

Securities Analysis

February 2nd, 2010

Yahoo! Finance is great, but how does it compare to pay services like Morningstar, Value Line, and S&P's NetAdvantage?

All five provide price quotes and performance data. Yahoo! may be the most convenient for such information, with quick updates and the most accessible historical data. But Yahoo! only provides data (with some 3rd party ratings and news feeds). High-quality reports and analysis cost money.

Morningstar, Value Line, Mergent and S&P offer a number of services both to individual and institutional subscribers. The library licenses the following:

- Morningstar Library Edition
- Value Line Research Center
- S&P NetAdvantage
- Mergent InvestorEdge

Features and Usability

- Traditionally, Morningstar was strongest in funds, S&P and Mergent in bonds, Value Line in stocks.
- All provide screeners. Morningstar and Value Line allow screening on more variables than NetAdvantage and offer preset screens, but NetAdvantage allows you to export more data to Excel from the results list. Mergent's screener is rudimentary. Yahoo!'s new Java screener is much more sophisticated than their html version.
- Morningstar and Mergent are easiest to use, Value Line least user-friendly. NetAdvantage has the most content, then Value Line.

BYU's Business Library

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Other sources of investment information:

- **LexisNexis Academic** has detailed company information, including the two most recent reports from investment banks published in the **Investext** database. Access these from the "Research & Analysts Reports" section of the "Financial Information" page of a company's dossier.
- **Bloomberg** is a sophisticated, terminal-based service and the market leader for actual traders and investment bankers. An amazing amount of information, speed, and flexibility, but a steep learning curve. The library's terminal is in room 1210 on the first floor of HBLL. There is also one in W237 TNRB. Thomson and Reuters have competing services.
- **WRDS**, the Wharton Research Data Services, is a platform for multiple databases, including CRSP and Compustat. A favorite for faculty doing in-depth analysis and historical research.
- **Factiva**, from Dow Jones, contains business newspapers and magazines from all over the world. Click on the triangle next to Subject and search for and select Analyst Comment/Recommendation. Then specify a company or add other search parameters. Adjust the date range. This results in press releases about reports from a multitude of investment banks, often including the ratings or data. By clicking on the Companies tab at the top you can also use Factiva to pull up quotes and company profiles.

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Service Comparisons



Price (if the Library wasn't paying for you)	Mostly free. \$13.95/mo for "Real-Time Quotes." Prices for reports vary.	Basic features are free. \$19.95/mo for premium membership.	Varies by package.	Varies by package.	Not listed.
Financial Statements and Ratios	3 years	10 years	5 years	10 years	5 years (10 years of 10-Ks)
Ratings	Aggregated from 3 rd parties (good variety but little detail)	Proprietary	Proprietary	Proprietary	Proprietary
Analyst Reports	<ul style="list-style-type: none"> • Aggregated and cost extra 	<ul style="list-style-type: none"> • Stocks • Funds (inc. ETFs) 	<ul style="list-style-type: none"> • Stocks (12 years of historical reports) • Funds • Industries 	<ul style="list-style-type: none"> • Stocks • Funds • Bonds (corporate) • Industries 	<ul style="list-style-type: none"> • Stocks (Ford Equity Research) • Bonds (Moody's) • Industries
Screener	<ul style="list-style-type: none"> • Stocks • Funds • Bonds (inc. municipal) 	<ul style="list-style-type: none"> • Stocks • Funds (inc. ETFs) 	<ul style="list-style-type: none"> • Stocks • Funds • Options 	<ul style="list-style-type: none"> • Stocks • Bonds • Funds • Dealers 	<ul style="list-style-type: none"> • Stocks
Education	Articles, glossaries, video tutorials, and personal finance guides	Articles, glossary, and 150 interactive courses, like "Portfolios 405: Investing in IPOs"	Includes a library of video tutorials	Articles, glossary, and a retirement tutorial	None
Unique Features	<ul style="list-style-type: none"> • Covers options and currencies • Alerts • Create portfolios • Relies heavily on 3rd party news feeds 	<ul style="list-style-type: none"> • Portfolio Manager with X-Ray analysis (can't save) • Stewardship Grades for Funds 	<ul style="list-style-type: none"> • Covers options, convertibles, and special situations • Brief Industry Reports • <i>Value Line Investment Survey</i> 	<ul style="list-style-type: none"> • Industry Reports • Profiles of many private companies • Register of Executives (short bios) • Security Dealers of North America (directory) • <i>The Outlook; Credit Week</i> • Compustat Excel Analytics 	