Event studies with FactSet and Eikon

Maarten Gubbels, NSM Library team

21 Feb./5 Mar. 2019
What’s the plan?

- Further support
- Event studies – possibilities & considerations
- FacSet M&A screening
  - Creating a dataset
  - Assigning variables
  - Exporting the data
- Eikon Deal screener
- Concluding remarks
Further support (1)

- Contact the data librarians for short questions by mail or to make an appointment: infofm@ubn.ru.nl

- Always mention: topic, supervisor, sample and variables & historical timeframe

- Visit our office: EOS 01.545

- Follow-up workshops as of 18 March (to be scheduled)

- Check our Library Guide Business and Economics! https://libguides.ru.nl/BE
Further support (2)

- **Eikon**: help (in desktop version)

- Contact with Eikon helpdesk *always* through NSM Library Team

- **FactSet**: help → online assistant

- Elaborate help-section with e-learning, tipsheets etc. or contact the data librarians or the FactSet helpdesk
Event studies – possibilities

Access off-campus:

- **FactSet**: M&A, IPO’s, private equity etc.
- **Zephyr**: M&A, IPO’s, private equity, news, rumours

Available on 4 terminals on campus:

- **Thomson Reuters Eikon**: deal screener M&A, IPO’s, loans, private equity, venture capital, corporate bonds etc.

*Worldwide coverage in all 3 databases!*
Event studies – considerations (1)

- Thomson Reuters Eikon database is renowned in academia (>1.1 million M&A deals)

- FactSet (> 664,000 M&A transactions) and Zephyr (> 1.3 million deals (incl. IPO’s etc.)) are high-quality databases as well

- Focus in this session on M&A, but other FactSet/Eikon modules (e.g. IPO’s work more or less the same)

- Emphasis on FactSet and Eikon, Zephyr (Zephyr advanced) works comparable to Orbis

- For startups & crowdfunding try Crunchbase (access through the library team)

- CSMAR also includes M&A data for China
Event studies – considerations (1)

- Event studies usually take 2 rounds of data retrieval:
  - Creating the events dataset
  - Obtaining additional variables not available in the module

- Use FactSet, Eikon and/or Orbis to find these additional variables

- For this you’ll need identifiers/company codes (like the ISIN code) → get as many identifiers as you can!

- In the end you merge the data in a master-dataset
About FactSet

- In order to use FactSet you need to obtain an account through the library team (infofm@ubn.ru.nl); processing can take up to one week.

- FactSet consists of a web-interface, a desktop version and an Excel add-in.

- The desktop and add-in can be downloaded after obtaining an account.
FactSet M&A screening

Where to find the module?

Best use the desktop version of FactSet
FactSet M&A screening

Where to find the module?
FactSet M&A screening

Where to find the module?
FactSet M&A screening

4 steps:

- Apply criteria to delimit your dataset of deals
- Assign the variables you need in a report
- Export to Excel
- Get additional variables from FactSet (or Eikon) in Excel (if necessary)
FactSet M&A screening: navigation

Left-hand column: possible filters

Middle column:
customize/remove filters applied

Huge number of target/acquirer/transaction filters!
FactSet M&A screening: dataset

Select one or more criteria to delimit your dataset e.g. → date announced

Filters are added to the middle column
FactSet M&A screening: dataset

Select one or more criteria to delimit your dataset e.g. → deal status
FactSet M&A screening: dataset

Select one or more criteria to delimit your dataset e.g. → target location

Tip: you can also upload your own set of companies (target/acquirer name)!
FactSet M&A screening: dataset

Select one or more criteria to delimit your dataset e.g. → target industry

Tip: take an international accepted industry classifier (NACE, SIC, NAICS) in order to combine data from different databases.
FactSet M&A screening: dataset

Select one or more criteria to delimit your dataset e.g. → acquirer location
FactSet M&A screening: dataset

When you applied your criteria → click ‘view’ to see deals in your dataset

In the left-hand corner you see your search query; can be altered with ‘adjust logic’
FactSet M&A screening: variables

Here you see the results with standard variables; you still have to assign your variables!

