial Sector in the First and Second years?

Total Revenue for Information Technology Sector during the First & Second Years



Total Revenue for Financial Sector during the First & Second Years



- ❖ These histograms show the total revenue in information technology (IT) and financial sectors for all companies in the first and second years.
- ❖ Both distributions are right-skewed. The mean in both sectors is above the median.
- ❖ The mean for information technology is less than the mean for financial (\$15,925,183,565 billion for IT and \$20,825,589,774 billion for financial). However, the median for IT is around \$5,039,000,000 billion, and the median for financial is \$10,375,126,500 billion. IT companies have a higher standard deviation than financial companies (\$32,066,751,550 billion for IT and \$26,422,372,553 billion for financial). That implies that the company is spending more on IT in relation to its total revenue. Overall, the range for IT sector is higher than in financial sector (\$232,841,408,000 billion for IT and \$100,409,423,000 billion for financial). Based on this, it can be concluded that the total revenue of the IT sector is more susceptible to volatility than the total revenue of the financial sector.

Profit and Loss Statement of AEE Company from First to Fourth Year

From the below profit and loss statement, we can see that gross profit increased significantly during the four years. The gross profit increased by \$44 million in the second year, and in the third year, the gross profit increased by \$119 million compared to the previous year. The fourth year saw the highest gross profit with \$130 million growth of the previous year.

The operating profit of the AEE company fluctuated during its initial two years. The operating profit registered \$1.188 billion in the first year. It decreased to \$1.184 billion in the second year, which is \$4 million less than the first year. By \$70 million, the operating profit for the third year was higher than the previous year. In the fourth year, the operating profit went up by \$5 million from the previous year, and it was the highest operating profit recorded in this year, reaching \$1,259,000,000.

AEE				
Profit & Loss Statement				
Historical				
	Year 1	Year 2	Year 3	Year 4
Revenue	\$ 5,781,000,000	\$ 5,838,000,000	\$ 6,053,000,000	\$ 6,098,000,000
Cost of Goods Sold	\$ 3,477,000,000	\$ 3,490,000,000	\$ 3,586,000,000	\$ 3,501,000,000
Gross Profit	\$ 2,304,000,000	\$ 2,348,000,000	\$ 2,467,000,000	\$ 2,597,000,000
Sales, General and Admin.	\$443,000,000	\$ 458,000,000	\$ 468,000,000	\$ 542,000,000
Other Operating Items	\$673,000,000	\$ 706,000,000	\$ 745,000,000	\$ 796,000,000
Research and Development	\$-	\$-	\$-	\$-
Total Operating Expenses	\$1,116,000,000	\$ 1,164,000,000	\$ 1,213,000,000	\$ 1,338,000,000
Operating Income/EBIT	\$1,188,000,000	\$ 1,184,000,000	\$ 1,254,000,000	\$ 1,259,000,000

Profit and Loss Statement Forecast of AMGN Company for the Next Two Years

The forecast of the profit and loss statement for AMGN company indicated a rise in revenue growth for the next two years (5th & 6th year). The revenue growth is expected to increase by 0.08 in the best-case scenario. But in the base-case scenario, the revenue growth is expected to increase by 0.07. While in the weak-case scenario, the revenue growth is expected to remain unchanged from 0.06.

The gross margin is expected to stay in the 5th and 6th year by 0.82 in the best-case scenario. But in the base-case scenario, the gross margin is expected to decrease by 0.81. While in the weak-case scenario, the gross margin is expected to decrease by 0.79 in both years.

The operating margin is expected to decrease in the 5th and 6th year by 0.41 in the best-case scenario. But in the base-case scenario, the operating margin is expected to decrease by 0.36. While in the weak-case scenario, the operating margin is expected to decrease by 0.31.

AMGN Company						
Profit & Loss Statement						
	Forecast					
	Year 5			Year 6		
	Best Case	Base Case	Weak Case	Best Case	Base Case	Weak Case
Revenue	\$24,818,035,339	\$24,641,118,193	\$24,464,201,047	\$26,790,260,454	\$26,409,669,253	\$26,031,800,829
Cost Profit	\$20,414,152,696	\$19,862,417,864	\$19,316,516,022	\$22,036,412,641	\$21,287,990,352	\$20,554,266,082
Operating Income/EBIT	\$10,177,603,515	\$8,869,105,708	\$7,578,355,476	\$10,986,391,357	\$9,505,662,303	\$8,063,955,981
Revenue Growth	0.079467415	0.071772354	0.064077293	0.079467415	0.071772354	0.064077293
Gross Margin	0.822553132	0.806068041	0.78958295	0.822553132	0.806068041	0.78958295
Operating Margin	0.410089009	0.359931138	0.309773267	0.410089009	0.359931138	0.309773267



Thank You