



THE WALL STREET JOURNAL GUIDE TO STOCK MARKETS





How to Read Stock Market Quotations

Interpreting the daily activity of companies listed on a stock exchange can provide you with valuable insights into business—whether you’re researching an individual company, reporting on industry trends, or completing a general reference project.

dealers linked by telephones and computers. A company’s stock will generally be found on only one of these exchanges. To be listed in these markets a company must meet certain financial standards for earnings, assets, the number of shares outstanding, price and other requirements.

How Can Reading Stock Market Quotations Help You?

The New York Stock Exchange Composite Transaction list, which generally appears daily on page C3 of The Wall Street Journal Money & Investing section, includes transactions completed on the Big Board plus trades in NYSE-listed issues made on several regional exchanges and by authorized Nasdaq market makers. (This is why they are called “composite” listings.)

This same format is used for several other important daily stock tables in the Journal, the American Stock Exchange Composite Transactions and Nasdaq National Market Issues. The American Stock Exchange, like the NYSE, is an exchange where most trading takes place face-to-face on an exchange floor. The Nasdaq Stock Market (sometimes called “over the counter” market) is, instead, a regulated network of securities

Generally, the largest and most widely held companies are listed on the New York Stock Exchange, but there are many sizeable and well-known firms listed on Nasdaq or other exchanges.

Not all Nasdaq issues qualify for the National Market Issues table, so the National Association of Securities Dealers established a new Small-Cap table in June 1992. The new table replaced the previous Bid & Asked list. The listing standards for these companies aren’t as demanding as the requirements for the National Market table. An example appears on the next page, with an explanation of the information included with each listing.

Every business day, millions of Americans rely on The Wall Street Journal Print and Online for world and business news, and for financial information critical to their success. It offers insight and perspective, explores new technologies and trends, and provides unparalleled investment intelligence. And, that’s why professors and students across the country find it’s a **valuable tool** for learning. The day-to-day drama of the business world that unfolds on the pages of The Journal brings **real-world lessons** to the classroom. To facilitate this, Dow Jones created Journal-in-Education to provide educators with Journal content and materials **tailored** to a number of disciplines including finance, accounting, economics, entrepreneurship, marketing, management and international business.

For additional copies of this guide, and for other free Wall Street Journal teaching tools, visit ProfessorJournal.com or call 1-800-975-8602.

New York, American and Nasdaq National Market Issues

Column 1: Year to Date % Change

The amount the share price has gained or lost since the beginning of the year, expressed as a percentage.

Columns 2 & 3: 52-Week Hi-Lo Range

The first two columns show the highest and lowest prices for the stock during the preceding 52-week period, not including the latest trading day.

Column 4:

Company Name & Type of Stock

If there are no special symbols or letters following the company name, it is common stock (shares without a fixed rate of return of investment.) In recent years, a number of securities have been listed that trade much like preferred stocks, but have different designations. Typical examples include acronyms such as PINES, TOPrS, STRYPES, or QUIPS. Such issues also pay fixed dividend amounts, and are issued by or on behalf of listed companies. Usually such issues appear under the related company's common stock listing (Example: JC Penney).

Among the symbols that may commonly appear next to a company are:

"pf" - Indicates the listing is preferred stock (shares that generally have a fixed rate of return.) These shares of stock receive preference over common stock in the distribution of dividends.