Use ‘Edit report’; with ‘Edit screen’ you can alter your filters
FactSet M&A screening: variables

Customize your report with prefab variables

Don’t forget to add standard items like names, industry and identifiers!
FactSet M&A screening: saving

Save your query/report/the companies
FactSet M&A screening: export

Export the dataset to Excel
**FactSet M&A screening: export**

Output:

<table>
<thead>
<tr>
<th>Deal ID</th>
<th>Target</th>
<th>Target Country</th>
<th>Target Ticker</th>
<th>Target Cusip</th>
<th>Target Sedol</th>
<th>Target FactSet ID</th>
<th>Target Primary SIC Industry</th>
<th>Acquirer</th>
<th>Acquirer Country</th>
</tr>
</thead>
<tbody>
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<td>9940072MM</td>
<td>PKC Group Oyj</td>
<td>Finland</td>
<td>PKC1V</td>
<td>X65658108</td>
<td>522490</td>
<td>055802-E</td>
<td>Porcelain Electrical Supplies</td>
<td>Motherson Sumi Systems Ltd.</td>
<td>India</td>
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<td>8654311MM</td>
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<td>Finland</td>
<td>OKM1V</td>
<td>X59938103</td>
<td>494548</td>
<td>055474-W</td>
<td>Semiconductors and Related Devices</td>
<td>Shanghai Guosheng (Group) Co., Ltd.; China (People's Rep)</td>
<td>China</td>
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<td>5900605MM</td>
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<td>Italy</td>
<td>SAVE</td>
<td>T81211103</td>
<td>808437</td>
<td>055214-T</td>
<td>Airports, Flying Fields, and Airport Terminals</td>
<td>InfraVia Capital Partners SAS; Leixleif Infrast; Italy; Lux Flam</td>
<td>Italy</td>
</tr>
<tr>
<td>821226MM</td>
<td>Pirelli &amp; C. SpA</td>
<td>Italy</td>
<td>PC</td>
<td>T76434199</td>
<td>468983</td>
<td>055664-2</td>
<td>Tires and Inner Tubes</td>
<td>Camfin SpA; Rosnet; Government of China; Italy; Russian Fed</td>
<td>France</td>
</tr>
<tr>
<td>821791MM</td>
<td>Pinnacle SpA</td>
<td>Italy</td>
<td>PINF</td>
<td>T76181147</td>
<td>704180</td>
<td>055214-T</td>
<td>Motor Vehicles and Passenger Car Bodies</td>
<td>Mahindra &amp; Mahindra Ltd.; Tech Mahindra</td>
<td>India</td>
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<tr>
<td>880761MM</td>
<td>REC Solar ASA</td>
<td>Norway</td>
<td>RECOSOL</td>
<td>R75691505</td>
<td>87075055</td>
<td>094325-E</td>
<td>Electrical Components, Not Elsewhere Classified</td>
<td>Elkem ASA; Government of China; China (N); Norway; China (P)</td>
<td>Norway</td>
</tr>
<tr>
<td>269558MM</td>
<td>Ekomas ASA</td>
<td>Norway</td>
<td>EKO</td>
<td>R20126169</td>
<td>521128</td>
<td>055824-M</td>
<td>Metal Household Furniture</td>
<td>Quanfai Home Furnishings Group Co., Ltd.; China (People's Rep)</td>
<td>China</td>
</tr>
<tr>
<td>764988MM</td>
<td>OctoPlus NV</td>
<td>Netherlands</td>
<td>OCTO</td>
<td>N66666108</td>
<td>8144984</td>
<td>054824-E</td>
<td>Pharmaceutical Preparations</td>
<td>Dr. Reddy's Laboratories Ltd.; India</td>
<td>India</td>
</tr>
<tr>
<td>764794MM</td>
<td>Syngenta AG</td>
<td>Switzerland</td>
<td>SV</td>
<td>H84100112</td>
<td>803441</td>
<td>055821-3</td>
<td>Pesticides and Agricultural Chemicals; Government of China; CNAC Saturn (N)</td>
<td>N.V. B.V.; China (People's Rep)</td>
<td>India</td>
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<tr>
<td>886748MM</td>
<td>Symagroup Holding AG</td>
<td>Switzerland</td>
<td>GATE</td>
<td>H20145108</td>
<td>8415452</td>
<td>058017-E</td>
<td>Transportation Services, Not Elsewhere Classified</td>
<td>N.H.A. Group Co., Ltd.; HNA Aviation (Hong Kong) China (People's Rep)</td>
<td>China</td>
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<td>3603144MM</td>
<td>Sinclair Pharma Plc</td>
<td>United Kingdom</td>
<td>SPH</td>
<td>G81445102</td>
<td>3385974</td>
<td>051680-E</td>
<td>Pharmaceutical Preparations</td>
<td>Huadong Medicine Co., Ltd.; China (People's Rep)</td>
<td>China</td>
</tr>
<tr>
<td>591632MM</td>
<td>Visscopic Corp</td>
<td>United Kingdom</td>
<td>-</td>
<td>G75352102</td>
<td>8143278</td>
<td>058017-E</td>
<td>Motor Vehicle Parts and Accessories</td>
<td>The Sumi Motherson Group; India</td>
<td>India</td>
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<tr>
<td>813955MM</td>
<td>Promethean World Ltd.</td>
<td>United Kingdom</td>
<td>PRW</td>
<td>G72354103</td>
<td>8608564</td>
<td>000052-E</td>
<td>Computer Storage Devices</td>
<td>Fujitsu Best Assistant Education Online Ltd; China (People's Rep)</td>
<td>China</td>
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<tr>
