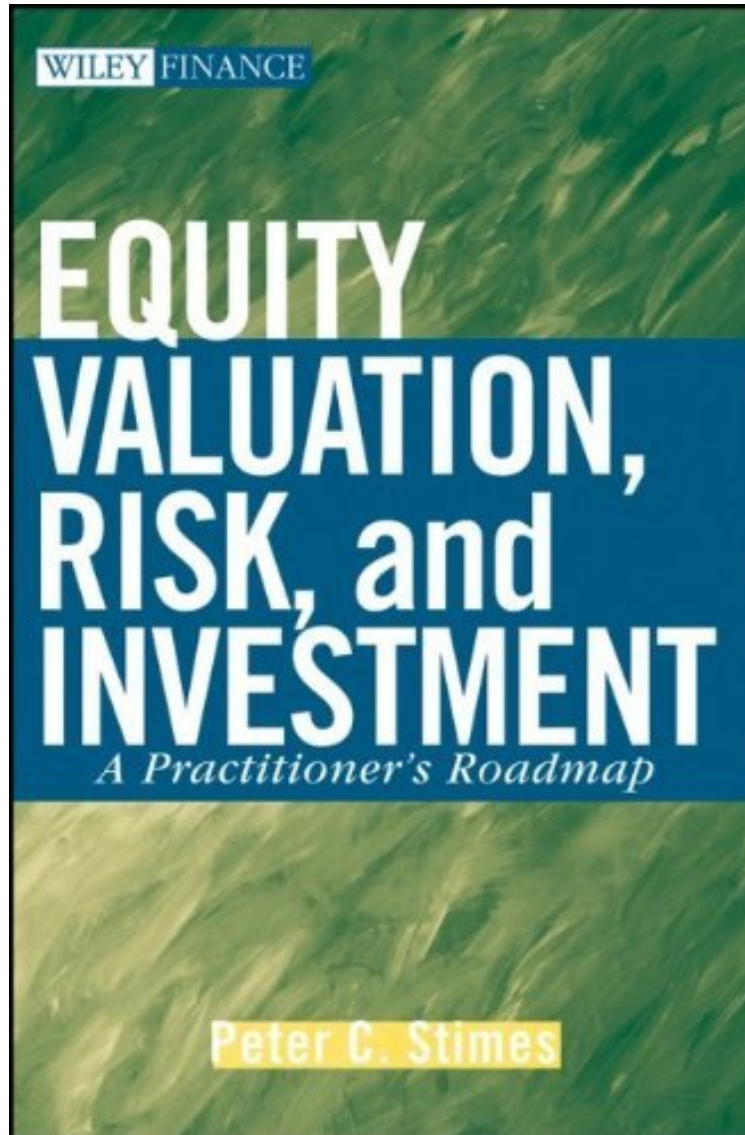


# Equity Valuation, Risk and Investment: A Practitioner's Roadmap

*Peter C. Stimes*

*ebooks / Download PDF / \*ePub / DOC / audiobook*



[Download](#)

[Read Online](#)

#4059338 in eBooks 2008-02-04 2008-02-04 File Name: B001BQDIYCPDF # 1 | File size: 69.Mb

**Peter C. Stimes : Equity Valuation, Risk and Investment: A Practitioner's Roadmap** before purchasing it in order to gage whether or not it would be worth my time, and all praised Equity Valuation, Risk and Investment: A Practitioner's Roadmap:

2 of 2 people found the following review helpful. For every money manager, analyst and student of finance By J. Daar  
In Equity Valuation, Risk and Investment, Peter Stimes takes us on an illuminating and rewarding voyage in the development of a modern-day investment practitioners' valuation model. He presents, in clear and precise terms, a new approach to valuation. Mr. Stimes' step-by-step review of his model's derivation allows the reader to objectively judge its merits while learning more about this unique valuation process. Mr. Stimes provides sufficient detail to enable

money managers to incorporate the author's insights into their own methodologies. For the professional or the student, reading Mr. Stimes' book provides one with a deeper understanding of valuation - both absolute and relative. Mr. Stimes faces valuation head-on, providing pros and cons of various methodologies, including his own, building on the works of great economists and the pioneers of modern portfolio theory. I believe that every money manager, analyst and student will benefit from reading this book, especially in these volatile times.

Author Peter Stimes's analysis of the investment process has long been inspired by some of the best minds in the world of finance, yet some of the ways in which he approaches this discipline are truly unique. In *Equity Valuation, Risk, and Investment*, Stimes shares his extensive expertise with you and reveals how practitioners can integrate and apply both the theory and quantitative analysis found in finance to the day-to-day decisions they must make with regard to important investment issues.