YTD %CHG.	52 WEEKS HI	52 WEEKS LO	STOCK (SYM)	DIV.	YLD. %	PE	VOL. 100S	CLOSE	NET CHG.
18.4	26.56	10.75	LbtyFnl L		...	dd	52769	16.06	0.14
-9.2	32.63	12.5	LibertyM A LMGA		...	32	13	17.03	0.03
1.5	29.84	25	+ LibertyM B LMGB	2.28	7.9	13	1195	29	-0.18
-15.4	109	66.63	LbtyProp LRY	1.12	1.4	29	39461	78.71	-2.17
-11.9	27.88	14.44	LillyEli LLY	0.3	2	19	21345	15.04	-0.06
6.6	56.38	35.44	+ Limited LTD	1.22	2.4	16	4406	50.42	0.09
-20.2	26.13	17	LncInNtl LNC	0.14	0.8	21	24	18.05	-0.03
-3.2	37.88	20	LindsayMfg LNN		...	17	2997	26.75	0.2
20.6	21.38	11.25	+ LinenThings LIN		...	9	121	15	0.1
20	53.5	34.38	LithiaMtr A LAD	0.45	0.9	14	2708	49.96	0.56
8.2	39.8	22.44	LizClaib LIZ	0.44	1.2	dd	6084	36.75	-0.05

"wt" - A warrant gives the holder the right to buy securities at stipulated prices, usually within a specified time limit.

"rt" - Indicates that stockholders have been given the opportunity (or "right") to buy new securities in proportion to the number of shares they already own, within a given time period. Since the stock offered is usually below the market value, rights have their own market and can be traded.

"un" - Refers to unit shares of stock, a combination of different securities that are sold together as a package.

"wi" "When Issued" - Indicates a conditional transaction in a security authorized for issuance but not actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

Other symbols that can appear in this column, and in the area to the left of the 52-week hi-lo range, are defined daily in the Footnotes box in the Journal.

Column 5: Ticker Symbol

This alphabetic symbol uniquely identifies the stock on the exchange's "ticker" as well as many other electronic information system and computer databases.

Column 6: Dividend Payment

This indicates the annual dividend payment per share designated by the company for stockholders. On preferred shares, it is generally a fixed amount. On common shares, it varies with the business condition of the company and is evaluated regularly by a firm's directors. When a letter follows the dividend figure, refer to the Explanatory Notes on page C3 or C4 of the Journal.

Continued on following page...

New York, American and Nasdaq National Market Issues

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Column 7: Percent Yield

This figure represents the dividend return an investor can expect on each share of stock. It is calculated by dividing the annual dividend each share pays by its current market value, and is expressed as a percentage.

Column 8: Price-Earnings Ratio (PE)

This calculation is one way of evaluating a stock's relative performance and value. It is computed by dividing the stock's price by the company's per-share earnings for the most recent four quarters. Higher price-earnings multiples suggest that investors are more optimistic about a stock's prospects than comparable lower-PE stocks, but the reasons for high and low PEs also include the company's growth outlook, the industry the company is engaged in, company

accounting policies, and whether the firm is a startup or a more established business.

Column 9: Trading Volume

This figure shows a total number of shares traded for the day, listed in hundreds. Thus "363" would mean 36,300 shares. When a "z" precedes the volume number, the figure represents the actual number of shares traded. For example, "z20" means 20 shares, not 2,000. Stocks with large volume surges compared with their usual activity are underlined.

Column 10: Close and Net Change

The Close is the last trading price recorded when the market closed on this day. If the closing price is up or down more than 5% from the previous day's close, the entire

listing for that stock is bold-faced. Net Change indicates the difference between the closing price and the previous close.

Beginning in the fall of 2000, The Journal began quoting prices in decimals instead of fractions, in anticipation of plans by the major markets to adopt decimal pricing in 2001.

NASDAQ Small-Cap Issues

Column 1:

Company Name & Dividend Cash payouts are shown on an annualized basis when possible, the same as the NYSE format described on page three. Exceptions are covered by footnotes.

Column 2: Volume

This figure shows the total number of shares traded for the day. Sales are shown in hundreds— "25" in the volume means 2,500 shares traded.

The "z" footnote before a number means that this is the actual number of shares; "z25" means just 25 shares changed hands, not 2,500.

Column 3: Last

The final price for the day.

Column 4: Change

The difference between the closing price and the previous closing price.

