

Find your stock symbol and the local listing. This may not be as easy as it looks when your company has multiple listings.

This is the market index. The default index in Bloomberg will be the local index for the country in which your stock is listed. You can change the index to any index you want (for example):
 SPX: S&P 500
 NFT: MSCI Global equity index
 SPEURO: S&P 350 Euro stocks

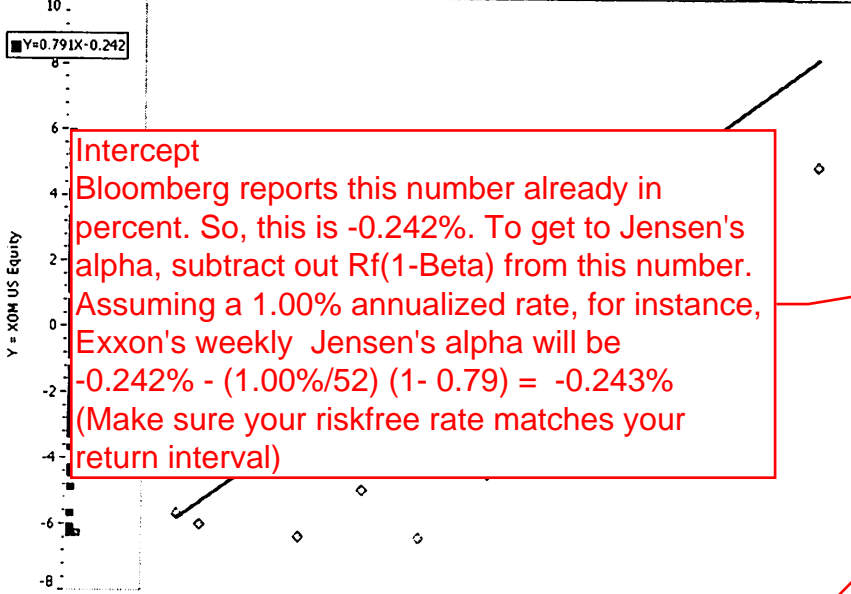
This is your return interval. The default is weekly but you can change it to daily or monthly.

This is the currency in which your returns are computed. It is good to be currency consistent. Leave at Local CCY with the local index but change to US\$ when you change the index to the S&P 500 or MSCI which are \$ based.

<HELP> for explanation, <MENU> for similar functions.

EquityBETA

XOM US Equity Relative Index SPX Index Historical Beta
 Data Last Price Range 02/27/09 - 02/18/11 Period Weekly Local CCY
 Linear Beta +/- Non-Parametric Lag 0



Intercept
 Bloomberg reports this number already in percent. So, this is -0.242%. To get to Jensen's alpha, subtract out $R_f(1-\text{Beta})$ from this number. Assuming a 1.00% annualized rate, for instance, Exxon's weekly Jensen's alpha will be $-0.242\% - (1.00\%/52)(1 - 0.79) = -0.243\%$ (Make sure your riskfree rate matches your return interval)

Y = EXXON MOBIL CORP
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.791
Adj BETA	0.860
ALPHA(Intercept)	-0.242
R^2(Correlation^2)	0.598
R(Correlation)	0.773
Std Dev Of Error	1.770
Std Error Of ALPHA	0.179
Std Error Of BETA	0.064
t-Test	12.261
Significance	0.000
Last T-Value	0.813
Last P-Value	0.791
Number Of Points	103

* Last Observation
 Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 918 2000
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R^2= R Squared
 This number is in decimals. Thus, 0.598 is really 59.8%...

Std Error of Beta
 Adding (subtracting) this number to (from) your regression beta will give you a 67% range. Two standard errors in both directions will give you a 95% range.
 0.727-0.855 (67% range)
 0.663- 0.929 (95% range)

Regression beta

Adjusted beta
 = 0.67 (Raw Beta)
 + 0.33 (1.00)