

For the following stocks, name the exchange or market (NYSE, AMEX [now NYSE Mkt], NASDAQ or OTC) that you believe the stock could be expected to be found on:

- 1) Microsoft NASDAQ 2) General Electric NYSE 3) Flim Flam, Inc. Bulletin Board or Pink Sheets ← now OTC Market
- 4) AMD NYSE (even though it is a tech company) 5) Diamond ETF AMEX (originally but now everywhere)
 now NYSE MKT 6) International Paper NYSE

For the following stocks, name the type of stock that you believe best fits the stock:

(Types: blue chip, income, growth, cyclical, defensive, turnaround / "goner", asset play, foreign, penny)

- 7) Ford turnaround 8) Wal-mart blue-chip (cyclical?) 9) Starbucks growth (?)
- 10) Sears/K-Mart turnaround (goner?) 11) General Mills blue chip • defensive 12) Union Pacific Railroad cyclical • asset play
- 13) Michelin foreign 14) Alcoa blue chip • cyclical 15) El Paso Electric defensive • asset play

Widgets, Inc. is currently selling for \$50.00. Its earnings last year were \$3.50 per share and it is paying a dividend of \$2.00 per share. Please compute the following:

16) Price / Earnings Ratio (a.k.a. P/E): 14.3 (no units) $\frac{\text{Price}}{\text{Earnings}} = \frac{\$50.00}{\$3.50} = 14.2857 \approx 14.3$

17) Dividend Payout Ratio: 57% $\frac{\text{Dividends}}{\text{Earnings}} = \frac{\$2.00}{\$3.50} = 0.571429 \approx 57\%$

18) Dividend Yield: 4% $\frac{\text{Dividends}}{\text{Price}} = \frac{\$2.00}{\$50.00} = 0.04 = 4\%$