From the Inside Flap  
Amazing strides in the area of financial economics have sparked some dramatic transformations in the field of investment management. We've seen the development of the idea that equities can be valued on the basis of discounted cash flow streams to perpetuity. And in more recent years, we've welcomed the rigorous theory of derivatives pricing and grappled with questions of just how efficient financial markets may or may not be. Peter Stimes's analysis of the investment process has long been inspired by some of the best minds in the world of finance, including Martin Leibowitz, Merton Miller, and Eugene Fama, yet some of the ways in which he approaches this discipline are truly unique. In *Equity Valuation, Risk, and Investment*, Stimes shares his extensive expertise with you and reveals how practitioners—from portfolio managers to policy makers—can integrate and apply both the theory and quantitative analysis found in finance to the day-to-day decisions they must make with regard to important investment issues. Written in a straightforward and accessible style, this reliable resource skillfully details a model—which is consistent with the fundamental principles of modern finance, but can operate in an environment where there are still unsettled questions—that provides invaluable insights into valuation, risk, and the construction of equity portfolios. This model, which is totally transparent, is also extraordinarily comprehensive. In order to understand both the theoretical and practical concerns surrounding this method, *Equity Valuation, Risk, and Investment* opens with a brief discussion of the valuation of default-free debt securities—both traditional and inflation-protected bonds. From here, it quickly moves on to address other essential aspects of this approach, including the valuation of uncertain, perpetual income streams as well as leveraged equity securities. Along the way, you'll receive an executive education on everything from price volatility to constructing efficient portfolios and performing dynamic rebalancing adjustments. As a practitioner, Stimes will only use a model that can be effectively implemented in real-life situations. So he has included case studies of several large companies, such as Coca-Cola, Intel, and Procter Gamble, to help you deal with issues that may arise when valuing "high growth" companies, evaluating the impact of common stock buybacks, and assessing mergers and acquisitions. Filled with in-depth insights and valuable advice, *Equity Valuation, Risk, and Investment* has what you need to succeed in today's fast-paced world of finance.

From the Back Cover  
Praise for *Equity Valuation, Risk, And Investment*  
"Equity Valuation, Risk, and Investment pulls off the difficult feat of making an original contribution to the core of investment theory. With a combination of mathematical rigor, historical perspective, and clear exposition, Peter Stimes provides invaluable insights into valuation and portfolio construction." —Martin Fridson, CFA, Publisher, Leverage World  
"Peter Stimes translates the arcana of valuation models into common sense and plain English. This book will be a useful reference for anyone who is focused on fundamental measures of valuation as part of their investment process." —Rob Arnott, Chairman, Research Affiliates, LLC, Editor Emeritus, Financial Analysts Journal  
"Peter Stimes successfully integrates his years of practical experience in both fixed income and equity markets to propose an altogether new way of considering risk and valuation in equity portfolios. He does this in large part by applying insights derived from recent capital market innovations to the work of previous academicians and practitioners, such as Leibowitz, Fama, and Miller. Among other things, what emerges calls into question much of the codification of modern equity markets (growth vs. value, large-cap vs. small, significance of P/E ratios, etc.) and cogently argues for portfolio managers and fiduciaries to consider new ways of discovering opportunities within these markets." —Lawrence B. Zuntz, former managing director, Institutional Business Division, Strong Capital Management  
"This book is an important resource for equity investors, in particular value investors. Peter Stimes, using his extensive investment experience and thorough understanding of financial theory and mathematics, develops, explains, and verifies the validity of an equity valuation model that adjusts for the effects of inflation. The book is written in a reader-friendly style." —Kevin Larson, CFA, Senior Vice President, CFO, and Treasurer, UniSource Energy Corporation  
"Behavioral finance, inflation adjusted equities, and a well thought out plan for long-term investment are ably described by Peter Stimes in his new book. His insight and experience have been used to produce an investment approach to help ameliorate the possible upcoming financial tsunami caused by retiring baby boomers. Investors, of all ages, can profit from applying his model to their investments." —Jeanne M. Boeh, PhD, Chair and Associate Professor, Economics Department, Augsburg College  
About the Author  
Peter C. Stimes, CFA, is a retired vice president and principal of Flaherty

Crumrine Incorporated. During his sixteen years with FC, Stimes acted as a portfolio manager, head of quantitative research and securities analysis, and spent several years as treasurer and CFO of the closed-end funds managed by FC. Stimes is actively involved with the CFA program and has been part of the CFA Voluntary Continuing Education Program since 1985. He has written and coauthored papers presented before the CFA Institute and various regulatory and legislative bodies. Stimes received both his undergraduate degree and his MBA from the University of Chicago.