

Week #8 – Exam #2 This Week – Chapter 3, Introduction to Stocks – Chapter 4, Fundamental Analysis: Valuation Models

Okay, Everyone, this week is your opportunity to show the world how much you have learned about stocks and stock valuation techniques! Exam #2 covers the introduction to stocks material in chapter 3 and the stock valuation calculations from chapter 4. This exam will be available this week starting Wednesday night until Sunday evening. We want you to study, study, study the material for chapters 3 and 4. The first part of the exam will be multiple-choice and true-false questions and are taken from chapter 3. It will be available in the [Quizzes] section of Canvas.

The second part of the exam will contain the calculations. It will also be available in the [Quizzes] section. However, it will be a downloadable document that you will submit in the same manner as an assignment. There will be a few calculations from chapter 3. These calculations will be very much like the calculations from the chapter 3 worksheets which include the price / earnings ratio, dividend payout ratio, dividend yield, and market capitalization. You will also need to identify whether a stock is a large-capitalization (>\$10 billion), mid-capitalization (between \$1 or \$2 billion up to \$10 billion), or small-capitalization company (<\$1 or \$2 billion). The stock valuation calculations from chapter 4 will be *exactly* like the calculations from the presentations *and* the two worksheets *and* the chapter 4 assignment. They will even be in the *exact* same order! The calculations are really not that hard once you have done them a few times. So, please do them a few times ... and then please, please, please do them again a few more times! (Does this all sound familiar? Do we want you all to shine brightly on the exam? Yes, we do! Study every day! You can do it! Contact me for help if you are stuck.)

It is so obvious that all of you are understanding all of the material so well! How do I know? Because there are no stock valuation questions on *The Strength-to-Go-On Bar & Grille* or *The Stock Steakhouse* discussion forums about stocks and I have received no questions via email! So I am absolutely sure that everyone understands everything from chapters 3 and 4, right? (*Yeah, right. Sí, cómo no.* Uh, Folks, are you catching the irony in this paragraph?) Please submit your questions to the discussion forums or to me via email. We want you to succeed!

Please study hard and do well on the exam! Don't Give Up! ***Never*** Give Up!

Sincerely,

Frank Paiano

P.S. Exam #2 is this week starting Wednesday night until Sunday evening. It covers chapter 3, Introduction to Stocks, and chapter 4, Fundamental Analysis: Valuation Models. As always, contact me if you need help. ***We want you to become the best long-term investors the world has ever seen! Study hard and bring honor and glory to Southwestern College! Be AWESOME, Dear Students! You are now Full-fledged, Official, Risen Investment Gurus! We are so proud of you!***