	ISSUES	DIV	VOL	LAST	CHG
3	GlasAire s	stk	18	296	- 006
3	GibiCap		124	131	- 013
5	GibiNet n		2976	094	- 003
6	Go2Phrm n		2	214	+ 009
6	GoldStd		109	213	- 072
3	GoldStd	0.08z	12	725	...
2	GoodTm		3646	175	+ 019
9	GrndCtrl s	0.28z	15	1490	+ 050
9	GrndToy		221	096	- 006
5	GtLikeAv		12	1	...
5	GreystDg n		643	147	- 003
...	GrillCon		24	396	...
...	GuardTc s		66	041	+ 003
3	HCB Bnc n	0.24	18	850	+ 019
5	HMG Wld		885	231	+ 025

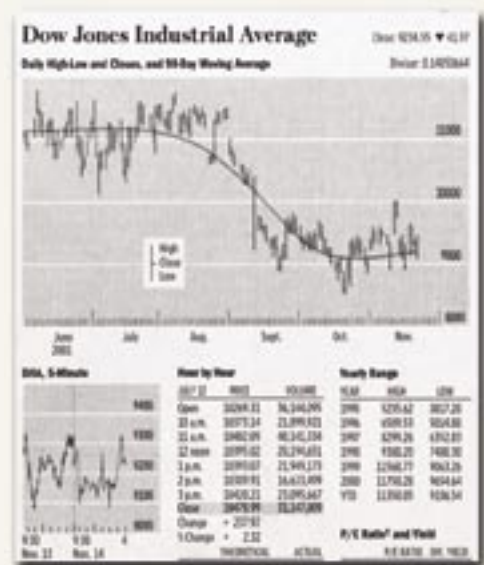
How To Read The Dow Jones Averages®

“The stock market was strong today,” a television newscaster intones, “The Dow Jones Industrial Average was up 50 points.”

“Wonderful,” a viewer exclaims, “but I’d like to see the day any of my stocks rose 50 points.”

The confusion is justified. Stock prices are often given in points, using the term as another word for dollars. But when it comes to the Dow Jones Industrial Averages (DJIA), a different kind of yardstick is used.

The DJIA, also known as “the Dow” or “the industrials,” is one of several thousand indexes compiled and published by Dow Jones Indexes, a new unit of Dow Jones & Company. The Dow Jones Averages are computed on a real-time basis and published in various printed and electronic mediums around the world.



How The Dow Jones Averages® Began

The “Dow” in the averages comes from Charles Henry Dow, newsman, market analyst and co-founder (in 1882) of Dow Jones & Company, the publisher of The Wall Street Journal and Barron’s, The Dow Jones Business and Financial Weekly. Like other market analysts since the earliest days of stock and bond trading, Dow attempted to discern underlying trends in the welter of each day’s individual price fluctuations. Some stocks go up while others go down or stay the same, but these changes may be merely ripples atop waves, and the waves in turn are subject to the underlying tide.

As a tool to help analyze these movements, Dow began computing an average price of stocks regarded as representative of the market as a whole. His first stock average appeared on July 3, 1884, in the

Customer’s Afternoon Letter, a two-page financial news bulletin that had been distributed daily by Dow Jones since November of the previous year. Only 11 stocks were included in that first index. Nine of them were railroad issues, reflecting the importance of railroads in the market in those days.

The first stock average of all industrial stocks appeared on May 26, 1896, and included 12 stocks. The roster was increased to 20 representative stocks in 1916 and then to 30 on October 1, 1928. Of the 12 original stocks, only General Electric still remains in the average.

The Dow Jones Industrial Average is one of four stock averages that originated in the Journal. There are three other Dow Jones Averages: transportation, composed of 20

transportation issues; utilities, composed of 15 utility issues; and a composite of all 65 stocks. Dow Jones Indexes calculates thousands of indexes in all, tracking market action around the globe.

