

- a. **Sign up for TD Ameritrade ThinkorSwim**
  - b. **Under Analysis Tab -> Fundamentals -> Enter Stock Symbol**
  - c. **Locate Earnings**
    - i. Are earnings in the positive or negative
    - ii. Are they going up or down or steady
    - iii. Note any trends
  - d. **Look at dividends**
    - i. Is there a dividend?
    - ii. Is it increasing or decreasing or remaining the same?
  - e. **Locate "long term debt to capital"**
    - i. Review history, is it increasing or decreasing
    - ii. What is the value? Is it above or below 60 (not the percent)
    - iii. Why might the company be taking debt?
  - f. **Locate Quick Ratio and Current ratio**
    - i. What are the values?
    - ii. Are they around 1 or greater?
    - iii. If below 1, how far?
    - iv. Review yearly trends.
  - g. **Locate Price/Earnings Ratio**
    - i. Is it positive?
    - ii. Is it between 10-20?
    - iii. If its above 20, why might it have a high value?
    - iv. If its below 8, consider how the stock will gain value,
  - h. **Locate Price/Book Ratio**
    - i. Is it around 1?
    - ii. What kind of business is it? Are there alot of physical assets?
    - iii. If its beyond a value of 4, why might it be trading high?
      1. Could it be a business with few assets?
      2. Could the stock be over valued?
  - i. **Check Dividend Yield**
    - i. Is it around 2? If its above 4, are the dividends rising or lowering?
      1. are Dividends stable? increasing or decreasing
10. **Click Stock Website and Look for Product and Investor Information**

**REMEMBER:** Many factors go into stock valuation, and this is just an introduction. Even a stock that has good fundamentals may lose value, especially in the short run.