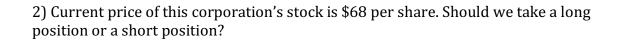
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1) You believe that a corporation's dividends will grow 5% on average into the
foreseeable future. If the company's last dividend payment was \$5 what should be the
current price of the stock assuming a 12% required return?



3) The Beta for this corporation's stock is 1.25. Interpret a beta of 1.25.