

Chapter 10: How to Read a Stock Table

If you check the *Wall Street Journal* or other newspapers for stock information, you will find information on a large number of stocks in several different markets. A sample of listings on the stock page from a *Wall Street Journal* is shown on the next page.

Once you are the proud owner of stocks, you will want to keep track of them. The easiest way to track your stock is through the daily newspapers or journals. First, you need to know under which exchange your stock is listed; i.e., NYSE, AMEX, or NASDAQ. Let's look at the tables column-by-column from left to right.

The first column, **YTD % CHG**, stands for **year-to-date percent of change**, which means that from a year ago to today, the stock price has changed by this percent.

The next two columns, **52 WEEK HI/LO**, give the stock's **high and low selling price peak** over the past year.

The next column, **STOCK (SYM)**, gives the name or an abbreviated version of the **stock's name** and the **stock symbol** used on the exchange.

The next column, **DIV**, is the **annual cash dividend** based upon the rate of the last quarterly dividend.

The next column, **YLD %**, provides the **yield percentages**, calculated by dividing the cash dividend by the closing price of the stock.

The next column, **PE**, is the **P/E ratio**; this figure gives the closing price divided by the annual earnings, based on the last four quarters.

The next column, **VOL 100s**, represents the **number of shares that were traded that day**, represented in hundreds. Thus, if the Vol 100s number is 1219, this means that 121,900 shares of this stock were traded.

The next column, **CLOSE**, represents the **price the stock closed that day**.

The last column, **NET CHG**, indicates the **point change** (either up or down) from today's opening price.

It is vitally important that investors familiarize themselves with the "How to Read This Table" section of the *Wall Street Journal*. This index is usually shown at the beginning of the NYSE Composite Transactions section. As you scan the stock tables, you will notice many symbols listed. All of the symbols are explained in the "How to Read this Table" section, and this valuable information should not be overlooked.



THE WALL STREET JOURNAL.

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NEW YORK STOCK EXCHANGE COMPOSITE TRANSACTIONS

A

YTD %CHG	52-WEEK		STOCK (SYM)	DIV	YLD %	PE	VOL 100s	CLOSE	NET CHG
-47.7	14	4.15	AAR AIR	.10	2.1	dd	600	4.71	-0.20
-11.6	19.75	12.63	ABM Ind ABM s	.36	2.6	21	1219	13.85	-0.05
-61.1	39.21	8.70	AOL Time AOL		...	dd	180022	12.49	0.17
-37.2	19.99	8.20	AT&T T	.15	1.3	...	191200	11.40	-0.66
-24.0	58	29.80	AbbottLab ABT	.94	2.2	25	44722	42.39	0.74
-36.6	36.65	16.60	Abercrombie A ANF		...	10	23915	16.81	-1.32
-81.9	50.80	11.06	AllmericaFNnl AFC.25		3.1	dd	33452	8.08	-3.43
8.2	57.90	41.58	Aus&NZ Bk ANZ	2.06e	4.2	...	15	49.45	0.75

B

-7.5	46.85	32.72	BASF ADS BF	1.14e	3.2	...	1581	35.06	0.24
-63.2	24.10	8.77	BallyTtlFit BFT		...	3	23280	7.93	-0.92
-8.9	42.88	28.92	BkOne ONE	.84	2.4	14	67054	35.56	-1.55
22.4	30.62	23.25	BayVwCapl		616	30.67	0.07
-57.2	53.75	18.50	BestBuy BYY s		...	12	35445	21.26	0.08
-11.5	51.07	31.58	Boeing BA	.68	2.0	13	36509	34.31	-0.07
162.2	19.20	4.01	BoydGaming BYD		...	25	8757	17.04	-0.46
-40.2	45.30	20.85	BrasilTel ADS BRP 1.42e		5.7	...	1134	24.81	1.31

C

-8.0	43.50	25.51	CACI Int A CAI s		...	31	2790	36.31	-0.18
-25.2	111	69.20	CIGNA CI	1.32	1.9	11	9046	69.30	-2.45
-71.1	19.56	4.30	CTS Co CPY	.12	2.6	dd	982	4.59	-0.31
-28.2	59.99	36.33	Caterpillar CAT	1.40	3.7	20	14217	37.49	-0.29
39.5	7.10	3.25	CenterTr CTA	.24	4.0	22	661	5.93	0.03

Name _____
Reading the stock tables

1. What was the closing price for Caterpillar (CAT)? _____
2. How many shares of CIGNA (CI) were traded on this day? _____
3. Which stock showed the greatest increase (earnings) for the day? _____
By how much per share? _____
4. Which stock showed the greatest loss for the day? _____
By how much per share? _____
5. If you purchased 100 shares of AT&T (T) at its **lowest** price during the last year, and sold the 100 shares at the closing price for the day, would you have earned or lost money?
_____ How much? _____
6. If you owned 100 shares of Abercrombie A (ANF) would you show a profit or loss for the day's trading? _____ How much? _____
7. If you owned 100 shares of Boeing (BA) how much would you have received for your last dividend check? _____
8. Which stock traded the fewest number of shares on this day? _____
How many shares? _____
9. Which stock's highest price in the last year was \$39.21? _____
What was the loss per share of BallyTtlFit (BTF) on this day? _____
10. In **segment C** of the table, which stock showed the widest range in price for the last year?
_____ What was the difference? _____

Chapter 18: Stock Sales

Investors sell stocks for a variety of reasons. Many investors will sell a stock once it has reached a predetermined price point, in order to realize a profit. For instance, if a stock's price has grown to a certain level, the investor may decide it is time to sell that stock, regardless of how well the company is actually doing. Some sell decisions are based on other reasons. If a company has setbacks or fails in its business plan, the price of the stock may decline. Many investors will sell stocks at the first hint of trouble in order to preserve their investment dollars, even if it means losing part of their initial investment.

