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Today's Class

- Recap of Week 1
 - Put Theory into Practice with SEC Filings
 - Porters Five Forces
 - Case Studies
 - Why Cash Is King
 - EV/EBITDA Multiple
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Week 1 Recap

1.) Investing Tips:

- Know what you own
- Take a long-term view
- Don't get too attached

2.) Think like a business owner

3.) SEC Filings: 10K, 10Q, Form 4,

10F 10D

Where To Find SEC Filings And How To Use Them

- 10K, 10Q, 8K, Form 4 - Yahoo Finance

<http://finance.yahoo.com/>

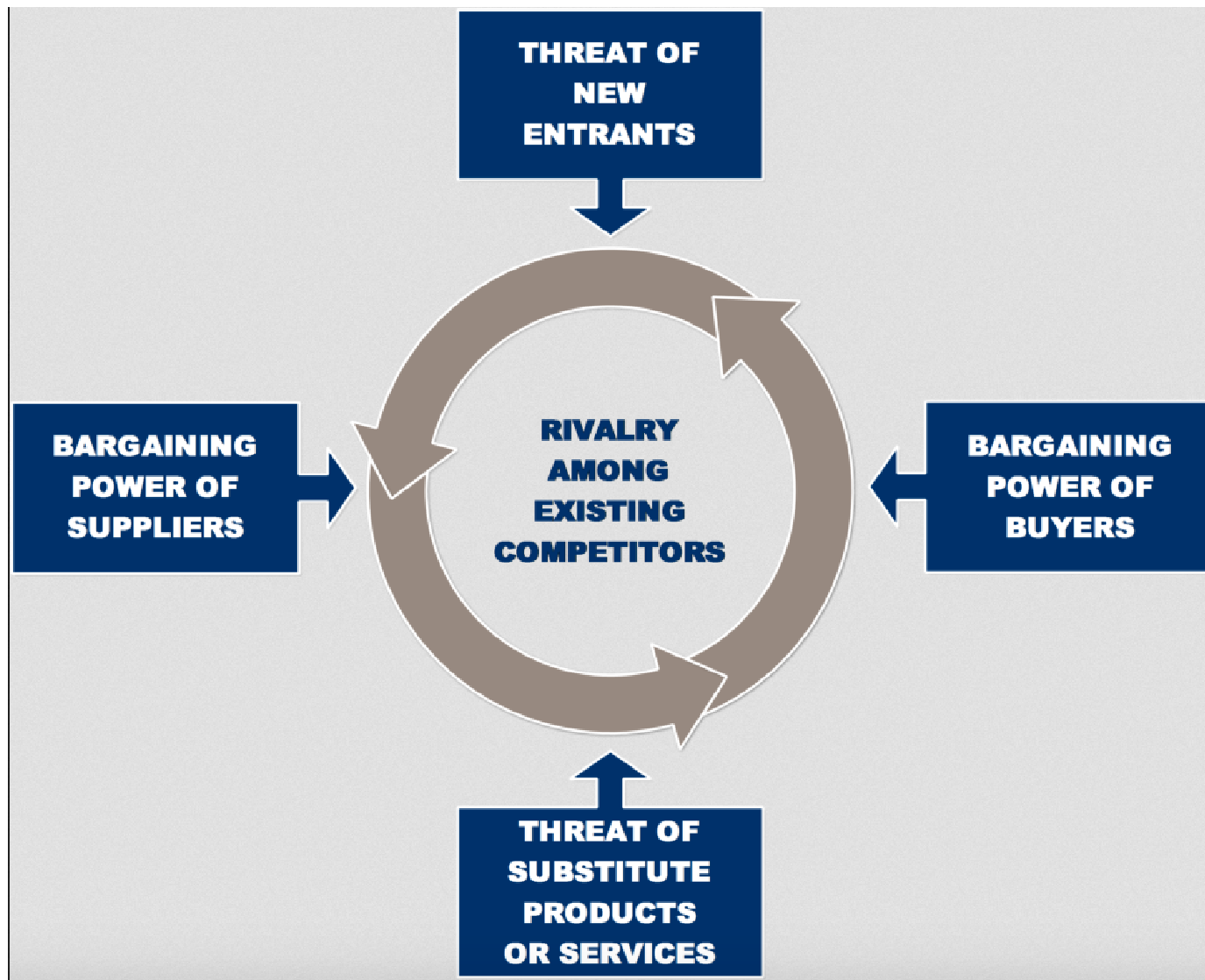
- 13F, 13D – Whale Wisdom

<http://whalewisdom.com/>

- Joel Greenblatt Magic Formula -

<https://www.magicformulainvesting.com/>

Porter's 5 Forces



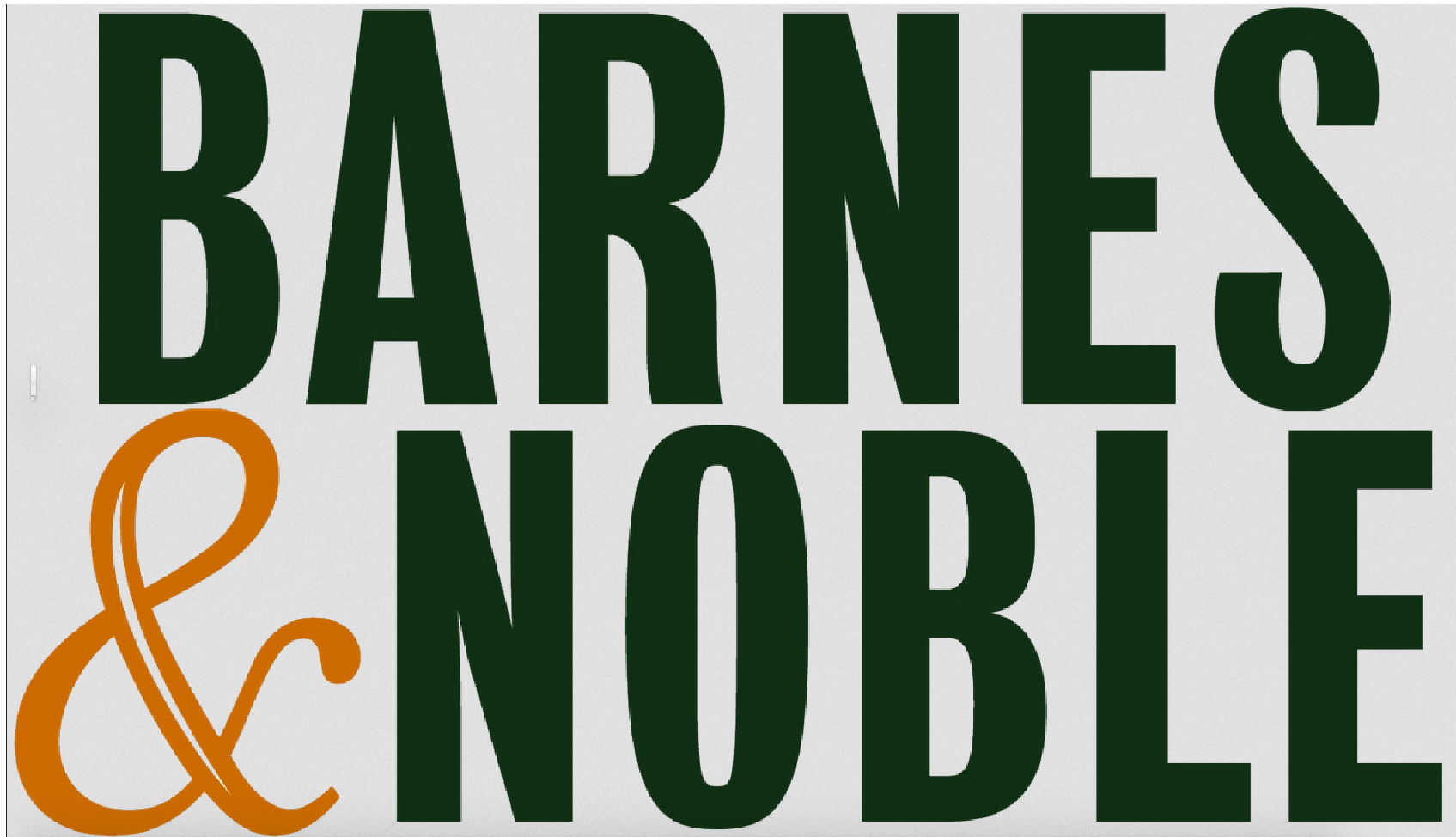
Threat Of New Entrants



Bargaining Power OF Buyers



Threat Of Substitutes



Bargaining Power Of Suppliers

TURING
PHARMACEUTICALS

Rivalry Among Existing Competitors

- Fragmented VS. Consolidated Industry
 - Commodity VS. Specialized Product
 - Fierce Competition VS. Friendly-ish Competition
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Cash Is King

- Why Is The Income Statement Sometimes Misleading
 - How Do You Follow The Cash
 - Cash Conversion Cycle
 - Compounders and Melting Ice Cubes
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Debt And Leverage

- D/E Ratio
 - Current Assets Minus Current Liabilities
 - Cost of Debt Increases With Business Risk
 - Net Nets
 - Enterprise Value
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EBIT and EBITDA

- Depreciation
 - Amortization
 - Capital Expenditures
 - Free Cash Flow
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- EV/EBITDA, FCF/EV Multiples
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Next Class

- Dividend Paying Investments
 - Avoiding Taxes
 - Holding Cash

 - Ask The Class?
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Q&A

