

Introduction To Business

**STOCK MARKET ASSIGNMENT**

1. You have saved \$30,000 over the last several years.
2. Select three companies listed on either the New York Stock Exchange, or the Over-the-Counter stock exchange (NASDAQ) in which you would like to invest your money. You may invest \$5,000 to \$10,000 in any one company.
3. Buy common stock. Buy your common stock on line. There are numerous sites that you can use: Yahoo Finance, Wall Street Journal, and Barrons to name a few. Purchase your stock after 1 pm, the close of the stock market. Track your stock daily.
4. Turn in a short report on \_\_\_\_\_ listing the full name of the three companies you have selected, your purchase price for one share, the website used, the exchange the stocks are listed on, and a one sentence description of what the company does. Only the above information is included in this assignment. This report must be typed. One page length. No title page. Set this up in a chart format. No sentences or paragraphs except for the description of the company.
5. Sell your stock on \_\_\_\_\_ at the closing price of the day.
6. Your assignment is due on \_\_\_\_\_
7. The following information will be required in your assignment:
  - a. full name of your three companies, the exchange the companies are listed on, the name of the newspaper or website used for your report, and a one sentence description of what the company does.
  - b. purchase price per share (dollars and cents).
  - c. number of shares of each company purchased (no fractional shares). **SHOW YOUR CALCULATIONS as shown in class.**
  - d. total amount (to the penny) invested in each company, and total invested in all three companies. (Not more than \$15,000 or less than \$5,000 in any one company.) You must be within \$300 of the \$30,000 you have to invest. **SHOW YOUR CALCULATIONS as shown in class.**
  - e. the highest and lowest closing price (last price) of each company's stock during the holding period of \_\_\_\_\_.
  - f. profit or loss per share for each company, total profit or loss for each company, and total profit or loss for all three companies combined. **SHOW YOUR CALCULATIONS.**
  - g. does the stock pay a dividend, yes or no? If it does, how much is it per share, and what is the yield on the day you bought your stock?

- h. **what were your reasons for selecting each of the companies?** You must document your selection with appropriate research. Include a one or two paragraph summary of your research for each company. The selection of your companies should not be based on emotion, but on objective evaluation of your research. **Remember you are looking for a company that has been profitable at least one quarter during the last twelve months.** You will need to show the dollar profit figures as part of your research. Include research references at the end of each company's summary. References should include: Name of magazine, newspaper, report or Website, Author, Title of Article, Date, and Page. A separate reference is required for each company. **Minimum of three** different references for the assignment. Start with the references at the bottom of this page. **Research Section is 40% of the assignment.**
  - i. a separate graph showing each day's closing price for each company. Graphs may all be on one page. **Label the horizontal and vertical axis appropriately.**
8. You must be prepared with **up to date prices** of your stock each class during this assignment. Your grade will depend on it (point loss if not prepared.).
  9. The assignment **must be typed.** It is unacceptable if not typed. Graphs may be handwritten if carefully prepared.
  10. Organize and label each part of your assignment exactly as it is outlined in step 7. Letter each part A - J.
  11. All computations must be shown or **loss of points.**
  12. Late assignments are acceptable one class period after the due date with a 20% penalty. After, it is not acceptable.
  13. Hand in the assignment with a **title page** stapled in the upper left corner. **NO FOLDERS.** Maximum length nine pages; minimum three pages.
  14. Value: Short Report - 10 points, Full Report - 50 points, Total - 60 points

**DUE DATE:**

**Common mistakes:**

1. Not labeling the graphs exactly **as shown in class.**
2. Not showing calculations as **shown in class.**
3. Not performing real research and not including appropriately documented references.
4. Deviating in any way from the instructions.
5. Including irrelevant and unwanted information in the report.

**Suggested References:**

Newspapers: Wall Street Journal, LA Times, Daily News, Valley Business Journal  
Magazines: Business Week, Money, Kiplinger, Smart Money, Forbes, Fortune  
Television: Mad Money CNBC, 8pm, Nightly Business Report, 5:30pm KCET  
Radio: KNX 1070am Afternoon Money Report Market Report 3pm and 6:30pm, 89.3fm  
On Line: the fool.com, zacks.com, value line.com, the street.com, yahoo finance, NYSE.com, all the above magazines and newspapers have websites