Bus 356 Final Paper

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Contents

General Motors (GM)	2
Tesla Motors (TSLA)	3
Madison Square Garden (MSG)	4
Delta Airlines (DAL)	5
FedEx (FDX)	6
Yahoo (YHOO)	7
Lionsgate Entertainment (LGF)	8
Cited Sources	9
Media Resources	9

General Motors (GM)

Stock Suggestion: Hold

Company Background:

General Motors led global vehicle sales for 77 consecutive years from 1931 through 2007, longer than any other automaker, and is currently among the world's largest automakers by vehicle unit sales

In 2009, General Motors shed several brands, closing Saturn, Pontiac and Hummer, and emerged from a

government-backed Chapter 11 reorganization. In 2010, GM made an initial public offering that was one

of the world's top 5 largest IPOs to date and returned to profitability later that year

The first graph on the left shows GM's stock fluctuation in the past 3 years. Its peak was last year, but is staying in a safe zone.

But if you look at GM's P/E ratio, you can see that the number is low, so you can expect returns sooner. However, due to its recent issue with its recalls and bankruptcy, it would be better to hold on to the stock. You could sell it, but it is also possible that GM may bounce back and show greater potential in the future. There was a recent article by CBS May 1, 2014 that stated "The automaker's April sales rose 6.9 percent over a year earlier as consumers seemed to shrug off continuing headlines about government investigations into GM's handling of the recalls" (Edgerton). There is potential in the future, but let's hold onto the stock we have and wait to sell or buy.



50

20

10

Tesla Motors (TSLA)

Stock Suggestion: Sell

Company Background:

An American company that designs, manufactures and sells electric cars and electric vehicle powertrain components

Tesla Motors first gained widespread attention by producing the Tesla Roadster, the first fully electric sports car. The company's second vehicle was the Model S, a fully electric luxury sedan

Tesla also markets electric powertrain components, including lithiumion battery packs, to automakers, including Daimler and Toyota.

Tesla's CEO, Elon Musk, has said he envisions Tesla as an independent automaker, aimed at eventually offering electric cars at a price affordable to the average consumer

General Motors' then-Vice Chairman Robert Lutz said in 2007 that the Tesla Roadster inspired him to push GM to develop the Chevrolet Volt, a plug-in hybrid sedan. In an August 2009 edition of The New Yorker, Lutz was quoted as saying, "All the geniuses here at General Motors kept saying lithium-ion technology is 10 years away, and Toyota agreed with us – and boom, along comes Tesla.

Personally, I've seen a greater number of people in possession of a Tesla in my hometown: the number of consumers is increasing.

If you look at the first graph on the right, you can see that the value of Tesla's stock has skyrocketed. Thus, the time to sell is now. However, you may be wondering who might buy this stock? Well, since the price is lower than the peak a few months ago, there may be some perspective buyers who are ok with buying the at the new price.

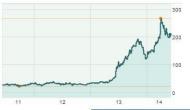
It certainly would be of high profit to sell the stock you have now and liquidate these assets.

If you're also wondering why the P/E is "N/A", here's a quick explanation:

The first, and simplest, would be that there is no data at time of reporting to calculate this ratio. This will be the case with a newly listed company that has yet to release its earnings. The second reason that a stock would report "N/A" as its P/E ratio could be that the number is negative. Negative P/E ratios are mathematically possible, but because they are generally not accepted by the financial community, they are usually reported as "N/A," or not applicable. (MacEachern)







13	14
After Hours	
\$207.4	16↓
3.7	-0.27 -0.13% 20,743 2014, 7:59 p.m. layed by 20 min
Previous close Change	\$ 207.73 -0.16 -0.08%
Day low \$205.69	Day high \$214.02
Open: 207.08	
52 week low \$54.50	52 week high \$265.00
Market cap	\$25.79B
Average volume	9.24M
P/E ratio	N/A
Rev. per Employ	ee \$343,659
EPS	-0.61
Dividend	N/A
Div yield	N/A
Ex dividend date	N/A

Madison Square Garden (MSG)

Stock Suggestion: Sell

Company Background

Opening on February 11, 1968, it is now considered to be the oldest, and most active major sporting facility in the New York metropolitan area. It is the oldest arena in the National Hockey League and the second-oldest arena in the National Basketball Association. Madison Square Garden is the third-busiest music arena in the world in terms of ticket sales, behind the Manchester Arena and The O2 Arena, both in England. At a total

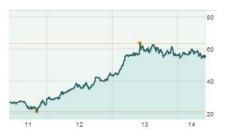
Manchester Arena and The O2 Arena, both in England. At a total construction cost of approximately \$1.1 billion, Madison Square Garden has been ranked as one of the ten most expensive stadium venues ever built.

Madison Square Garden's competitors include Live Nation Entertainment, Inc., ESPN, Inc., and SMG Management, Inc.

I would definitely say "sell" the stock. Not only is the P/E ratio rather high at

26.61, but it's rather possible that people will be willing to invest in Madison Square Garden since the 'moral' has been boosted. Not only that, but since their NHL team the Rangers are in the Stanley Cup Playoffs, there will be more interest to buy stock to invest and keep it going.

Thus, selling stock would be a good move as to gain profit from selling the stock from those who would see this as a good time to invest, especially from the top graph where the value has risen in the last three years.