Selling stock is about as easy as buying it. People place sell orders by calling their broker or by sending the order online via computer. When a block of stock sells, the amount of money from the sale (called **total proceeds**) is transferred to the investor who sold the stock. Before this money is placed in the investor's account, commission for selling the stock is ordinarily deducted by the broker. **Profit** is any amount earned over and above the total cost of the stock, including all commissions. If total proceeds after commissions is less money than was first invested, then a **loss** has occurred.

Example:

Shawn bought 300 shares of stock at \$20 per share, paying a commission of \$29 on the purchase. When the stock was sold, the shares brought \$23 each, and the commission paid on the sale was \$29. What was Shawn's profit on this stock?

Sold 300 shares at \$23 per share, total proceeds = \$6,900

Total commissions charged, 2 x \$29	- \$ 58
Cost of stock: 300 shares at \$20 per share	- \$6,000
Profit	\$ 842

If the number in our profit row had been negative, then it would represent a loss on this investment. Losses can be denoted with a pair of brackets. **Example:** < 200 >

Directions: For each of the following situations, determine the profit < or loss > in the following stock transactions.

- Gordon bought 700 shares of an oil company's stock for \$15.60 per share. He paid a commission of \$80 on this purchase. When the stock was sold only a short time later, the shares brought \$16.40 each, and he again paid an \$80 commission on the sale.

- Jane paid a commission of \$35 to sell 200 shares of stock she'd bought in an agricultural products manufacturer. The shares sold at \$17.70 each. When she bought the stock, it was only \$8 per share. At the time of purchase, she paid a \$22 commission.

Chapter 18: Stock Sales (cont.)

3. Timothy bought 525 shares of a company's stock at \$25 per share, paying a commission of \$65 on the purchase. Only a short time later, he noticed a better deal and needed to free up some money by selling the 525 shares. Timothy paid another \$65 commission on the sale, and the shares had dropped to \$24.75 per share by the time they were sold.
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4. Russell spent \$10,200 to buy 1,000 shares of stock in a company. Four years later, he sold 700 of these shares at \$28 per share, paying a \$40 commission on the sale. Only a month after that, he sold the last 300 shares of this stock for \$26.50 per share, once again paying a \$40 commission.
-
5. Roscoe jumps in and out of stocks, trying to make fast profits. He does all of his trades online and pays a flat rate commission of \$12 per transaction. In the afternoon, he sold 75 shares of a company at \$22.10. He'd bought that stock just that morning, paying \$21.80 per share.
-
6. Tony was given 1,200 shares of stock in a company after his grandfather's estate was settled. His broker processed the transfer of these shares into Tony's brokerage account free of charge. Tony decided to sell this stock, placing one order per month to sell 100 shares until all shares were sold within a one-year time frame. Tony's broker charged a commission of \$75 for each of these sell transactions. The per-share prices received for the blocks of stock each month were as follows: \$55, \$54, \$54.40, \$48.50, \$49.75, \$51, \$49, \$44.80, \$41, \$40.40, \$38, \$40.25.
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7. Charlotte was shocked to see that a company whose stock she'd paid \$30.80 per share for had dropped to \$21 in response to some bad news. She decided to sell the shares, and the 90 shares of stock brought \$19.75 each by the time she could get her broker on the phone to place a sell order. Commission both ways was \$38.
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Name: _____ Date: _____

Chapter 18: Another Look at Stock Sales

Directions: For each of the following situations, determine the profit < or loss > in the following stock transactions.

1. Will sold a block of 200 shares of stock he'd been holding for many years. The stock sold for \$48 per share, and he paid a commission of \$35 on the sale. When he'd originally bought the stock, he only paid \$8.25 per share and a commission of \$12 on the purchase.

2. Georgina paid \$905, including the commission, for 140 shares of stock in a book publishing company. She paid a commission of \$18 to sell this stock, and \$1,215.75 was deposited into her brokerage account after the trade had settled.

3. Benjamin bought 250 shares of stock in a high tech company at \$27.75 per share, paying a commission of \$28 on the purchase. Soon after, he realized he'd done little research about this company and did not understand its products. Benjamin sold all of the shares at \$27.25, once again paying \$28 commission.

4. Sandra bought 100 shares of a company's stock for \$38 per share. She managed to sell the 100 shares for \$4.25 more per share than she'd paid. Her online commission to buy or sell a stock is always \$16.95 per trade.

5. Eric bought 300 shares of stock in a paper manufacturing company, paying a bargain price of \$6 per share and a commission of \$24. A month later, he bought another 200 shares, but the stock price had risen to \$7.50. Commission for this purchase was also \$24. Later, he sold his entire block of stock in the paper company at \$12 per share, once again paying his regular \$24 commission on the sale.

6. A group of investors pooled their money to buy the 10,000 outstanding shares in a small mining company. There were no commissions paid on this transfer; it was done directly with the owners of the stock. The investors paid their own lawyer \$1,500 to arrange the stock transfer. The price paid for the stock was \$185,000. The group of investors later sold the stock for \$220,000. Once again, their lawyer was paid to handle the legal papers, this time at a cost of \$2,000.
