

A. Investment paper/project (20% of grade)

- a. Students will be assigned a publicly-traded U.S. based corporation, and will prepare a comprehensive financial analysis of that firm.
- b. The analysis will included:
 - i. A qualitative assessment and narrative of the firm’s overall financial position
 - ii. Analysis of the firm’s industry and their competitive position within that industry.
 - iii. Detailed spreadsheet presentation of the WACC model
 - iv. Detailed discounted cash flow analysis
 - v. 5-year analysis of the firm’s financial statements
 - 1. To include relevant ratio analysis.
 - vi. Recommendation (buy/sell, long- or short-term) and rationale
- c. Format
 - i. 12 pt Times New Roman
 - ii. Cover page
 - iii. Appendices to include, but not limited to:
 - 1. Supporting financial and ratio analysis
 - 2. Spreadsheet analysis
 - iv. Reference page (APA format)

Students seeking APA guidance are advised to consult Purdue OWL and/or ask questions:

<http://owl.english.purdue.edu/owl/resource/560/01/>

Grading Criteria	Maximum Points
Background and brief history of the company (1 page)	5
Assessment of the current Macroeconomic Environment (2 pages)	15
Industry Analysis (2 to 3 pages)	15
Analysis of the Income Statements (previous 5 years) (2-3 pages)	10
Analysis of the Statement of Cash flows (previous 5 years) (2 pages)	10
Analysis of the Balance Sheets including Capital Structure (previous 5 years)	10
Develop the model to estimate the Weighted Average Cost of Capital	15
Corporate Valuation (Discounted Cash Flow Model)	15
Recommendation (1 page)	5
Total	100