

# Bloomberg's Equity functionality

Bloomberg's Equity functionality is vital for your daily investment analysis. It fully integrates the very best in real-time data, news and research, providing you with an unmatched level of market data transparency, dynamic monitors and powerful analytics. With these tools, you can examine more than 20 years of financial statements, consensus estimates, extensive technical analysis studies.

We have already seen that Bloomberg provides direct access to news and independent with the available under **NSE** and **RSE** mnemonics. Real-time delivery of news and reports ensures that you are getting the information as soon as it is available. Today we are going to concentrate on the following more specific tools used for the in-depth security analysis:

- 1) Corporate events and earnings seasons;
- 2) Equity screening;
- 3) Graph functionality;
- 4) Fundamental Analysis;
- 5) Earnings estimates;
- 6) Analysts Recommendations;
- 7) Peer group analysis.

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## Bloomberg's corporate event and transcript resource

After exploring the ways in which you can keep up to speed with the news and research that affect both the broad markets and your investments, we will turn our attention to another resource that will give you a solid grasp of overall market movement. It is available under **EVTS** and **<GO>** and tracks over 100,000 events per year. Coverage includes earning release, earnings calls, sales results, shareholder meetings, investor conferences, M&A calls and other relevant company events.

The top of this screen gives you a set of options to customize your calendar by date range, view, ticker lists, industry and region. The bottom row of option also allows you to quickly select the event types that are most important to your research.

You also have the ability to export these events into your Outlook calendar using the far right column, keep in mind that you can also click into each event for links to other analytics, including pages on earnings analysis, fundamental data, research report and company news.

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## Earnings season resources

There is a command that allows you to analyze the results of the current earnings season for your selected list of securities. This screen, with the shortcut mnemonic **EA** and **<GO>** examines EPS, net income and sales as companies announce their quarterly earnings.

**EA** summarizes earnings by sector for all companies in your list and includes year-over-year growth as well as aggregated surprise versus the Bloomberg consensus estimates. To sort through each of the line items available, simply click on the desired measure at the top left. Lets for example select the S&P 500 as our security pool and from the top level, which we can get back to by using the **<MENU>** key, it is possible to identify a few industries that has a positive earnings period.

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## Equity Screening

**EQS** and **<GO>** is the Bloomberg equity screening application that allows you to search for securities based on your defined criteria from a broad set of underlying data. The interface used for this tool offers full transparency at every step of the screening process. You can now identify investment ideas with advanced analytical functionality.

Lets for example try to find the equities in the Materials sector that currently have Market capitalisation lower than their cash and cash equivalents.

The auto complete feature will help you identify the specific field you are looking for. The more you type the further it narrows your choices. After you have finished selecting your criteria, you can click on results. All of the matching securities will appear in a list with a list of comparable columns. This will include any numerical values from your search criteria. You can add columns to this view using the amber field above.

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## Graph functionality

To continue your security-specific analysis, Bloomberg offers a wide range of graphs. To view the historic movement of a stock you should enter **GP** and **<GO>**. It displays historical closing prices for a selected security but features a wide range of customization options.

For example, note that you have custom windows at the top of the screen to adjust your date range, periodicity, display date and currency. You can also use the grey taskbar to click on items such as news to view news as of a certain date on your graph.

If you are interested in further analysis using technical studies, you can continue your graphical analysis of a security on **GRAPH** and **<GO>**. This function provides you with sample charts of technical studies, a chart showcased to demonstrate a featured charting technique. And also, it stores custom graphs that you create for your individual analysis.

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## Fundamental Analysis

To get a fundamental picture of a specific company you can use the mnemonic **FA** followed by **<GO>**. This function is a dynamic fundamental analysis tool that displays the financial history of a specific company with full transparency to the financial statements. You can use it to identify trends and analyze the value of a potential investment as well as comparing techniques and custom templates for quick access to the data you need to make a decision on an investment opportunity. The **FA** screen will take you to a financial statement summary. You can customize it by using the drop-down menus. To suit your preferences, you can click on the “**Defaults**” tab to adjust which settings will populate each time you run this function to save you time.

One of the key benefits of this screen is the full transparency it offers with the financial statements. Once you click through, you can view not only the company filing but a highlighted portion of that statement where the selected line item was pulled from.

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## Earning estimates

Additional layer to the equity functionality is provided by the earnings estimates available under **EEO** and **<GO>**. All earnings estimates are aggregated for a company in one place so you can quickly see the market expectation on an investment opportunity.

Again we can customize the view by using the amber fields available. In the last column on this page the total number of estimates received for that figure and in parenthesis the number of these recommendations that were used to compile a consensus.

If we click into a specific measure, we can get even more clarity on this figure. From here, you can see a visual representation and analyst breakdown for the figure for full transparency on this data.

On the left there are links to view research reports by each analyst, and from this screen you can hit the menu key to go back. You can also click to pull up a graphical representation of sell-side predictions versus the stock price itself.

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## Analyst Recommendations

Another dynamic tool for analyst research is the function **ANR <GO>**. You can use it to display a list of analysts' recommendations, price targets, price target time periods and a consensus rating for a selected equity.

**ANR** allows you to determine the latest analyst sentiment and identify which analysts have the most accurate equity rating. You can also create or edit an analyst's recommendation alert.

Bloomberg assigns a numerical value from one to five for every recommendation where five represents a **buy** and one represents a **sell**. By placing all of the ratings on an even playing field, we can then come up with a consensus rating on a stock.

You can also view Bloomberg-generated rankings for the analysts on this screen, which follows each analyst's recommendation over the last year to determine the top-performing analysts.



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## Peer Group Analysis

Peer Group Analysis is a core equity functionality available under **RV <GO>**. We use it to perform a customized peer group analysis so we can benchmark our securities' performance against its peers.

This page features the ability to select your peer group using either the peer drop-down menu or the customized drop-down menu and then selecting custom peers. This allows you to hand-pick a custom group of peers for your analysis.

Another peer comparative tool, **PPC <GO>** complements this analysis. This is the Bloomberg proprietary peer product comparison screen. It enables you to perform an in-depth analysis of company revenue lines by introducing a sector classification hierarchy that allows for the comparison of product segmentation data across companies on a global scale.