



Rutgers Business School – Newark and New Brunswick

GUIDE TO RESEARCH INSIGHT

This is a brief introduction to using Standard and Poor's Research Insight. This is just for beginners and not meant to be a comprehensive manual.

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I) What is Research Insight

Research Insight is a database which combines the CRSP stock return data with the COMPUSTAT accounting data in a (relatively) easy-to-use PC interface. Research Insight is licensed to Rutgers and may be installed on the PC in your office. The interface gets installed on your PC (and requires approximately 56 meg) while the newest available data is accessed on the Rutgers server. Currently, only US and Canadian data are available, although it is possible to upgrade the license to include the international Global Vantage data.

II) Getting Started

To get started, from the start menu, click on Research Insight> Research Insight and you will see a screen like below. To begin, you may click on either the Research Assistant, Report Assistant, or the Chart Assistant icon. The Research Assistant starts with company choice, then goes on to let you choose the data, while the report assistant starts with choosing data, then allows you to choose companies.



If you click on Research Assistant you will see:

This is where you select the firms for which you wish to look up data. You may use the 'Look Up' icon and copy and paste the company(s) you want. You can also choose a set of companies using the 'Change Set' button, for example, all S&P 100 firms. You may further restrict your set using the definitions and conditions in the right-hand side, for instance Price to Book > 1.5.

Research Assistant - Step 1 (Money Management)

Companies: Look Up: Initial Set: (none)

Find Similar Companies

- Economic Sector
- GICS-Sector
- GICS-Group
- GICS-Industry
- GICS-Sub-Industry
- Country
- Don't Find Similar Companies

Period Selection: Current Period

Save Screen:

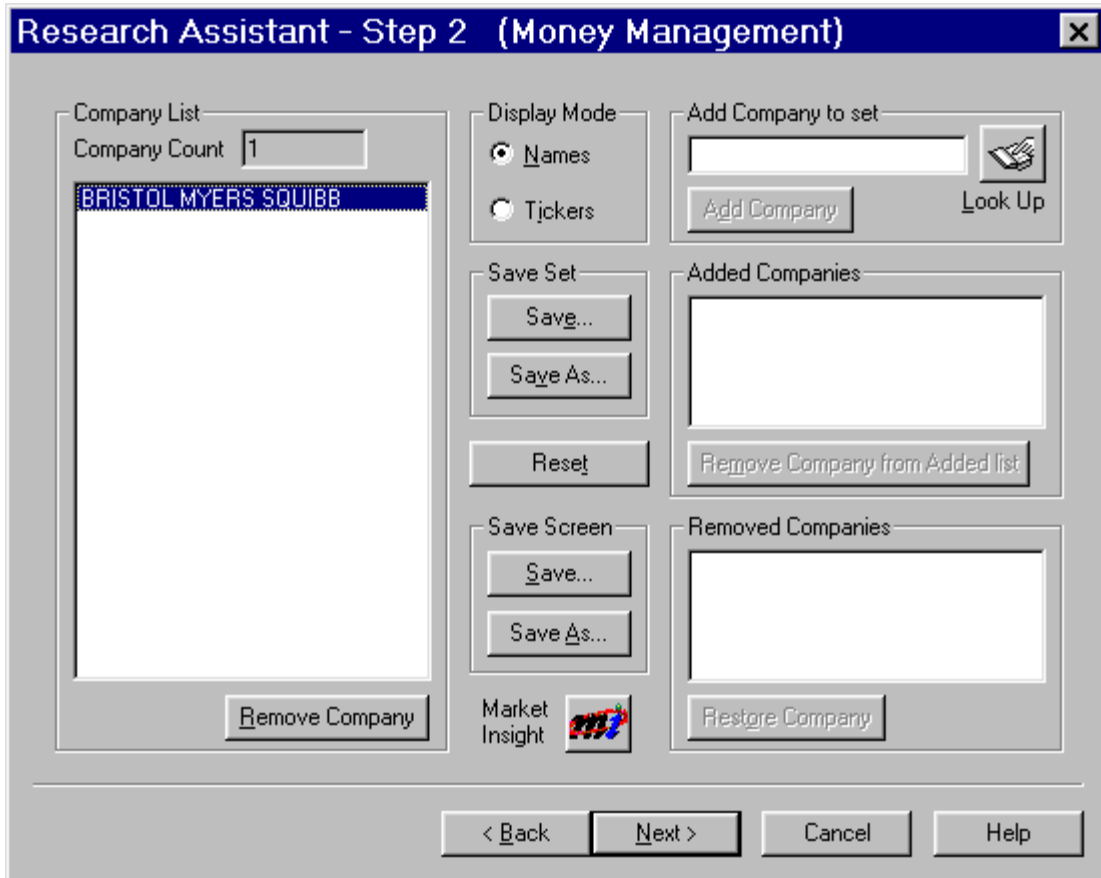
Valuation | Market | Turnaround | Fundamentals | Company

- Market Value > 1000.0
- Price to Earnings < 18.0
- Price to Book > 1.5
- Price to Sales > 1.5
- Forward P/E < 16.0
- Free CFL per Share > 10.0

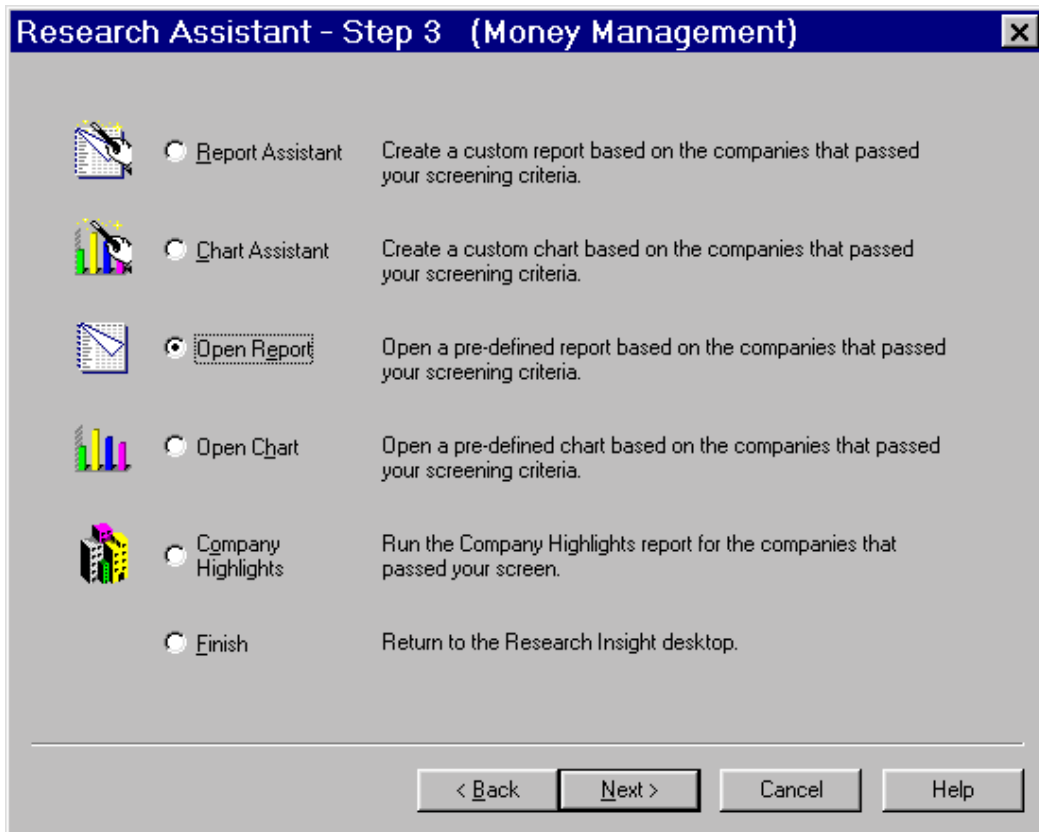
Right-click on description for definition of indicator

