

BANKING AND INVESTING

INVESTMENT PORTFOLIO PROJECT

THE IDEA

Students will be tasked to complete a project in class during the SECOND semester. **(The project will start at the end of the first semester)**. This project will require students to work in the classroom. (Working outside the classroom is optional, but also recommended). The purpose of the project is fourfold: 1) to allow students to explore different types of investment options, 2) to allow for in-depth analysis of tracking stocks, bonds, mutual funds, etc., 3) to enhance portfolio skills, and 4) to enrich the existing curriculum.

THE BASICS

Each **investment group** will be allotted \$300,000 to invest in stocks, bonds, mutual funds, etc. After selecting the investment options that I approve, students will start maintaining an investment portfolio starting **December 2, 2013**. The students will be issued a standard form requiring information on the company, type of business, name of stock, etc.,. Students will also be issued graph/plotting paper to track the trend of the stock, bond, mutual fund, etc. They will also be given a form or a transaction sheet. The students will be tasked to plot the closing price of the stock at least twice per week (sometimes more depending on the schedule). The students will select their investment options from either the Wall Street Journal online or the Wall Street Journal newspaper (issued). The students will use online stock quotes taken from one of the listed sites. The project will be due on **either March 21 or 28, 2014**. There will be a 10 point per day penalty for all late projects.

Objectives:

Each **investment group** (maximum 3) will divide the \$300,000 and invest into 8 – 10 investment options each. **Each investor in the group must invest in a separate option, for example, only one investor can have McDonald's stock.** Each student will be responsible for tracking his/her selected option in his/her own portfolio. **However, each group must meet at least once per week to discuss progress.**

Each investment group member will be dependent on each other to make sound investments, and make a profit as a group. **The group will also be evaluated as a whole as far as the maintenance of each portfolio, as each portfolio grade will be averaged, and each student in the group will receive the averaged grade.** The group making the highest profit will receive **5 bonus points** added to their final grade. The group receiving the highest points for portfolio maintenance will also receive **5 bonus points** added to their final grade.

HELPFUL HINTS

Where do you start? I have listed some internet sites below, plus you may use the business section of any newspaper which provides information on your investment options.

<http://www.finance.yahoo.com/>

<http://www.nasdaq.com/>

<http://www.pcquote.com/>

<http://money.cnn.com/>

<http://bigcharts.marketwatch.com/>

<http://finance.lycos.com/gc/default.aspx>

On each site, you will have to enter the stock symbol to do the search.

EACH COMPLETED PORTFOLIO WILL CONSIST OF THE FOLLOWING

1. A report cover
2. An attractive cover sheet stating the student's name, name of project, name of class, and name of teacher, plus anything else the student thinks is appropriate.
3. An information sheet on the company, including its name, its business, the products/services the company handles, the exchange (ex. NYSE) the company is a part of, the name of the stock, bond, mutual fund, the purchase price when the investment option was bought and/or sold, the 52 week high and low of the investment option when it was purchase, and the 52 week high and low of the investment option at the end of the project (blank forms will be provided).
Note: Each investment group must also submit a group transaction sheet of all the options purchased as well as sold
4. A stock, bond, mutual fund journal or transaction sheet/s – total purchase must tally up to amount designated by the group. (Blank sheets will be provided).
5. Plotting/graph paper with information legend (ex. weeks horizontally and price vertically) and trend line showing the price changes over time (blank graph/plotting paper will be provided).
6. Articles from newspaper, magazine, internet, etc... used to research the companies invested in (must invest in more than one company).
7. A one-page summary explaining what was learned from the project, **any problems encountered with the project, an evaluation of how you as well as the group did overall (profit/loss), and why do you think your group ended up with the result that it did.**

RUBRIC FOR BANKING AND FINANCE INVESTMENT PROJECT

	(100-80)	(79-70)	(69-50)	(49-0)
Report cover	Have report cover in excellent shape	Report cover in decent shape	Report cover in average shape	Do not have report cover
Cover sheet	Have cover sheet with all four of the information listed	Have three information listed	Have two information listed	Have one or no information listed
Company's information	Have all eleven information categories listed	Have eight of the categories listed	Have six of the categories listed	Have 4-5 or none of the categories listed
Transaction sheet	Have all transactions posted	Have 85% of transactions posted	Have 75% of transactions posted	Have 50% to no transaction posted
Writing legends and plotting trends	Almost all legends clearly noted and trends correctly plotted for <u>all</u> assigned investment options	Legends clearly noted and trends correctly plotted for 85% of investment options OR Legends not clearly noted and trend plots not accurate for <u>all</u> assigned investment options	Legends clearly noted and trends correctly plotted for 75% of investment options OR Legends not clearly noted and trend plots not accurate for 75% of investment options	Legends clearly noted and trends correctly plotted for 50% -0% of investment options OR Legends not clearly noted and trend plots not accurate for 50%-0% of investment options.
Articles	Articles for all companies present	Articles for 85% of the companies present	Articles for 75% of the companies present	Articles for 50% or less of the companies present
One-page summary	All four summary items are addressed	Three items are addressed	Two items are addressed	One or no items are addressed