Ratio Analysis

 Overview For this assignment, assume the role of a newly hired equity analyst in an investment bank. Your boss has asked you to use your financial background to recommend three stocks to company investors. You are to: Select three publicly traded companies to research. Important: You may not choose Ford Motor Company or Microsoft Corporation. Calculate the identified financial ratios for each company. Summarize the findings on your selected companies’ performance in a 4–5 page report. Information Gathering After identifying the three companies you want to research, you will need to obtain financial information on them to calculate the required financial ratios: Access the Markets section of the Wall Street Journal: Enter the stock symbol for the first of your selected companies in the Search bar in the upper right corner of the page. Click on More Company Research. Click on the Financials tab to obtain the income statement, balance sheet, and cash flow documents for your selected companies. In the drop-down box that appears, click on Income Statement, Balance Sheet, and Cash Flow to obtain these financial documents for your selected company. Repeat this process for your other two selected companies. Click on the Research & Ratings tab to obtain the company's closing stock price for the last day of the financial statement reporting period for use in your assignment. Click on Historical Prices in the drop-down box that appears. Enter the starting and ending dates for the most recent fully reported year (for example, start date = 01/01/2020; end date = 12/31/2020) to the left of the Go tab in the middle of the page. Click on Download a Spreadsheet on the right-hand side of the page. Note the company’s stock closing price for the last day of the financial statement reporting period for use in your assignment. Repeat this process for your other two selected companies. Use Reuters Markets & Finance News to obtain industry averages for each of your selected companies: Click the magnifying glass search icon on the upper right side of the page. Enter your first selected company’s name. Click on the Companies tab. Click on the Financials tab. Repeat this process for your other two selected companies. Note: You may use other websites to gather financial information for your selected companies if you are more familiar with them. Examples include:Finviz.com - Stock Screener. Market Watch. Google Finance. Instructions Write a 4–5 page report, summarizing the findings of your financial analysis, in which you: