

Ratios: Table Exercises (use paper SSG handouts)

1. My table's stock is (circle one):

-Alimentation Couche-Tard

-Biospecifics Technology (online group, only)

-CoStar Group

-CH Robinson

-Visa

2. PEG ratio:

a. My stock's *Future Earnings Per Share Growth (EPS)* over the next 12 months was estimated to be _____ (locate this number at bottom of SSG printed graph)

b. My stock's *projected P/E*, using that estimated EPS, is _____ (peek at calculation on last page!)

c. My stock's PEG ratio, is calculated as _____.

d. Where does this PEG fall within our preferred range of under 2? _____

e. If the stock falls outside the range – why might we buy it anyway and what risk should we consider _____?

3. **Relative Value** (See the *Price-Earnings History table*, bottom line, on page 2 of paper SSG stock report):

a. My stock's 5 year average Price Earnings Ratio (P/E) is _____

b. My stock's Current P/E is _____

c. Is the **Relative Value** more or less than 100% (current P/E divided by average P/E) ? _____

Based just on the Relative Value, would you buy (<110%), or sell (<85%), this

stock? _____ (hint: you can peek at calculation on last page)

4. **Projected Relative Value** (See Section 4, on page 2 of paper SSG stock report, and ratios on page 3):

a. My stock's projected relative value is _____

b. Does this stock's **Projected Relative Value** lie outside the range of 80%-100%? _____

c. If so, what caution would you exercise before buying it? _____