<td>595979MM</td>
<td>NutraHealth Plc</td>
<td>United Kingdom</td>
<td>NUT</td>
<td>G64590108</td>
<td>8082182</td>
<td>058017-E</td>
<td>Pharmaceutical Preparations</td>
<td>Elder Pharmaceuticals Ltd.; India</td>
<td>India</td>
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<td>779588MM</td>
<td>Bissar Epigenics</td>
<td>United Kingdom</td>
<td>BSSR</td>
<td>G13001102</td>
<td>8552995</td>
<td>089480-K</td>
<td>Electric Generators</td>
<td>Issar Global Holdings Ltd.; Issar Capital Ltd; Cayman Islands; Issar Capital Ltd; Cayman Islands;</td>
<td>India</td>
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<tr>
<td>534160MM</td>
<td>Holidaybeak Plc</td>
<td>United Kingdom</td>
<td>HBR</td>
<td>G31413106</td>
<td>8313495</td>
<td>055824-E</td>
<td>Tour Operators</td>
<td>Cox &amp; Kings (India); India;</td>
<td>India</td>
</tr>
<tr>
<td>3011776MM</td>
<td>SBS-Imagotag SA</td>
<td>France</td>
<td>SBS</td>
<td>F09991100</td>
<td>8043893</td>
<td>057176-E</td>
<td>Electrical Machinery, Equipment, and Supp BOE Technology Group Co., Ltd.; SBS-Imagotag China</td>
<td>People's Rep; China (People's Rep)</td>
<td>China</td>
</tr>
<tr>
<td>3006984MM</td>
<td>Baccarat SA</td>
<td>France</td>
<td>BCRA</td>
<td>F10965106</td>
<td>429061</td>
<td>051631-E</td>
<td>Pressed and Blown Glass and Glassware; N Fortune Fountain (Beijing) Holding Group Co, China (People's Rep)</td>
<td>People's Rep; China (People's Rep)</td>
<td>China</td>
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<tr>
<td>477432MM</td>
<td>Repower Systems AG</td>
<td>Germany</td>
<td>RPW</td>
<td>D64201103</td>
<td>7328457</td>
<td>051562-E</td>
<td>Steam, Gas, and Hydraulic Turbines; and Turbines</td>
<td>Huron Energy Ltd.; China (People's Rep)</td>
<td>China</td>
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<td>78122MM</td>
<td>MIFA Mitteldeutsche Fahrradwerke AG</td>
<td>Germany</td>
<td>FWL</td>
<td>D54024102</td>
<td>800708</td>
<td>000065-E</td>
<td>Motorcycles, Bicycles, and Parts</td>
<td>Hero Cycles Ltd.; India</td>
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<td>767659MM</td>
<td>KHD Humboldt Wedag International AG</td>
<td>Germany</td>
<td>KKW</td>
<td>D40139103</td>
<td>878069</td>
<td>000065-E</td>
<td>Cement, Hydraulic Machinery; Government of China; Aviation Industry Co; China (People's Rep)</td>
<td>People's Rep; China (People's Rep)</td>
<td>China</td>
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<td>87232MM</td>
<td>KUKA AG</td>
<td>Germany</td>
<td>KUKA</td>
<td>D09597102</td>
<td>50275913</td>
<td>050824-K</td>
<td>Special Industry Machinery; Not Elsewhere Classified</td>
<td>MKC Group Co., Ltd.; NKEA International Co; China; People's Rep</td>
<td>People's Rep; China (People's Rep)</td>
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<td>852280MM</td>
<td>Medrana AG</td>
<td>Germany</td>
<td>MH</td>
<td>D12137103</td>
<td>5995344</td>
<td>051154-F</td>
<td>Electromedical and Electrotherapeutic Apparatus; Comfort Science &amp; Technology Corp; China (People's Rep)</td>
<td>People's Rep; China (People's Rep)</td>
<td>China</td>
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<td>597270MM</td>
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<td>Austria</td>
<td>ATB</td>
<td>A0442663</td>
<td>418488</td>
<td>056540-X</td>
<td>Motor and Generators</td>
<td>Wolong Holdings Group Co., Ltd.; Zejiang</td>
<td>China (People's Rep)</td>
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<td>467907MM</td>
<td>Dynex Power, Inc.</td>
<td>United Kingdom</td>
<td>DNX</td>
<td>T26175107</td>
<td>2905219</td>
<td>000599-E</td>
<td>Special Industry Machinery; Not Elsewhere Classified</td>
<td>Zhushou CSR Times Electric Co., Ltd.; China (People's Rep)</td>
<td>People's Rep; China (People's Rep)</td>
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<tr>
<td>455993MM</td>
<td>Thyssenkrupp Preßschmiede GmbH</td>
<td>Germany</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>075256-E</td>
<td>Iron and Steel Forging</td>
<td>Oikegawa Precision Forging Ltd.; India</td>
<td>India</td>
</tr>
<tr>
<td>457557MM</td>
<td>VENYS Energy AG</td>
<td>Germany</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>075256-E</td>
<td>Steam, Gas, and Hydraulic Turbines; and Turbines</td>
<td>Xinhai Gold and Silver Science &amp; Technology Co, China; People's Rep; China (People's Rep)</td>
<td>People's Rep; China (People's Rep)</td>
</tr>
</tbody>
</table>
**Eikon Deal screener**

