BUAD 345 Investment Analyses

Dr. Enyang Guo

# Project One: *Getting Started*

# Buying and Selling Securities

This is the first mini project assignment. Please answer the following questions to complete this project:

1. All of you have set up your portfolio at Stock-Trak, and you have $5,000,000 to invest. Briefly describe your investment objectives, either specific for Stock-Trak project or yourself in long-term when you are ready;
2. Find out your risk tolerance by completing the reading and the quiz at *Investment Updates “Bumpy Market Reminds Investors to Assess Their Risk Tolerance”* (page 43 - 45). What is your score in points of the quiz?
3. Discuss your strategies of asset allocation. After consider it carefully, your answers should include the follow questions:
   1. What would be your preferred portfolio mix[[1]](#footnote-2)? Why?
   2. What stocks/mutual funds/bond you have invested? List and explain briefly.
   3. What is your plan next?

As it is mentioned in Chapter 2, “Getting Down to Business”*[[2]](#footnote-3)*, i*nvesting is like many activities; the best way to learn is by making mistakes.* Mistakes in investment are expensive with real money and thus we should take the advantage of the Stock-Trak experience. For your Stock-Trak project, take it seriously but do not worry too much about making mistakes or the financial loss. *The important thing to do is to follow your trades and try to understand why you made or lost money and also why you made or lost the amount you did.* Try to maximize your learning benefit!

The assignment is due on Sept. 23(Tuesday). Please remember to have a cover page for your hand-in.

Good luck and happy investing!

1. How you are planning to invest the $5,000,000 of your portfolio, i.e., bonds, stocks (small stocks or large stocks), options, futures, and currencies, if any. [↑](#footnote-ref-2)
2. “Getting Down to Business”, page 69. [↑](#footnote-ref-3)