

In Module 8, you will submit your Final Paper:

For your final project you will write a short concise stock recommendation report for a firm in which you would recommend as a buy. You are correct that this is not an investments class but as you take a look at the examples provided you will see the application of various topics studied in this course. You will see ratios discussed, discounted cash flow valuation applied, growth opportunities analyzed and ultimately whether or not the investment opportunity is one that should be pursued. This investment opportunity and determining the risk, reward and valuation all are discussed throughout this course.

Your paper will be in the range of 2 to 3 pages formatted similarly to the examples provided. References must be included and those should be referenced using the latest APA guidelines.

The examples are not all the same but there are some common themes. Most include a brief discussion of the industry and industry outlook and where the firm being analyzed stands and performs in the industry. You will not that ratio analysis is often used but the ratios may vary by industry. In other words the key ratios used to analyze firms in industry “A” are not the same ratios used to analyze firms in industry “B”.

Valuation is often considered using more than one method. Discounted cash flows may be used in conjunction with an appropriate ratio (again the ratio likely varies across industry). How does the current share price compare to what your analysis values the stock?

Risk, growth potential, payout policy, and other factors are other items that may be discussed in the reports. These all play a role in analyzing a firm and may signal management’s belief on future value of the firm. Those may be items you will want to discuss in your report. Do not forget the threats that the firm faces as well. There is no firm that does not face competition. Those threats should be considered. You have been provided with a list of supplemental sources in the course content. This includes sources available through the Hunt Library one of which is S&P Net Advantage. S&P Net Advantage provides some very useful industry reports which may help you determine how firms in a particular industry are analyzed. There are other sources you can feel free to use as well.

The big question is why buy the stock you have selected. You do not have a lot of space to complete this project. You will need to be concise and to the point in your writing. Provide tables as you see fit and other graphs/charts that support you position. Note, the examples may include recommendations to buy, sell, or hold. Your report must be for an opportunity you believe is a buy.

Note on the examples: Value Line has a very unique format. The data is there is some discussion of key factors. The other example(s) better reflect what your submission should be similar to.

When submitting your Word document using the following naming convention:

lastname_firstinitial_MBAA518_firmticker_final_project.

(example: Jones_M_MBAA518_firmticker_final_project.docx)

Font size should be no smaller than 10 nor larger than 12 point font. Headings should be bold (not a larger font). Again, be concise; you do not have room for a lot of “fluff.”

Examples can be found at these links:

[ValueLine.MSFT](#)

[Mergent.WebReports.MSFT](#)

Please note that these links are through the ERAU Hunt Library, so you may need to log in with your ERNIE username and password.