Here is the assignment

Develop a Financial Analysis for Home Depot, Inc.

**1- Calculate the following financial ratios/numbers as the Starting point of your analysis.**

(Note: there are five categories with a total of 19 ratios/numbers.

LIQUIDITY (Short-term solvency)

**Current ratio**

Quick/Acid Test Ratio

Cash Ratio

Financial Leverage (Long-term solvency)

**TOTAL DEBT RATIO**

**LONG-TERM DEBT-TO- EQUITY RATIO**

TIMES INTEREST EARNED

EBITDA

ASSET UTILIZATION

**INVENTORY TURNOVER** and DAYS' SALES IN INVENTORY

RECEIVABLES TURNOVER and DAYS' SALES IN RECEIVABLES

**TOTAL ASSET TURNOVER** and CAPITAL INTENSITY

PROFITABILITY

**PROFIT MARGIN**

**RETURN ON ASSETS (ROA)**

**RETURN ON EQUITY (ROE)**

MARKET VALUE

**PRICE PER SHARE**

**EARNINGS PER SHARE**

**PRICE-TO-EARNINGS (P/E) RATIO**

DIVIDEND YIELD

**MARKET-TO-BOOK RATIO**

MARKET CAPITALIZATION

**2**. How has Home Depot’s financial position changed over the past five years (2004-2010)?

**3**. How does Home Depot’s FY 2008 financial position compare to **Lowe’s** and **Wal-Mart**?

**4.** Based on all your analyses, what are your conclusions regarding Home Depot’s financial position, and would you consider Home Depot to be a good investment (common stock, bond, etc.)?

Note: 1. For Questions **2, 3** and **4**, you should consider Home Depot’s overall performance (Historical, sales, earnings, share price, market capitalization, number of stores, employees, etc.), as well as the 12 key ratios/numbers (in boldface type) in Question 1.

         **2**. Sources for all data/information included in your analyses should be cited as references.