The Dow is the oldest continuous price index of the U.S. stock market. Since those early days, public interest in the stock market has expanded greatly. A variety of indicators of price trends are now available from other sources, including well-known ones from Standard & Poor’s Inc. and the New York Stock Exchange itself. Market technicians find each useful and no single index, including the Dow, tells all of the market’s story. But because of its history and familiarity, the Dow ranks as the most widely used indicator of stock market action.

How The Dow Jones Averages® Are Computed

The original method of computation was elementary arithmetic. When there were 12 stocks, the prices were added together and the total divided by 12. When there were 20, the sum was divided by 20.

But the divisor is not 30 for the industrials or 20 for the transportation index or 15 for the utilities. Why not?

The answer is that the divisor is changed from time to time to maintain the historical continuity of the averages. The most frequent reason for an adjustment is a stock split. When the market price of a company's shares advances to a point where the company believes it is losing its appeal for individual investors, the stock often is split by, for example, issuing one new share for each share currently outstanding (two-for-one). Other things being equal, each share of stock is then worth half the earlier price.

Such stock splits by companies included in the average would produce distortions if the new price was simply substituted for the old one. Here is an example: Assume three stocks selling at \$5, \$10 and \$15. Their average price is \$10. Now the \$15 stock is split three-for-one, which would make the new shares sell for \$5.

Nothing has happened to the value of an investment in these shares but the average of their prices now is \$6.67—an obvious distortion in comparison with the earlier average.

An adjustment must be made to compensate so that the "average" will remain at \$10. This can be done in different ways. The method used to compute The Dow Jones Averages is to change the divisor, the number divided into the total of the stock

prices. In this case the new divisor would be 2 instead of 3 and the new figure would be used in subsequent computations of the average.

The method of determining the new divisor was changed on January 1, 1992, and first used on May 12, 1992, to adjust for a two-for-one split by Coca-Cola Co., a component of the industrial average. There were two changes. First, the divisor was increased to eight significant digits to minimize distortions due to rounding. The old calculation carried the divisor to three or four significant digits. Second, the formula used to calculate the divisor was revised as follows:

$$\begin{array}{rcl} \text{New Divisor} & = & \\ \text{Current Divisor} & \times & \frac{\text{Total adjusted market value}}{\text{Total unadjusted market value}} \end{array}$$

Briefly, here's how it works. At the close of regular trading, the Total Unadjusted Market Value for the Dow Jones Industrials is determined by adding the final prices of the 30 components in the average. (Most of the stocks currently used in the averages are traded on the New York Stock Exchange, but in recent years some Nasdaq stocks have been added.)

Deduct the final price of the component involved from the total unadjusted market value and substitute the adjusted market value for the component. For example, Coca-Cola closed at 85.375 on May 11. This amount is replaced by the adjusted market value of 42.6875, reflecting the two-for-one split.

Divide the new Total Adjusted Market Value for the 30 components by the old unadjusted market value total and multiply by the current divisor. The result is the new divisor;

it should be carried out nine digits, rounding to the eighth. The same formula applies to establishing a new divisor for the 65-composite average.

Over the years, the divisor has been changed many times, mostly downward. This explains why the "average" can be reported as, for example, 10000 while no single stock in the average is even close to that level in price. And it also explains the wide movements of the average in comparison to stock prices. The DJ Industrial divisor fell below 1.0 in May 1986. In the late 1990s, with the divisor around 0.2, a \$1 change in the price of a component stock would cause the average to increase or decrease about 5 points. Starting in 2001, a \$1 change in a component stock price moved the DJIA about 6.5 points.

In fact, the use of the term "average" is justified only by long usage. More accurately, it is an index or indicator.

Each day's change in each stock average is published by Dow Jones not only in points but also in percentages. The published percentage change provides a clear and comparable indicator on how the market moved based on the averages' component stocks.