\$55.09) ↑
Change Volume May 1,	+0.0066 +0.01% 4,519 2014, 4:45 p.m. elayed by 20 min
Previous close Change	\$ 55.09 +0.49 +0.89%
Day low \$54.49	Day high \$55.29
Open: 54.62	
52 week low \$53.40	52 week high \$63.44
Market cap	\$4.20B
Average volume	630,576
P/E ratio	26.61
Rev. per Employ	yee \$167,81 3
EPS	2.07
Dividend	N/A
Div yield	N/A
Ex dividend date	N/A

Delta Airlines (DAL)

Stock Suggestion: Buy

Company Background:

The airline operates an extensive domestic and international network serving six continents. Delta Air Lines and its subsidiaries operate over 5,000 flights every day and have approximately 80,000 employees

Delta is the sixth-oldest operating airline by foundation date, and the oldest airline still operating in the United States.

Looking at the P/E ratio alone, the stock is undervalued and would be a great buy.



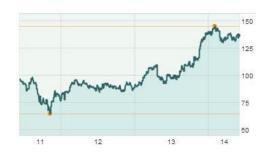
12	13 14
After Hours	
\$37.22	2↑
Change	+0.10 +0.27%
Volume	19,486
	2014, 7:57 p.m.
Quotes are de	elayed by 20 min
Previous close	\$ 37.12
Change	+0.29 +0.79%
Day low	Day high
\$36.97	\$37.53
A	
Open: 37.00	
52 week low	52 week high
\$16.94	\$37.53
No.	
Market cap	\$31.23B
Average volume	12.30M
P/E ratio	2.93
Rev. per Employ	yee \$489,679
EPS	12.69
Dividend	0.06
Div yield	0.65%
Ex dividend date	5/7/14

FedEx (FDX)

Stock Suggestion: Hold

Company Background:

An American global courier delivery services company headquartered in Memphis, Tennessee.[4] The name "FedEx" is a syllabic abbreviation of the name of the company's original air division, Federal Express, which was used from 1973 until 2000.



The provided article surely sets the tone for FexEx as a highly successful company led by a man with a

strong background of excellence and performance.

The first graph is showing that FedEx's recent performance in the past three years is also doing well.

However, I do feel that it is best to hold onto the stock. While the company is successful, the P/E ratio is rather high at 25.61. It would better to see what happens in the next six months to year to see what will happen. Further study of FedEx's performance is necessary.

pany led by a man with a		
\$136.2	24	
	0.00 0.00% 11,373 2014, 4:30 p.m. layed by 20 min	
Previous close Change	\$ 136.24 -0.01 -0.0073%	
Day low \$135.39	Day high \$137.00	
Open:	136.36	
52 week low \$92.98	52 week high \$144.39	
Market cap	\$40.26B	
Average volume	2.30M	
P/E ratio	25.61	
Rev. per Employ	ee \$281,039	
EPS	5.32	
Dividend	0.15	
Div yield	0.44%	
Ex dividend date	3/7/14	

Yahoo (YHOO)

Stock Suggestion: Hold

Yahoo! Inc. is an American multinational Internet corporation headquartered in Sunnyvale, California

It is one of the most popular sites in the United States. According to news sources, roughly 700 million people visit Yahoo websites every month. Yahoo itself claims it attracts "more than half a billion consumers every month more than 30 languages

Once again, looking at Ms. Wise's articles, the one concerning Yahoo!'s newest CEO is also a sign of positive work that's helping the company.

The first chart is showing how the value of the stock has been able increase greatly over the last 3 years.

However, again I look at the P/E ratio and consider the fact that the ratio is 30.15, which is very high. I would rather have us invest Yahoo! Once the P/E ratio decreases and the company continues perform well, then the possibility of investing in Yahoo! will change.

It's especially harder to foresee the future of such online ventures since online-based companies are a new venture these last couple decades.



Dividend

Div yield

Ex dividend date

N/A

N/A

N/A

Lionsgate Entertainment (LGF)

Recommendation: Buy

Lionsgate Entertainment Corporation is a North American entertainment company. The company was formed in Vancouver, British Columbia, on July 3, 1997, and is headquartered in Santa Monica, California.

Lionsgate Entertainment has produced such films as
Guantanamera (1997), The Expendables (2010), Transporter 3 (2008),
The Twilight Saga (2012), and The Hunger Games (2012 and 2013). As
you may be familiar, recently The Twilight Saga and The Hunger Games
have become popular films, in which has brought in considerable profit.
Twilight has grossed about \$270 Million per film while The Hunger
Games, also in the provided articles Ms. Wise gave to me, has grossed
\$408 Million in North America with global sales of \$283 Million.

If we were to look at the trend of how Hollywood produces movies and the relative popular titles that are generating revenue, then it would be safe to presume that the next two Hunger Games movies will come out and produce favorable cash flows and profit for Lionsgate Films.



Ex dividend date

3/27/14

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Media Resources

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https://www.google.com/finance?q=NYSE:LGF&sa=X&ei=xApKU5CkCOjcyQHJjYGYBg&ved=0CCkQ2AEwAA

http://www.marketwatch.com/investing/stock/lgf

https://www.google.com/finance?q=NYSE:LGF&sa=X&ei=xApKU5CkCOjcyQHJjYGYBg&ved=0CCkQ2AEwAA

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