STOCK PITCH COMPETITION
FOR CANDIDATE SELECTION
1 Pick a Stock

Choose a well-known public company that:

- has a product or products that you have purchased and that you like
- is in an industry that you feel you know something about
- has competitors that you are also familiar with
- has something “special” that makes it stand out from the crowd (either in a good way or a bad way!).

Your goal is to convince us that this company’s shares will significantly increase in value (or significantly decrease) over the next 6-12 months, ideally in relation to the “something special” that you’ve identified.

*Dzialga is pronounced "Jahga."
Find More Info

Use the following resources, and any others that you like, to find out more about your chosen company:

- The company’s website (including “investor relations” information) for information about current and future products, markets, and strategies, as well as the company’s annual report
- Yahoo Finance and the Wall Street Journal online for both qualitative and quantitative information about the company
- Anyone you know that has expertise about the company and/or other companies in the same industry
3 ANALYZE THE COMPANY

Your goal is to create a report that persuades investors to buy (or sell) shares in the company of your choice, preferably over the next 6-12 months. To do this, think about the following:

- **Product range**: Talk about the company’s existing products - why they are useful and/or attractive to consumers?
- **Branding**: Does the company have a well-known brand? Does it promote customer loyalty?
- **Competitive position**: How does your chosen company compare with other companies that sell similar products? Can it sustain or even increase its market share? How?
- **Product development**: Talk about likely improvements to current products, as well as any new products that the company might bring to market in the future.
- **Future markets**: Does the company plan to expand into new geographic areas (either domestic or international)? How risky will this expansion be?
- **Possible acquisition**: Has there been any indication that the company might be acquired by, or merge with, another company?
- **Legal/policy issues**: Are there any upcoming laws or government policy changes that might affect the company in the short to medium term?
- **Challenges**: Do you foresee any particular issues that are likely to pose a challenge to the company over the next few years? Either because of its own situation/strategies or because of existing or potential threat from competitors?
ANALYZE COMPANY FINANCIALS

You are not expected to go into a lot of detail on company ratios and multiples. However, some analysis of the following quantitative metrics* will help to support your qualitative thesis.

- Share price information:
  - 52-week range (high and low for the last 52 weeks)
  - Share price target (should be at least 10% higher or lower than the current share price)
- Market Capitalization (MCAP), which equals current share price multiplied by number of shares outstanding (MCAP = the market value of the company)
  - Compare your company’s MCAP with its competitors. Is it one of the biggest firms in its industry? One of the smallest? How will this affect its competitive strategy?
- Price Earnings Ratio (P/E): A measure of a company's current attractiveness and expected future growth. P/E ratios are most useful when compared with P/Es of other, similar firms.
  - All else equal, a higher P/E (relative to peer companies) indicates that investors view the company as having better-than-average expected future performance and vice versa.
  - Don’t pick a company just because it has a high P/E! Your goal should be to pitch a company that has either: a somewhat high P/E relative to peers, but you don’t like the company OR a somewhat low P/E relative to peers, but you think it has great growth prospects.

*All of these data can be found on Yahoo Finance and other finance websites.
5 CREATE A PITCH

Your report should be a 4-5 page PowerPoint presentation that contains the following:

- Slide 1: Title page
- Slide 2: Your investment thesis: Why should investors buy (or sell) shares in your chosen company? This should be a couple of sentences summarizing your qualitative argument for why this is a particularly strong (or weak) company. Include a summary valuation, including current share price, target price, expected rate of return over the 6-12 month investment horizon.
- Slide 3-4: Company’s strengths, any catalysts (i.e., upcoming events that will have an impact on the stock’s price), risks (i.e., why you might be wrong about the company’s trajectory)
- Slide 4-5: Your valuation, including current and target share price plus MCAP and P/E for your company and some of its peers (to put its valuation in context)
- Appendices: Any additional information as applicable (could be references to where you obtained data; any more detailed quantitative analysis that you may have done, etc.)

Make sure your report is:

- Visually appealing and easy to read
- Slides should have a light background and page numbers.
- Compelling: you want your readers to be convinced of your point of view.
- Not too wordy: use bullet point text, not full sentences
## COMPETITION TIMELINE

### WEDNESDAY, MAR 7
Information Session (encouraged, but not mandatory). Location: LSRC B101 (Love Auditorium) from 7:30 - 8:30.

### FRIDAY, MAR 9
Website with instructions made available to candidates.

### TUESDAY, MAR 20
Deadline to register as a candidate for the Dzialga Women in Finance Initiative.

### MAR 9 - APR 2
Candidates work on stock pitch presentation. Professors Linsey Hughes & Emma Rasiel will be available both by email and in person to provide advice and respond to some (but not all!) questions.

### MONDAY, APR 2
Deadline to submit stock pitch. Print two color copies of your pitch document, and submit to Jennifer Valentyn, Room 329A, Social Sciences no later than 12pm.

### FRIDAY, APR 6
Candidates informed whether they have been selected to present to the selection panel. These shortlisted candidates are welcome to visit Professor Hughes or Professor Rasiel with questions ahead of the formal presentations on Friday, April 13.

### FRIDAY, APR 13
Selected students make 5-10 minute presentations to a panel. Dress code: business casual.

### MONDAY, APR 16
Shortlisted candidates notified whether they have been selected for the Women in Finance program.