Current divisors are published daily by the Journal and weekly by Barron's. They may be found with other statistics of the averages with the chart in the Journal and in the Barron's Market Laboratory. Other related statistics include the dividend yield and price-earnings ratio of the averages.

For more information on The Dow Jones Averages visit our website at <http://indexes.dowjones.com>.

How the Dow Stocks Are Selected

With more than 2,700 common stock issues listed on the New York Stock Exchange, not to mention thousands more traded on the American Stock Exchange, regional exchanges and the Nasdaq Stock Market, what is the use of an index of 30 stocks, or even 65?

In considering an answer to that frequently asked question, it should be noted that any average or index obscures a lot of diversity. (Statisticians caution against trying to walk across a lake with an average depth of three feet.) On any given day, a stock market average may zig while individual stocks are zagging. But an average like the Dow is aimed at tracking underlying trends over a period of time.

Other market indexes include more issues than the Dow, in some cases many more. Depending on how they are computed, such indexes may react more sharply to changes in prices of low-priced stocks. Changes in the focus of investor interest, for example, or heavy trading in certain industries can cause market indicators to trace different courses. But experience indicates that over time the various popular indexes generally move together.

The 30 Dow Industrials are chosen as representative of the broad market and the American industry. The companies are major factors in their industries, and their stocks are widely held by individuals and institutional investors. By the end of 2003, the 30 stocks had a market value of \$3.17 trillion, representing 24% of all common stocks traded on the New York Stock Exchange, American Stock Exchange and Nasdaq Stock Market.

The use of such frequently traded issues provides an important feature of the Dow: timeliness. At any moment, compilation of the Dow Jones Industrial Averages will represent recent transactions. This isn't always true with indexes using less-frequently traded stocks.

Changes in the components are made entirely by the editors of The Wall Street Journal without consultation with the companies, the stock exchange or any official agency. For the sake of continuity, such changes are made rarely. Most substitutions have been made as a result of mergers, but from time to time changes may be made to achieve a better representation.

Of the companies in the original 30-stock index, three are still there as of December 31, 2003, sometimes under different names. For example, the Exxon portion of Exxon Mobil was once Standard Oil (N.J.). Changes over the years form a panorama of the changing American economy. Gone are such companies as Nash Motors and Mack Trucks, General Foods and General Railway Signal. Still on the roster, but vastly changed, are General Electric and General Motors.

Charles Henry Dow could hardly have imagined that the occasional stock average he computed with paper and pencil would one day become part of the language of American finance. Now calculated by computer every few seconds throughout the trading day, the Dow is flashed to trading desks around the world. Dow Jones News Service® carries it frequently intraday and it is not only published in The Wall Street Journal and Barron's but also reported by other newspapers, radio and television.

Dow Jones Stock Averages

Industrials

3M	Honeywell
Alcoa	IBM
Altria Group	Intel
American Express	J.P. Morgan Chase
American International Group Inc.	Johnson & Johnson
Boeing	McDonald's
Caterpillar	Merck
Citigroup	Microsoft
Coca-Cola	Pfizer
DuPont	Procter & Gamble
Exxon Mobil	SBC Communications
General Electric	United Technologies
General Motors	Verizon Communications
Hewlett-Packard	Wal-Mart
Home Depot	Walt Disney

Transportation

Alexander & Baldwin	J.B. Hunt Transportation Services
AMR	Norfolk Southern
Burlington Northern	Northwest Airlines
C.H. Robinson	Ryder System
CNF	Southwest Airlines
Continental Airlines	Union Pacific
CSX	United Parcel Service
Delta Air Lines	USF
Expeditors International	Yellow Roadway
FedEx	
GATX	

Utilities

AES	FirstEnergy
American Electric Power	NiSource
CenterPoint Energy	PG&E
Consolidated Edison	Public Service Enterprise
Dominion Resources	Southern
Duke Energy	TXU
Edison International	Williams
Exelon	

Listings are current as of 4/1/04