< Back | Next > | Cancel | Help

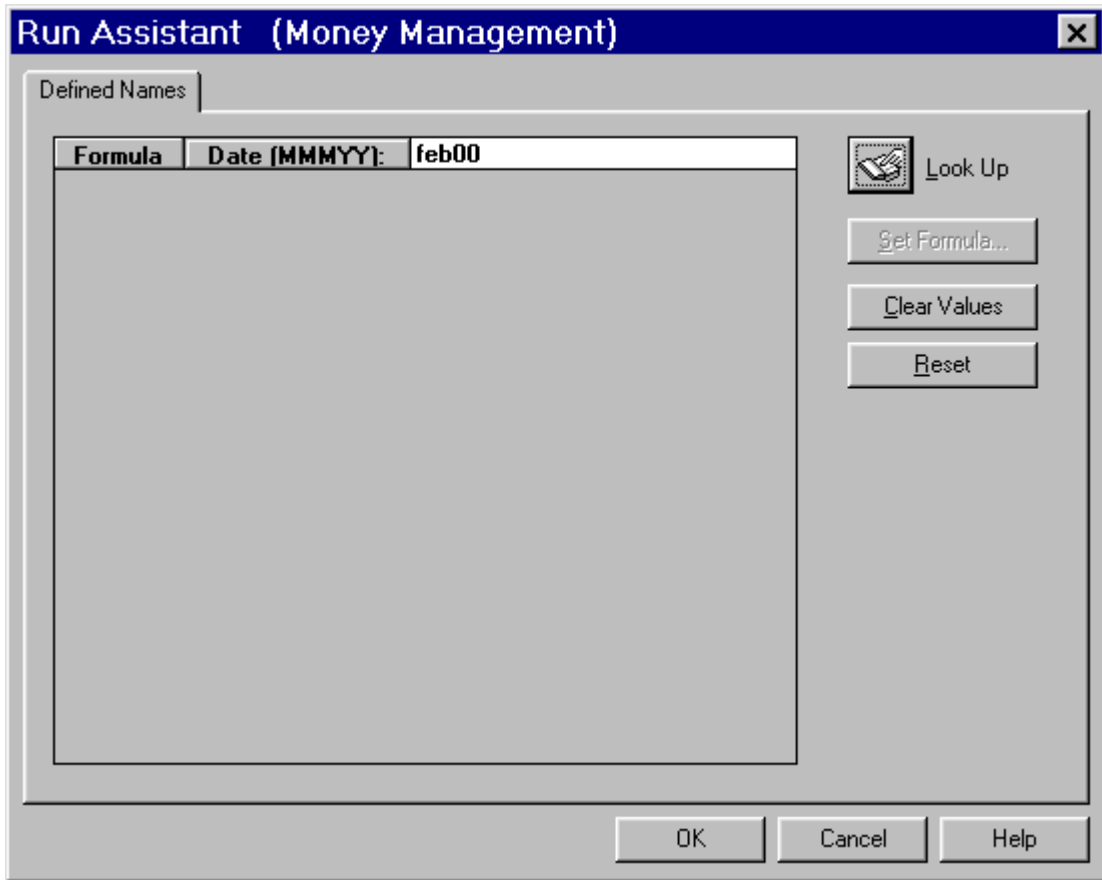
In our case, we selected Bristol Myers Squibb. Alternatively, you can write the ticker symbol (if you know it) in the Companies box in the previous screen. If you wish you may save it as part of a set of companies using the 'Add Company to set' button and then 'Save set'.



