

Practical Company Analysis & Valuation for Stock Selection

3 Days

COURSE OVERVIEW

This course is specially tailored for participants who wish to have a strong overview on company valuation as well as industry analysis. From macro level stuffs such as economic analysis & industrial review to micro level stuffs such as asset valuation and financial statement analysis; numerous real-life market examples will be utilized to fully illustrate the concepts inculcated. Participants are enabled and expected to apply the concepts directly during real-life investment situations.

LEVEL

Introductory - Intermediate

WHAT WILL I GET OUT OF IT?

After participating in the course, students will be able to take home a market proven system of analysis that covers the entire spectrum of equity investment. Students will also be able to decipher noise from intelligence within the mass influx of day to day financial information. For those who desire additional add-on to their inventory of analytical weapons; initial leads will be implanted throughout the course.

WHO'S IT FOR?

- Hedge/Mutual fund managers who need to develop deep industrial insights
- Equity analysts who desire to finalize a systematic way to analyze
- Equity dealers who wish to learn how to perform fundamental analysis
- Investment bankers who need to know how "massage" external intelligence before injecting them into financial models
- Retail investors who wanted to fully take charge their own investment portfolios

COURSE CONTENT

Investment Objective

- Current liquid and net worth
- Risk aversion
- Investing time horizon
- Income levels
- Expense levels
- Restrictions on security selection

Practical application → How to play the role of a buddy "financial adviser" safely

Investment Philosophy

- Long term investment style (Value investing)
- Top to down analysis
- Bottom up analysis
- Sector play
- Blue chip play
- Small cap play

Practical application → 10 common questions asked by retail investors

Business Analysis: How to fully utilized Michael Porter's 5 forces of analysis in reality

Sector analysis case studies on:

- Manufacturing sector
- REITS sector
- Property developing sector

Practical application → Gain the ability to comment on every industry; at your finger tips

Valuation Analysis

- Price earnings ratio methodology
- Price to book ratio methodology
- Free cash flow discounting methodology
- EVA methodology
- Qualitative analysis of the "appropriateness" of each methodology

Practical application → The truths and myths about stock valuation

Margin of Safety

- Benjamin Graham thesis on margin of safety
- Central thesis of value investing philosophy
- Capital preservation as the first rule of thumb
- Hidden asset analysis
- Protection from both poor decisions and downturns in the market
- Provide room for error
- Margin of safety comparison: Blue chips versus Small caps
- Practical application: How safe is margin of safety

Annual Report Analysis

- Basic structure
- Things to look out for
- Hidden stuffs

Practical application: What are the stuffs that cannot be found on annual report

Analyst Report Analysis

- Basic structure
- Things to look out for
- Difference between a buy side report and a sell side report
- Circulation issues

Practical applications: Analyst reports should be read with a pinch of salt

Technical Analysis

- Basic stuff that everyone should know
- Advanced stuff that traders used
- Fundamental analysis versus value investing