**Practical:**

- Eikon is available on 4 terminals on campus
- Book a 2 hour timeslot (max. 4 hours a week) by sending an e-mail to infofm@ubn.ru.nl stating in the subject: ‘Eikon reservation’
- See for more details and availability the Eikon Calendar on the [Library Guide Business & Economics](mailto:infofm@ubn.ru.nl)
Eikon Deal screener

- Eikon consists of 2 separate databases:
  - Eikon ‘desktop’ -> software with an Excel add-in (‘Thomson Reuters’)
  - Eikon in Excel (‘Thomson Reuters Datastream’) -> Excel add-in ‘Thomson Reuters Datastream’

Use Eikon ‘desktop’ or its Excel add-in for event studies!
Eikon Deal screener

Locate the deal screener in the app-library of Eikon ‘desktop’
Eikon Deal screener

Or: use it in Excel (‘Tomson Reuters’ tab). I prefer this one, because it has more features

The steps are essentially the same as in FactSet, but:

- Eikon has a larger database
- Eikon has a download-limit of 3000 deals per report
- Eikon does not support bulk-upload of your own companies
Eikon Deal screener: dataset

Step 1: delimit your set of deals by standard criteria

When satisfied: run ‘sceen’ or ‘view results’
Eikon Deal screener: dataset

Step 1: and/or delimit your set of deals by custom criteria

When satisfied: run ‘sceen’ or ‘view results’
Eikon Deal screener: variables

Step 2: build report to assign variables

‘add report items’ to browse

Tip: don’t forget to add the identifiers!
Eikon Deal screener: exporting

Step 3: when satisfied, ‘insert’ in Excel (and close the screener)
The result:

<table>
<thead>
<tr>
<th>M&amp;A Deal Number</th>
<th>Target Name</th>
<th>Target Nation</th>
<th>Target Primary SIC</th>
<th>Target SIC</th>
<th>Acquirer Name</th>
<th>Acquirer Nation</th>
<th>Acquirer SIC</th>
<th>Acquirer Primary SIC</th>
<th>Deal Type</th>
<th>Announcement Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>3348529040</td>
<td>Destiny Pharma PLC</td>
<td>United Kingdom</td>
<td>Biological products, except d</td>
<td>706280</td>
<td>China Medical System Hldg Co Ltd</td>
<td>China</td>
<td>17211P</td>
<td>China</td>
<td>Pharmaceutical preparations</td>
<td>4-12-2017 Completed</td>
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<tr>
<td>3330003140</td>
<td>Mobilag Ltd</td>
<td>Finland</td>
<td>In vitro and in vivo diagnostics</td>
<td>66733E</td>
<td>Autoblo Diagnostics Co Ltd</td>
<td>China</td>
<td>5A2053</td>
<td>China</td>
<td>Surgical and medical instru</td>
<td>15-12-2018 Completed</td>
</tr>
<tr>
<td>3327003040</td>
<td>Khlebozavod 3</td>
<td>Russian Federation</td>
<td>Bread and other bakery prod</td>
<td>948548</td>
<td>Vladimir Georgievich Dubini</td>
<td>Russian Federation</td>
<td>948548</td>
<td>Investors, nec</td>
<td>Privatization</td>
<td>13-12-2018 Completed</td>
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<tr>
<td>3319449040</td>
<td>Global Stone (Colchester)</td>
<td>United Kingdom</td>
<td>Cut stone and stone products</td>
<td>817581</td>
<td>Shree Agencies Pvt Ltd</td>
<td>India</td>
<td>817581</td>
<td>China</td>
<td>Privatization</td>
<td>15-10-2018 Completed</td>
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<td>3314579840</td>
<td>Demirler Kablo Teasiller</td>
<td>Turkey</td>
<td>Miscellaneous fabricated we</td>
<td>740286</td>
<td>Jiangsu Zhongtai Tech Co Ltd</td>
<td>China</td>
<td>473311</td>
<td>China</td>
<td>Privatization</td>
<td>16-7-2018 Completed</td>
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<td>3313239840</td>
<td>Miasokombinat Omskii</td>
<td>Russian Federation</td>
<td>Meat packing plants</td>
<td>44659H</td>
<td>Maxim Prokofiev</td>
<td>Russian Federation</td>
<td>844166</td>
<td>Investors, nec</td>
<td>Privatization</td>
<td>19-11-2018 Completed</td>
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<td>3312828840</td>
<td>HPTec GmbH</td>
<td>Germany</td>
<td>Cutting tools and machine to</td>
<td>40375Y</td>
<td>Zhuzhou Cemented Carbine</td>
<td>China</td>
<td>98799X</td>
<td>China</td>
<td>Privatization</td>
<td>1-11-2018 Completed</td>
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<tr>
<td>3297397940</td>
<td>Agregator OOO</td>
<td>Russian Federation</td>
<td>Arrangement of passenger tr</td>
<td>748399</td>
<td>PRI Invest OOO</td>
<td>Russian Federation</td>
<td>744480</td>
<td>Books, publishing, or publish</td>
<td>Privately Negotiated Purchase</td>
<td>3-10-2018 Completed</td>
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<tr>
<td>3296806040</td>
<td>Kaluzhskii zavod Rempz-Russia</td>
<td>Russian Federation</td>
<td>Motor vehicles and passenger</td>
<td>746264</td>
<td>Kalgutup'mash AO</td>
<td>Russian Federation</td>
<td>48797F</td>
<td>Railroad equipment</td>
<td>Privatization</td>
<td>4-10-2018 Completed</td>
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<tr>
<td>3296951040</td>
<td>Moto Morini SpA</td>
<td>Italy</td>
<td>Motorcycles, bicycles, and pt</td>
<td>630205</td>
<td>Zhejiang Zhongxing industri</td>
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<td>91401</td>
<td>Motorcycles, bicycles, and pt</td>
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<td>2-10-2018 Completed</td>
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<td>Russia Federation</td>
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<td>Russian Federation</td>
<td>General warehousing and stc</td>
<td>608157</td>
<td>Sever Estate OOO</td>
<td>Russia Federation</td>
<td>608157</td>
<td>Operators of nonresidential</td>
<td>Self-Tender</td>
<td>15-7-2018 Completed</td>
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<td>3273879040</td>
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<td>Russian Federation</td>
<td>Radiotelephone communical</td>
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<td>Russian Federation</td>
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<td>Radiotelephone communical</td>
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<td>Germany</td>
<td>Machine tools, metal forming</td>
<td>589470</td>
<td>Xin Point Holdings Ltd</td>
<td>China</td>
<td>913928</td>
<td>Automobiles and other mot Not Applicable</td>
<td>Privately Negotiated Purchase</td>
<td>24-6-2018 Completed</td>
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<td>Jersey</td>
<td>Motor vehicles and passenger</td>
<td>517294</td>
<td>Bharat Forge Ltd</td>
<td>India</td>
<td>08860X</td>
<td>Iron and steel forgings</td>
<td>Privately Negotiated Purchase</td>
<td>12-6-2018 Completed</td>
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<td>3268337040</td>
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<td>Russian Federation</td>
<td>Aircraft engines and engine</td>
<td>176768</td>
<td>ISET Hospitality OOO</td>
<td>Russian Federation</td>
<td>538985</td>
<td>Equipment rental and leasing</td>
<td>Privatization</td>
<td>19-6-2018 Completed</td>
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<td>Pharmaceutical preparations</td>
<td>842801</td>
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<td>Spain</td>
<td>Synthetic rubber (vulkanizab</td>
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<td>Sinochem Int'l Hldg Co Ltd</td>
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</table>
Things to (definitely) remember

- Follow the steps (defining a dataset, adding variables, get additional variables)

- Get as many identifiers (SEDOL, CUSIP etc.) as you can!

- Follow-up workshops for event studies scheduled after 18 March (check our library guide)

- Each of the 3 databases is good, but compare results when in doubt!