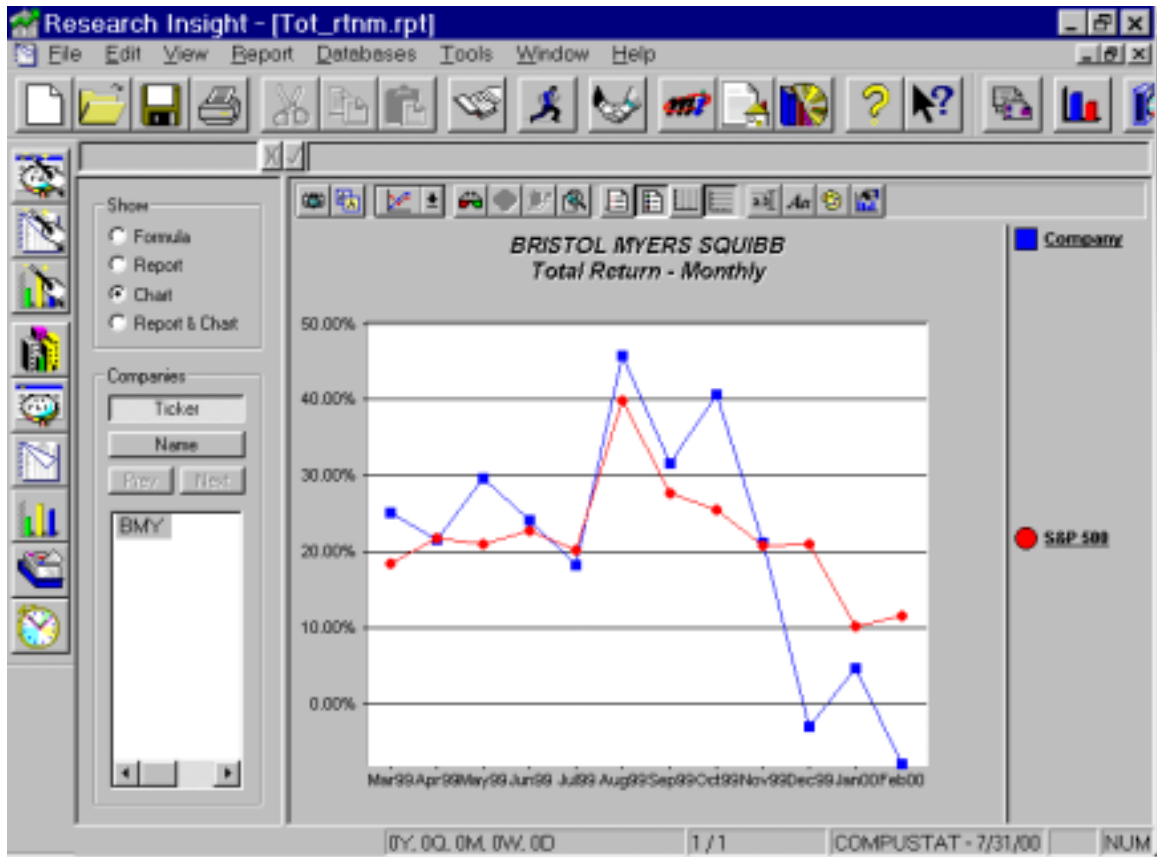
Once the companies are selected, click next and you will see the following screen where you will have to select a report. You may click on open report for 'ready-made reports' or use 'report assistant' to create your own report.



For example, we selected the charts report where the total return is plotted against S&P 500 returns.



Click on next and you see the result as below. This output can be saved as using File|Save.



Alternatively, we choose report assistant and then depending on whether you want only current or historical data, select a button on the left, such as Items vs Companies. Then click Next.

Report Assistant - Step 1 (Money Management)

