

# 8-2 STOCK MARKET DATA

**To do now:**

- 1. Daily Attendance Question**
- 2. Write down the objective**
- 3. Take out earbuds**

**You will need:**

- **Student Notes**
- **Textbook**
- **Calculator**
- **Notebook Paper**
- **Pen or Pencil**

Items in red are needed for the lecture.

## **OBJECTIVES**

**Use** stock data to follow the daily progress of a corporate stock.

**Understand** the importance of ethics in business.

It is important that you understand how to follow the daily progress of a stock before you start investing.

That is what we will learn about today.

# Vocabulary:

Last: On paper - Today's closing price

On Line – Last trade (seconds ago)

Open: Price at 9:30 Eastern

Close: Price at 4:00 Eastern

Chg (Net Change): Close today – Close yesterday

Volume:

To get Actual Volume -> Multiply

To get Shortened Volume -> Divide

What was the difference between the high and the low prices on May 5?

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90

$$\text{Difference} = 52.60 - 49.00 = \mathbf{\$3.60}$$

## Example 1 – You try it!

What was the difference between the high and low prices on May 12?

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90

# Example 1 – You try it!

What was the difference between the high and low prices on May 12?

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90

$$\text{Difference} = 51.40 - 49.90 = \mathbf{\$1.50}$$

# Example 2

- a. On May 12, what was the actual volume of XYZ shares posted?
- b. Write the volume in thousands.

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90

a. Volume = 32,000 x 100 = **3,200,000**

b. Volume in thousands = 3,200,000 ÷ 1,000 = **3,200**

## Example 2 – You try it!

- On May 5, what was the actual volume of XYZ shares posted?
- Write the volume in thousands.

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90



## Example 2 – You try it!

- On May 5, what was the actual volume of XYZ shares posted?
- Write the volume in thousands.

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90

Volume = 28,000 x 100 = **2,800,000**

Volume in thousands = 2,800,000 ÷ 1,000 = **2,800**

## Example 3

At what price did XYZ Corporation close on May 4?

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90

Stock Market hours are M-F 9:30 to 4:00pm (Eastern)

$$\begin{aligned}\text{Yesterday's close} &= \text{Last (Today's Close)} - \text{Change} \\ &= 52.20 - 2.61 = \mathbf{\$49.59}\end{aligned}$$

## Example 3 – You try it!

At what price did XYZ Corporation close on May 11?

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90

## Example 3 – You try it!

At what price did XYZ Corporation close on May 11?

XYZ Corp		XYZ Corp	
May 5		May 12	
Last	52.20	Last	49.98
Trade Time	4:00PM ET	Trade Time	4:00PM ET
Chg	2.61	Chg	-1.55
Open	50.10	Open	50.60
52-week High	60.45	52-week High	60.45
52-week Low	40.00	52-week Low	40.00
Sales in 100s	28000	Sales in 100s	32000
High	52.60	High	51.40
Low	49.00	Low	49.90

$$\begin{aligned}\text{Yesterday's close} &= \text{Last (Today's Close)} - \text{Change} \\ &= 49.98 - (-1.55) = \mathbf{\$51.53}\end{aligned}$$

## Example 4

Find the percent change in prices from the 4<sup>th</sup> closing to the 5<sup>th</sup> opening. Round to the nearest hundredth percent.

May 4<sup>th</sup> Close: \$49.59

May 5<sup>th</sup> Open: \$50.10

$$\begin{aligned}\text{Percent change} &= \frac{\text{New} - \text{Old}}{\text{Old}} \times 100 = \underline{\hspace{2cm}}\% \\ &= \frac{50.10 - 49.59}{49.59} \times 100 = \mathbf{1.03\%}\end{aligned}$$

Overnight trading resulted in an increase in price of 1.03%

## Example 4 – You try it!

Find the percent change in prices from the 11<sup>th</sup> closing to the 12<sup>th</sup> opening. Round to the nearest hundredth percent.

May 11<sup>th</sup> Close: \$51.53

May 12<sup>th</sup> Open: \$50.60

## Example 4 – You try it!

Find the percent change in prices from the 11<sup>th</sup> closing to the 12<sup>th</sup> opening. Round to the nearest hundredth percent.

May 11<sup>th</sup> Close: \$51.53

May 12<sup>th</sup> Open: \$50.60

$$\text{Percent change} = \frac{\text{New} - \text{Old}}{\text{Old}} \times 100 = \underline{\quad\quad\quad}\%$$

$$= \frac{50.60 - 51.53}{51.53} \times 100 = \mathbf{-1.80\%}$$

# Enron: A cautionary tale

- Enron, an energy company, and Arthur Andersen, one of the largest accounting firms, both had reputations for being fair and honest, and were highly respected.
- Enron reported revenues of \$140 billion during the first three quarters of 2001.
- It declared bankruptcy in December 2001.
- The collapse was due to unethical behavior on the part of both companies.
- It was revealed that Enron reported fraudulent accounting statements.
- Take away: No matter how safe it appears to be, an investment is always a risk!



Please work on you assignment.  
It is due at the end of next class.

Grade goes here	Read Pg: 469 to 474 Do Pg 475: #2-11	Last First P__ A:8-2