ToolsforAnalysingShares PDF转换可能丢失图片或格式，建议阅读原文

https://www.100test.com/kao_ti2020/500/2021_2022_ToolsforAn_c85_500422.htm ● 和顺 By Hoe Soon There are many methods to assess the fair value of a share. Before the value of a share can be determined, we must un-derstand what it is. Shares in general re-fer to the ordinary shares issued by the company, and they represent the owner-ship of a part of a company. Suppose a company has issued a million shares and you own one share, this means that you own one millionth of that company. Since shares represent ownership of a companys dividend, profit, revenue, as-set and cash flow, the ways to value shares will be based on these five catego-ries of figures. Financial ratio analysis is based on these five categories of data in a com-panys balance sheet and income state-ment, and turns them into ratios for com-parison. Besides comparing between the companys present and historical ratios, comparisons are also made against other similar companies, the industry average and the overall stock market average. We will start with the dividend yield, which is defined as dividend received in a year divided by the share price. For example, a company pays five cents divi-dend a year and its share price is a dollar, then the dividend yield is 5% ($0.05 divi-ded by $1 mutliplied by 100). One can find out the amount of dividends paid by companies from Mondays Lianhe Zaobao or Teletext. These show the dividend amount and the ex-dividend date. One only re-ceives the dividend if the share is bought before the ex-dividend date. In the newspapers or Teletext, a share with cd behind the company name indicates cum-dividend and xd means ex-dividend. Sometimes, the dividend amount is stated in percentage rather than cents. One should not confuse the percentage stated as dividend yield. The percentage is based on the dividend declared divided by the par value, not the share price. Most shares have a par value of $1. Those with a par value other than $1 have their par value printed behind the com-pany name. For example, SingTel 15 ¢ means that Singapore Telecom has a par value of 15 cents. Last year, Singapore Telecom declared a dividend of 5 cents or 33.33% (i.e. 5 cents divided by 15 cents). Based on share price of $2.70 then, its di-vidend yield is $0.05/$2.70=0.0185%, not 33.33%. A company usually pays dividends twice a year, one declared during the in-terim results (known as interim dividend) and the other during the final results (final dividend). When calculating the dividend yield, one should add both the interim and final dividends to arrive at the annual di-vidend. In a particular year, a company might achieve a very high profit that is unlikely to be repeated, but it wishes to reward shareholders with a higher di-vidend without building up expectation that the high dividend will be repeated. In this situation, the company will declare a special dividend on top of the usual one. When forecasting a future dividend, one should take note that the special dividend is unlikely to occur again. The payout ratio refers to the propor-tion of profit paid to shareholders. For example, a company which earns $1 per share and pays out a dividend of 30 cents per share, has a payout ratio of 30%. For a company to pay good dividends, it must have sufficient profit to be able to pay and it must be willing to pay. For a gro-wing company, it will have to keep most of its profit to buy more plants and equip-ment and thus its dividend payout ratio will be low. There are also some com-panies which prefer to keep the profits for rainy days and are therefore reluctant to pay them out as dividends. A typical company with a high dividend payout normally owns a mature cash-generating business and it does not have any worthy expansion plan. A good example is toba-cco stocks. However, a high payout ratio does not necessarily lead to a high divi-dend yield because the share price could be high too. The returns obtained from investing in a share can be broken down into two components - capital gain and dividend yield. If the share price does not change, then the investment return is equal to the dividend yield. The risk of buying a share that offers a high dividend yield is therefore capital loss, i.e. the share price falls. In the end, the share price could fall so much that the capital loss wipes out all the dividend yield. It, however, remains a loss if the share is not sold. Most invest-ment books recommend stocks with a high dividend yield for investors who are retired or need a steady stream of income. If one invests for yield, the divi-dend yield will have to be higher than de-posit interest rates in order to be attrac-tive.