Current Time Period

- Items vs Companies
- Companies vs Items

Historical Analysis

- Items vs Companies
- Items vs Time For a Company
- Time vs Items For a Company

Blank Report

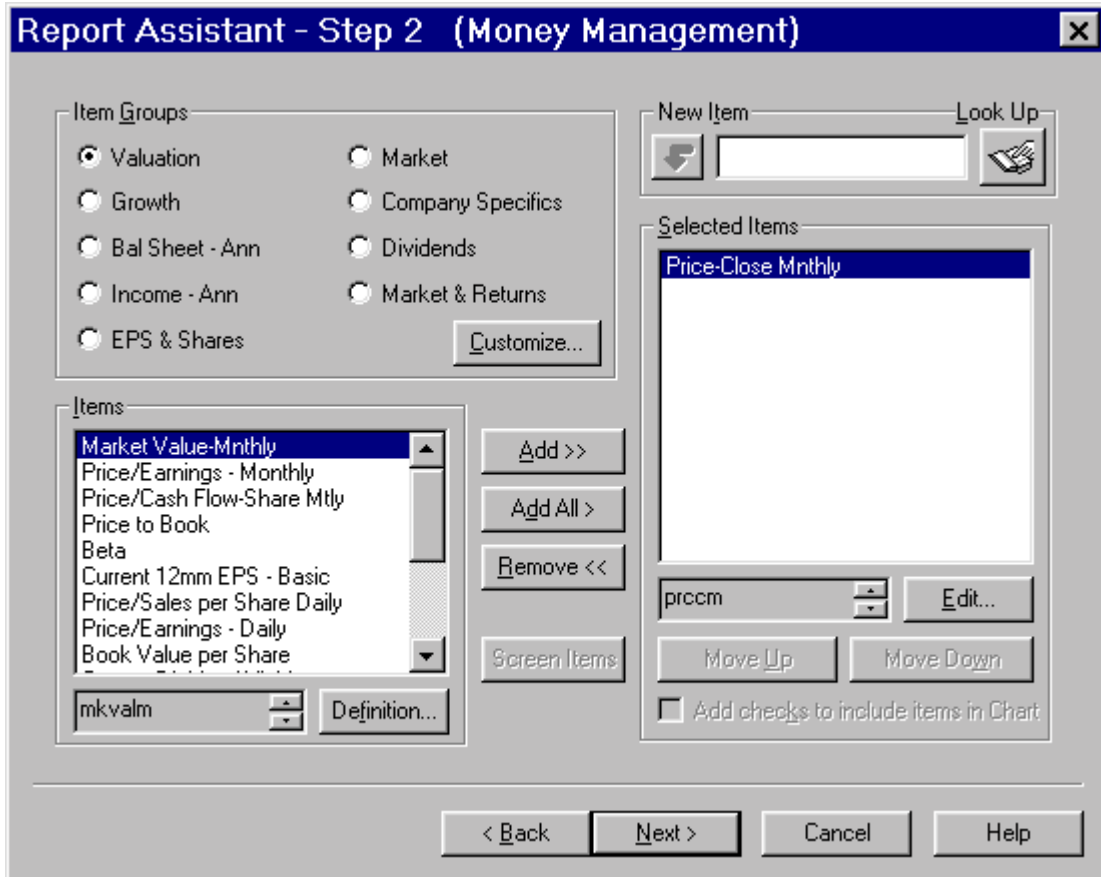
Company Count

1

Company Name	Mrkt Value-Mthly	Price to Earnings	Price to Sales
Houghton Mifflin	1,114.296	22.713	1.410
McGraw-Hill Co	6,775.262	12.864	1.956
Readers Digest	2,544.813	62.992	0.923

< Back Next > Cancel Help

Using the box on the left select the items you want and click on Add>>. We selected PRCCM (Price-close monthly) and add to the selected items. Alternatively, you can type in the field name in the upper right, and add to the Selected Items list by clicking on the arrow next to it when it turns green. All the available fields can be seen using Look Up.



The next screen lets you select the date in absolute terms as we did for Sept 89-July 2000. Relative refers to the number of periods from when the data was last updated (here it is July 2000). So -1 is June 2000 and so on.

Report Assistant - Step 3 (Money Management)

Periods
Select the beginning and ending periods for the report.

Beginning Period: Ending Period:

Select the format for period display:

- Relative
- Absolute
- Calendar

Alignment
The items you selected for the report have different periodicities.

Select the alignment that will be applied to all items in the report.

