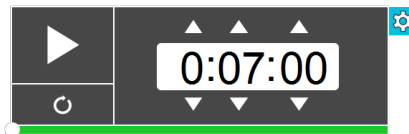


Objective

Today I will read a stock ticker and write a stock tape by using ticker notation.

Bellwork

1) Calculate the 5-day SMA for the ten consecutive day closing prices for MasterCard Inc listed below:

\$242.50, \$273.98, \$278.16, \$293.94, \$285.04, \$290.80,
\$296.02, \$291.01, \$293.41, \$286.85

\$274.72, \$284.38,
\$288.79, \$291.36,
\$291.26, \$291.62

Dow Jones Industrial Average (DJIA): A collection of 30 publicly traded companies.

Gives an indication of how the stock market is doing.

Stock Ticker: Receives data about stocks.

Invented by Thomas Edison. Named for the sound it would make when typing out information.

What's on a ticker?

Stock Ticker Symbol: The letters used to identify a corporation that is traded on a stock market.

NYSE uses 1, 2 or 3 letters

NASDAQ uses 4 letters unless the corporation came from NYSE

What's on a ticker?

Trading Volume: The number of shares in the last trade using short hand.

K = 1000 example 12.3K = 12,300 shares

M = 1,000,000 example 1.62M = 1,620,000 shares

What's on a ticker?

Trading Price: The price per share of the last trade.

Usually following @ but not always.

What's on a ticker?

Directional Arrows: Indicates whether the last trade was higher or lower than yesterday's closing price.

- ▲ indicates last trade was up
- ▼ indicates last trade was down

Followed by the amount that the trade differed from last close

Example #1: Marcy is following the stock market ticker scrolling across the bottom of her TV screen on cable business station. She had purchased some shares of Visa, Inc. last week and is interested in seeing if there are any current trades. She knows that Visa, Inc. has the ticker symbol V. She saw the following information: V 12K@87.37 ▲ 0.12. What can Marcy learn from this line of symbols?

✓ V 12K@87.37 ▲ 0.12
12,000 shares sold at \$87.37
per share. That is up \$0.12
from yesterday's close.

Example #2: Kevin knows that General Electric has the ticker symbol GE. What can Kevin learn from the following line of symbols: GE 12K@73.72 ▼0.55?

12,000 shares sold at \$73.72
per share which is down
\$0.55 from yesterday's
close.

Example #3: Had the trading price of this transaction been at \$87.35, what number would have appeared after the directional arrow? Explain your answer.

$$\begin{array}{r} 73.72 \\ + .55 \\ \hline \$74.27 \end{array}$$

▲ 13.08

Example #4: Tom needed money for graduate school tuition. He called his broker and asked her to sell all 3,000 of his Coca-Cola (KO) shares on Wednesday as soon as the trading price hit \$57 per share. Tom knew that Coca-Cola closed at \$57.25 on Tuesday. How will his trade appear on the ticker?

KO 3K@57 ▼0.25

Example #5: What would be the previous day's close for a share of Coca-Cola if the ticker had read KO 3K@57▲ 0.25?

$$\begin{array}{r} 57 \\ - 0.25 \\ \hline \$56.75 \end{array}$$

Example #6: Toni purchased 15,000 shares of stock of Target Corporation at \$54.88 per share. Her trade appeared on the stock ticker as TGT 15K@54.88 ▼ 0.17. What was the total value of her trade?

$$15,000(54.88)$$
$$\boxed{\$823,200}$$

Example #7: Suppose Toni made her purchase at the previous day's closing price. What would have been the difference between the values of the trades?

$$\begin{array}{r} 54.88 \\ + .17 \\ \hline 55.05(15,000) \\ \$825,750 \\ - 823,200 \\ \hline \$2,550 \end{array}$$

Example #8: Grandpa Rich left his three grandchildren: Nicole, Jeff, and Kristen, 8,750 shares of Apple Inc (AAPL) in his will. The grandchildren sold ¹⁰⁰⁰ all of the shares at a price of \$190.30 on Friday. The closing price of Apple on Thursday was \$187.83. How did this trade appear on the stock ticker?

AAPL 8.75K@190.30 ▲ 2.47

from yesterday
to today

Last Question

Express 0.15M shares traded using the K symbol.

$$\begin{aligned} &.15(1,000,000) \\ &150,000 = \boxed{150K} \end{aligned}$$

1.5 assignment
#2-9, 18, 19