Stock Journal 1: FIN 100

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Principles of Finance

FIN 100

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**Stock Journal**

1. **Indicate the companies you are investing in:** Select three (3) US companies that are publicly traded.  Please use your knowledge and experience and pick, as many stocks as you’d like. Lastly, make sure you are practicing good diversification. Jim Cramer, Money Manger, on CNBC, plays a game at the end of his show called “Am I Diversified.” Check out a short clip to get a sense of industry diversification at <https://www.youtube.com/watch?v=f3lDxexupcE>.
2. **Sources of Information**: There are many ways to find such companies and the stock prices, including the New York Stock Exchange at http://www.nyse.com,  Google Finance at [http://google.com](http://google.com/), NASDAQ at [http://www.nasdaq.com](http://www.nasdaq.com/), and [http://finance.yahoo.com](http://finance.yahoo.com/).
3. **Indicate the amount you are investing in each company:** Decide how you will divide $25,000 across the three (3) companies; e.g. $10,000 in Company 1, $10,000 in Company 2, and $5,000 in Company 3. You decide the amount you are investing in each company. You do not have to provide any analysis to justify your decisions. You must only provide some reason for picking that company. For example, you might invest in Ford because that company gets a lot of your money and you hear that Ford is doing well, and will continue to do well.
4. **Indicate the number of shares you are buying, and the price of the shares you are buying for each company:** Once you decide the companies and the amount for each company, determine how many shares you can buy. If Company 1 is selling for $42.16, then you may buy $10,000/ $42.16, or 237.19 shares. But you cannot buy a part of a share, so you decide to buy either 237 or 238. In this example you buy 237 shares, at $42.16 per share, investing $9,991.92. You won’t be able to buy exactly $10,000, or $5,000, or $25,000, but it will be relatively close.

**Answers**

**BAC-PL – Bank of America**

S10,000 dollar

S10,000/S14.56 = 686 shares

Company – industry – sector

Price to Sale (TTM) 1.893.964.00 this prove that this company is so undervalued and they have a positive earnings per share in the past year and only once negative in the past 2 years. Their estimation revenue will increase 7% in 2016 to 2017.

**TSLA**

S5000

S5000/S240.76 = 21 shares

Their sales compare to the other company in the sector are relatively good, they just released a new model and also this is a car company for the future, So I think this will be a good long term investment.

**GOOGLE**

$10,000

S10,000/S707.88 = 14 shares

It's been profiting since 2014 and never have negative earnings per share. Still a developing company which they still buying more other technological company. Their LT growth rate is 14.6%.

Reference

http://www.reuters.com/finance/personal-finance