- Annual
- Quarterly
- Monthly
- Weekly
- Daily

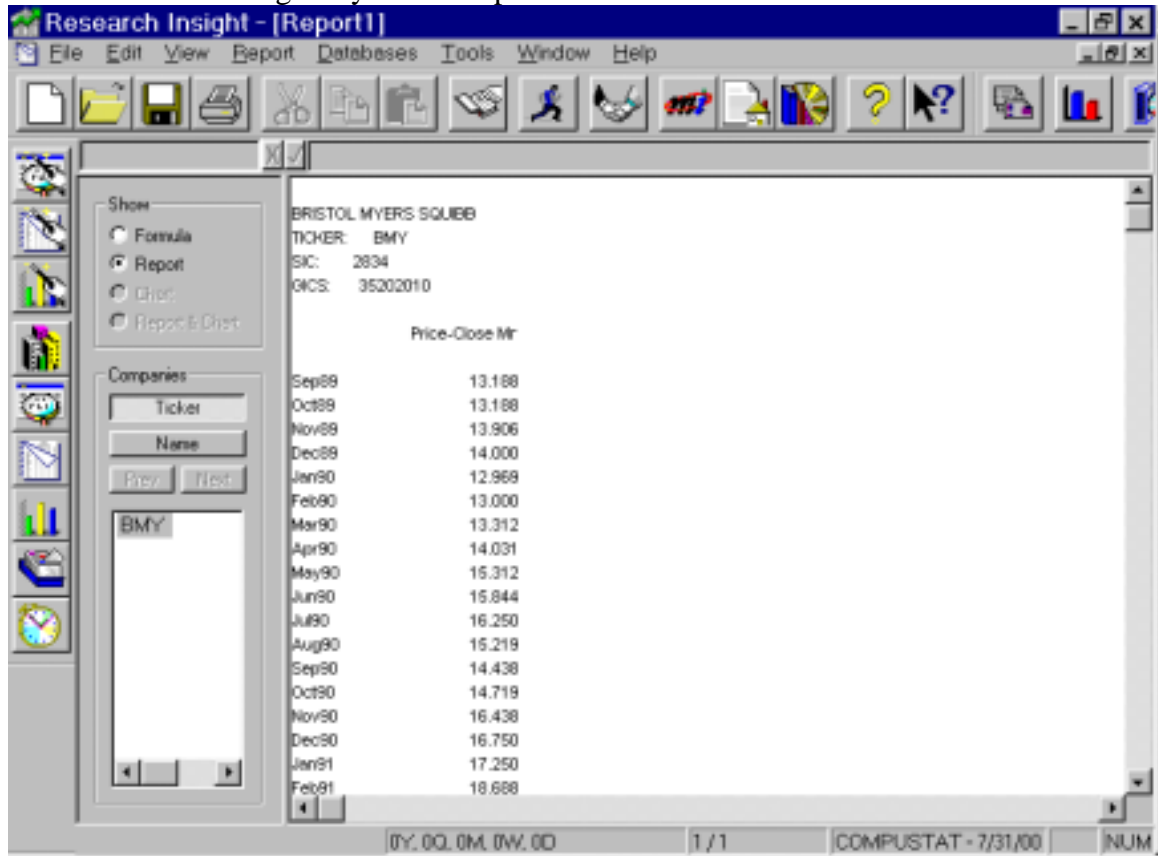
The available alignment options are based on the periodicities of the items in the report.

Check this option to enable all alignment options.

Enable all alignment options

< Back Finish Cancel Help

Click on Next and it gives you the output.



The screenshot shows the 'Research Insight - [Report1]' application window. The main display area contains the following information:

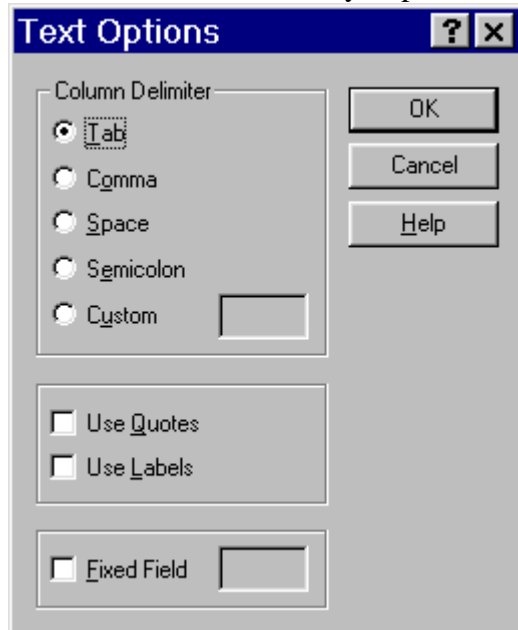
BRISTOL MYERS SQUIBB
TICKER: BMY
SIC: 2834
GICS: 35202010

Price-Close Mtr

Month	Price
Sep89	13.188
Oct89	13.188
Nov89	13.906
Dec89	14.000
Jan90	12.969
Feb90	13.000
Mar90	13.312
Apr90	14.031
May90	15.312
Jun90	15.844
Jul90	16.250
Aug90	15.219
Sep90	14.438
Oct90	14.719
Nov90	16.438
Dec90	16.750
Jan91	17.250
Feb91	18.688

The status bar at the bottom indicates: 0Y, 0Q, 0M, 0W, 0D | 1 / 1 | COMPUSTAT - 7/31/00 | NUM

This output can be saved using the File save option. You can select Text options in the save dialog box and select one of the following. For example, using tab or comma delimited would allow easy import into excel.



The 'Text Options' dialog box is shown with the following settings:

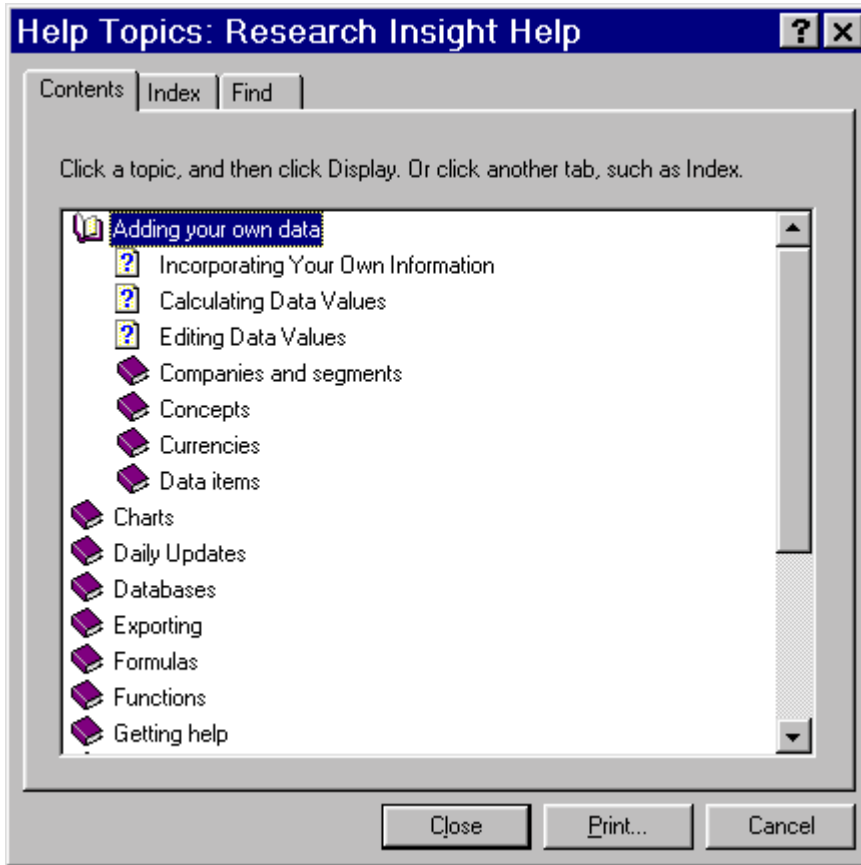
- Column Delimiter: Tab
- Comma
- Space
- Semicolon
- Custom []

Additional options:

- Use Quotes
- Use Labels
- Fixed Field []

Buttons: OK, Cancel, Help

Detailed help is available under the Help menu which looks as follows and allows you to search for help on particular topics.



