# Stock Study for [Stock, Symbol]

[Date, Stock Price]

## Business Summary

## Business Outlook

Discuss why you consider this to be a high quality, growth company that should be investigated further. Please include comments on historical sales and EPS growth, pre-tax profit margin, return on equity, and debt.

**SWOT Analysis**

|  |  |
| --- | --- |
| Strengths: | Weaknesses: |
|  |  |

|  |  |
| --- | --- |
| Opportunities | Threats: |
|  |  |

Quantitative Analysis

### SSG Section 1 Growth Rates

Projected growth rate for sales

Why did you select this rate? Discuss from where future growth will come.

Projected growth rate for earnings

Why did you select this rate?

### SSG Section 2 Management - Trends

% Pre-Tax Profit – Up or Down?

% Return on Equity – Up or Down?

% Debt to Equity – Up or Down?

### SSG Section 3 Price/Earnings (PE)

5 year Average High P/E

Projected High P/E:

Why did you select this value?

5 year Average Low P/E

Projected Low P/E

Why did you select this value?

### SSG Section 4 Buy/Hold/Sell Ranges

|  |  |  |
| --- | --- | --- |
|  | Using Book Value | Using 25-50-25 Zoning |
| Buy |  |  |
| Hold |  |  |
| Sell |  |  |

How did you arrive at these prices?

### Ratio Analysis

|  |  |  |
| --- | --- | --- |
| Current Ratio |  |  |
| Quick Ratio |  |  |
| Inventory Turnover |  |  |
| Leverage |  |  |
| Book Value |  |  |
| Price/Book |  |  |
| Price/Earnings/Growth (PEG) Ratio |  |  |
| Current Relative Value |  |  |
| Projected Relative Value |  |  |
| % Insider Owners |  |  |
| % Institutional Owners |  |  |
| Dividend (Yes or NO) |  |  |
| Dividend Yield |  |  |

## Fit within Industry

Industry Analysis

What is the trend for the industry? Is the company a leader in the industry? (margins, growth, etc.) What are the expectations for the industry?

Competitive Analysis

Who are the major competitors to the company and what are they doing?

## When to Sell Checklist (for updating and reviewing)

|  |  |
| --- | --- |
| Was a mistake made when purchasing? |  |
|  |  |
| Has the stock become extremely overvalued? |  |
|  -- Relative Value > 150%  |  |
|  -- Upside/Downside < 1 |  |
|  |  |
| Have the fundamentals deteriorated? |
|  -- Slowing Sales Growth |  |
|  -- Slowing Earnings Growth |  |
|  -- Decreasing Pre-Tax Profit Margins |  |
|  -- Deteriorating Inventory, Receivables or Debt |  |
|  -- Declining Return on Equity |  |
| Was the dividend cut or eliminated? |  |
| Is the stock more than 15% of portfolio? |  |
| Is there heavy inside selling? |  |
| Is institutional ownership too high (over 80%)? |  |
| Is there recent negative news? |  |

## Investment Recommendation

At the current price the stock is a

At the current price, the upside-downside ratio is

Projected compound rate of return

Final recommendation - Buy below $

Explain: