

Company: _____

Prepared by: _____

Date: _____

Stock Check List®

1 PAST SALES RECORD

Sales for most recent year were(1) \$ _____
 Sales for next most recent year were(2) \$ _____
 Total of above (1+2)(3) \$ _____
 Figure above divided by 2(4) \$ _____
 Sales 5 years ago were(5) \$ _____
 Sales 6 years ago were(6) \$ _____
 Total of above (5+6)(7) \$ _____
 Figure above divided by 2(8) \$ _____
 Increase in sales in above period (8 from 4)(9) \$ _____
 Percentage increase in sales (9 divided by 8)(10) _____ %

This % Increase in
Sales Gives



27	33	46	61	76	93	112	129	148	205	271
5	6	8	10	12	14	16	18	20	25	30

This % Compounded
Annual Growth Rate



COMPOUND ANNUAL
 RATE OF SALES
 GROWTH WAS _____ %

Look for the percent increase that meets the objective you have set.

2 PAST EARNINGS PER SHARE RECORD

Earnings Per Share for most recent year were(1) \$ _____
 Earnings Per Share for next most recent year were(2) \$ _____
 Total of above (1+2)(3) \$ _____
 Figure above dividend by 2(4) \$ _____
 Earnings Per Share 5 years ago were(5) \$ _____
 Earnings Per Share 6 years ago were(6) \$ _____
 Total of above (5+6)(7) \$ _____
 Figure above divided by 2(8) \$ _____
 Increase in Earnings Per Share in above period (8 from 4)(9) \$ _____
 Percentage increase in earnings (9 divided by 8)(10) _____ %

See **Conversion Table** above to determine



COMPOUND ANNUAL
 EARNINGS PER SHARE
 GROWTH WAS _____ %

Earnings Per Share have increased _____ than sales in this period.
 (more) (less)

Explain Apparent Reason for Difference in Sales and Earnings Per Share Growth: _____

Discuss Possible Reasons for Past Growth:

- A new product was very successful _____ .
- A cyclical business that experienced recovery _____ .
- A research program has produced several new products or uses for older products _____ .
- Purchase another company _____ .
- Has taken larger share of business in its field _____ .
- Skill of management _____ .

Will Factors Which Produced Past Growth Continue Effective

for the next five years _____ yes, _____ yes, but less effective, _____ no.

3 PRICE RECORD OF THE STOCK

Present Price \$ _____ . Present Earnings Per Share _____ .

List Last 5 Years	High Price Each Year (A)	Low Price Each Year (B)	Earnings Per Share (C)	Price Earnings Ratio	
				at High (A ÷ C)	at Low (B ÷ C)
Totals					
Averages					
Average of High and Low Price Earnings Averages for the past five years.					

Present Price is _____ than high price five years ago.
(higher) (lower)

Present Price is _____ % higher than the high price 5 years ago. Compare this figure with the percent sales increase in 1 (10) and percent earnings per share increase in 2 (10).

The price change compares with sales growth and earnings per share growth _____
(favorably or unfavorably)

This stock has sold as high as the current price in _____ of the last 5 years.

In the past five years the stock _____ sold at unusually _____ price earnings ratios.
(has) (has not) (high) (low)

The Present price earnings ratio is _____ .

In relation to past price earnings ratios the stock is currently

- _____ selling at a higher ratio
- _____ selling about the same
- _____ selling lower

The average price earnings ratios of the past might be expected to continue _____ .
or should be adjusted to _____ high, _____ low.

4 CONCLUSION

- The past sales growth rate _____ meet our objective.
(does) (does not)
- The past earnings per share growth rate _____ meet our objective.
(does) (does not)
- Our conclusion has been that possible earnings per share growth rate _____ meet our objective
in the coming five years. (will) (will not)
- The price of the stock is currently _____
(acceptable) (too high)

This form is not meant to give you an adequate analysis of the stock, but is meant to help the beginner ask questions to indicate whether the company is likely to become more valuable and if it can be purchased reasonably. As Investors gain practice, a more thorough study of the stock is suggested using NAIC's Stock Selection Guide and Report as a guide.