

Investments and equity research

This session teaches students to use auction and resale pricing data as a supplementary signal in equity research on listed luxury goods companies. The dataset maps individual brands to a stock ticker through a company mapping covering more than 2,000 public and private companies, with S&P 500 sector mapping, so a query on a single watch brand can be tied directly to the parent group's equity.

What today looks like

- Length: 90 minutes.
- Level: MBA and graduate finance students, ideally those who have taken or are concurrently taking a fundamentals-based valuation course. An introductory equity valuation or security analysis course is assumed, including familiarity with revenue and gross margin concepts.
- Access: the no-code sandbox at sandbox.altfndata.com. An optional code extension retrieves the same brand-level data programmatically via the production API, for students with a class API key requested in advance from info@altfndata.com.
- Goal of the session: students leave able to use the brand-to-ticker mapping to connect a private secondary-market transaction to a listed equity, articulate the Phillips-Movado divergence as a concrete confirm-or-diverge case, and name the limitations of auction data as an equity research input.

OBJECTIVES

By the end of class students can

- Explain how the brand-to-ticker mapping in the dataset connects private secondary-market transactions to a specific public equity.
- Retrieve and interpret auction and resale records for brands belonging to a single listed parent company.
- Articulate the Phillips-Movado divergence as a concrete example of saleroom activity and public equity price movement telling different stories in the same week.
- Distinguish between a confirming signal (alt data and equity price move together) and a diverging signal (they move apart), and describe what each might imply for a research thesis.
- Identify the limitations of using auction pricing data as an equity research input, including coverage gaps and the fact that auction sales represent a small slice of a luxury company's total revenue.
- (Extension) Retrieve the same brand-level data programmatically via the production API for integration into a research model.

How the session runs

- 0 to 15 min: Introduce the brand-to-ticker mapping concept and the Phillips-Movado case as the session's anchor example.
- 15 to 20 min: Sandbox orientation and confirmation that students can locate the `stock_ticker` field in the data dictionary.
- 20 to 40 min: Guided demo, retrieve watch auction records for a single listed group and review realized prices around the case-study window.
- 40 to 55 min: Guided demo, compare that group's auction activity to the same window on a public price chart the instructor brings in separately.
- 55 to 70 min: Small-group exercise, students pick a different brand-to-ticker pair and pull the equivalent auction records.
- 70 to 85 min: Class discussion, groups report whether their brand's auction activity appears to confirm or diverge from recent public price movement.
- 85 to 90 min: Wrap-up and homework assignment.

The in-class walkthrough

- Open sandbox.altfndata.com, sign in, and select the watches data table from the SQL editor dropdown.
- Open the coverage browser tab and search for a brand belonging to a listed parent group. Confirm the `stock_ticker` value shown for that brand.
- Return to the SQL editor and run the first guided query below, which pulls sold watch lots for that brand ordered by sale date.
- Point out the `sale_date` and `usd_price_decimal` columns and ask students what a research analyst would want to know from this table alone, before bringing in any equity price data.
- Introduce the Phillips-Movado case: describe the record-setting 75.8 million dollar Phillips New York sale with every lot sold, alongside Movado's roughly four percent equity decline the same week, and explain that the saleroom and the public market told opposite stories that week.
- Run the second guided query, filtering to `stock_ticker` to show every brand under a single parent group in one result set.

The core query

- Run this in the sandbox SQL editor:

```
- SELECT designer, item_title, sale_date, usd_price_decimal, stock_ticker
- FROM all_watches_data
- WHERE designer LIKE '%Movado%'
-   AND status = 'sold'
- ORDER BY sale_date DESC
- LIMIT 50;
```

DISCUSS

Questions for the room

- In the Phillips-Movado case, the auction result and the equity price moved in opposite directions in the same week. What are two competing explanations for why that could happen?
- Auction sales represent a small fraction of a luxury company's total revenue. Given that, how much weight should an equity researcher place on auction pricing data as a standalone signal?
- What would make you more confident that a brand's auction activity is a leading indicator of consumer demand rather than a lagging or unrelated signal?
- How does the brand-to-ticker mapping change the way you would research a multi-brand conglomerate compared to a single-brand public company?
- What data would you want in addition to auction records to build a complete research thesis on a luxury goods equity?

This week's assignment

- Each student selects a listed luxury goods company with at least one brand represented in the watches or handbags data, retrieves that brand's auction records using the sandbox SQL editor, and writes a one-page research note evaluating whether the auction data confirms, contradicts, or is inconclusive relative to that company's most recent reported results (using publicly available equity and financial data the student sources independently).
- The note must include the SQL query used, the exported result set, and an explicit statement of the note's limitations, including the small share of revenue that auction sales typically represent for a diversified luxury group.
- Grading criteria:
- correct use of the brand-to-ticker mapping (25 percent), soundness of the confirm-or-diverge argument (35 percent), honest treatment of the analysis's limitations (25 percent), and clarity of the research note (15 percent).

NEXT

Wrapping up

- Restate the one-sentence takeaway before students leave.
- Point to the facilitator guide for discussion guidance and teaching notes.
- Questions or a class API key: info@altfndata.com