III) Types of Reports and How to Generate Them

a) Getting Data on a single company

One easy way to generate reports is with the Report Assistant. Choose Report Assistant (second box down on the left if you bypass it on the initial screen), then choose either items vs. time or time vs. items. Under Step 2, you get to choose the data fields you want. Add specific fields from the “Item Groups” categories until you have all the data you need.

If you wish, you can save a set of fields in a user-defined category. Press “customize”, then “new” under groups on the left-hand side. After you have a new group name, you can add new fields to it on the right-hand side. Look up fields on the right, paste them in, and accept them (note that you can define new fields here as well – for instance, you can define Beta based on 6-years of data, rather than the definition based on 5-years of data). Saving a set of fields in a user-defined category can be quite useful if you plan to look up similar data for a set of firms.

After you have your fields, press “Next” and choose the frequency and time period you want (in absolute time, or relative to the most recent data available). Then choose “next” to get to the Run Assistant screen. At this point you may enter a ticker symbol in the upper left to choose a single company.

To rerun for a different company, press the running man icon above the output screen. This will bring you back to the last page, and you can input a new company ticker.

b) Getting data on multiple companies

One way to get data on multiple companies is to again start with Report Assistant, choose “Items vs Companies” from the first screen. Choose fields and dates as before until you get to the “Run Assistant” screen. At this point, you need to choose a set, and optionally to choose criteria for limiting which companies get included. Choose a set by pressing the “Change Set” button, then “Lookup”, then choosing from the sets given. “Current” provides a large sample of current COMPUSTAT and CRSP firms, “Research” provides some additional, mostly smaller firms, and other ways to cut the data are available (ADR’s, Canadian firms, Russell 2000, and so on).

You may then screen which firms to display using the screening tool in the right-hand side of the page. For instance, you can choose a specific SIC code and firms with positive profitability, or a certain S&P rating, and so on. If you make a number of changes to this screen, you may want to save your changes using the “Save Screen” button. This allows you to partition the data in complex ways repeatedly with ease.

Again, pressing the running man icon allows you to rerun the last part of the task.

The data can then be saved to an ascii data file.

Note that you can generate combinations of CRSP and COMPUSTAT data, although not as much historical data is available through research insight as it is through CRSP. Thus, one can produce tables with daily returns and accounting data, as well as formulas which use the data, such as beta. To add formulas, the easiest way is to go to the fields, do lookup, then modify an existing formula (such as the definition of beta or a number of the accounting values) and save the new formula under a new name.

c) Getting data for a given set of companies

If you have a list of cusips or tickers, save it as a comma separated file (from excel for instance), with the first row giving tic for ticker, or cusip for cusips. For instance, a set file may look like:

Tic
Ibm
Dell
Nok

Then go to research insight, and import the set file from the file menu making sure to check "Set" under the import file (rather than "Data" or "Concepts"). Then "Save As" a set file. This set may then be accessed from the Run Assistant screen, and only data on the companies in the set will be accessed.

d) Getting panel data

To get data for a set of companies for multiple time periods, years, quarters or months, start with report assistant, choose under historical analysis items vs. companies, then choose the data and companies as before. You can use a user defined set or a pre-defined set of companies. Of course, some of the data may be missing for some years (missing data are coded variously, @NA, @NC, or other codes).

IV) Tips

The Help menu is extensive and provides a number of examples for a variety of common problems.

If you get stuck, call the S&P Client Satisfaction Center, at 1-800-523-4534. Rutgers license is fully supported, and they can help you put together complex queries (although not all client representatives are equally knowledgeable).

Save the set of fields and the sort screen as you go. That way, reproducing a given data set is easy.

The time necessary to extract a large data set is small, even if you include calculations (such as betas) in your definitions, so feel free to play around with alternative definitions.

You can run Research Insight from Excel using the running man icon (although this does not always work well).