

Stock Market Project

Assignment

For the stock market game we will be using <http://www.marketwatch.com/game/>. There will be one private game created and monitored by myself for the entire AP Macroeconomics course. Your stock market project will have four parts to it. Each time the project is handed in (approximately every 4-5 weeks) the project must contain each of the five parts. There will be one submission per team and the team will receive one grade. ***For each day the project is late there will be a 10 percent penalty. Any form of plagiarism is expressly prohibited and any section found to contain plagiarism will receive no credit for the entire section. *** The project must be fastened either by a staple or a binder clip and should have all team member's names on each section.

Title Page

- The title page should include:
 - All member names
 - The team name
 - Date of project
 - Period
 - Additional creative decoration

Part 1: Company Profiles

- You must complete 5 company profiles of companies that you have purchased stock in.
- The company profiles section should be in paragraph form typed in Microsoft Word or equivalent.
- The profile should include the functions of the business including the goods that it produces, the services it provides, and the industries that it is involved in.
- The profile should include any subsidiary companies or popular brand names associated with the company.
- The profile should include the CEO, CFO, COO and/or other major shareholders or officers and their salaries when available.
- The profile should include the value of the company if available.
- The profile should include the key competitors of the company.

Part 2: Transaction Log

- For each transaction you perform (meaning a buy/sell/short sell/buy to cover) you must log the statistics of your transaction.
- For all of the transactions you log you must include:
 - The company name
 - The ticker symbol
 - The type of transaction
 - The date of transaction
 - The price per share
 - The quantity of shares
 - The total value of the transaction
- The **first week** you must make at least five transactions.
- After the first 5 transactions during the **first week** you must complete at least two transactions per week after that. The transactions must have the statistical log but not the accompanying reasons.
- For at least 7 of the transactions through the project period you must include all of the previously stated transaction detail as well as a detailed description of the reasons for the transaction.
 - All of the reasons must include a citation for either video media, audio media, an article, or an interview from a legitimate source.
 - A legitimate reason does not include your personal feelings on how the company will perform.
 - Examples of unacceptable reasons:
 - “We bought it because we thought it would go up”
 - “We thought it would make money”
 - “We thought it would do good because of the holidays”
 - “We thought it would do good because I like Apple”
 - Examples of acceptable reasons:
 - “According to the data on Yahoo Finance, the price of Apple stock has been increasing from November 2nd to December 12th. Analyst, Jim Kramer believes this trend will continue because of the release of the new iPad mini on December 14th.” (Include citation)
 - “Based on the article “Amazon Swinging Out of the Jungle” by Sarah Tomlinson of Forbes, Amazon is extending its Prime membership benefits to include free streaming videos. The article states that Amazon hopes to become a major player in the streaming media industry, competing with Netflix.”

Part 3: Total Equity/Portfolio

- The total equity/portfolio section of the project is to be completed using Microsoft Excel.
- You must complete a spread sheet of your portfolio holdings on each Friday of the project period.
 - There should be one table per week.
 - The table should include the company name, the ticker symbol, the quantity of shares owned, the closing price of one share on that date, and the total value of the shares owned in that company.
 - You must also include the total value of the stock portfolio, any remaining cash holdings, and your total equity.
- At the end of the project period you will create a graph on Microsoft Excel, plotting only your total equity values over time.
 - The graph must have a title.
 - Both axis should be labeled.
 - Each value should be marked with a point.
 - The points should be connected.
 - The y-values should be of an appropriate range to prevent dead space.
 - You must include a trend line.

Part 4: Index

- You will be creating your own stock index. This index works very similarly to a general price index such as the CPI where you track price changes of a basket of goods over time. In this case your basket of goods are going to be shares of stock.
- You will select 10 companies.
 - You do not have to own shares of these companies.
 - You may choose any companies you would like and I do not need to know the reason.
- You will track the price of one share of stock in these companies for each day the stock market is open.
- You will use the same companies throughout the project.
- You do not need to log in each day to find the share prices, you may find this information using the “historical prices” tab on Yahoo Finance when searching the company.
- Using Microsoft Excel you will create one table per week tracking the prices of the shares.

- The table should include the dates of the week period.
- The company name.
- The ticker symbol.
- The price of one share for each company for each of the days.
- The total value of one share of all 10 of the companies for each day.
- On day 1 you will create the index value for the companies. You will use the equation for a price index. $\text{Price Index} = \{(\text{the total value of one share of all companies on a given day}) / (\text{the total value of one share of all companies on the base day})\} \times 100$.
 - Keep in mind that the index value on day 1 (the base day) will be 100.
 - In using the equation, you will always divide by the total value on the base day (day 1) no matter what week you are in.
- At the end of the project period you must create a graph of the index values over time using Microsoft Excel. You must include all days the stock market was open.
 - The graph must have a title.
 - Both axis should be labeled.
 - Each value should be marked with a point.
 - The points should be connected.
 - The y-values should be of an appropriate range to prevent dead space.
 - You must include a trend line.

Stock Market Game Info

www.marketwatch.com

www.virtualstockexchange.com

Game Name: CSHAPECO2015

web: www.marketwatch.com/game/cshapeco20145

Tag: CSHAPECO2015

Password: CSHAPECO2015