Financial Markets Project

BUSI 710 | PROFESSOR JEREMY KOBUS | SAMIKSHA CHOPRA AND SNEHA SINGH NAGAR

DATABASE

NAME	STOCK SYMBOL	SHARE PRICE ($)	NO. OF SHARE	MARKET VALUE ($)
Adobe	ADBE	650.45	10	6,504.5
Amazon	AMZN	3348.88	5	16.744.4
Apple	AAPL	149.68	15	2,245.2
Ebay	EBAY	76.77	10	767.7
Ethereum	ETH	4616.98	2	9,233.96
Google	GOOG	2915	5	14,575
Johnson&Johnson	JNJ	162.98	6	977.88
Logitech	LOGI	83.09	5	415.45
Microsoft	MSFT	330.19	10	3,301.90
Netflix	NFLX	689.48	10	6,894.80
Nike	NKE	166.62	15	2,499.3
Nvidia	NVDA	254.44	10	2,544.4
Shopify	SHOP	1464.65	6	8,787.9
Skechers	SKX	46.29	10	462.9
Target	TGT	259.13	10	2,591.3
Tesla	TSLA	1101.64	10	11,016.4
United Airlines	UAL	46.11	5	230.55
Visa	V	213.66	4	854.64
			148	90,648.18

INVESTMENT STRATEGY

DIVERSIFY

TECHNOLOGY

RETAIL

INVESTMENT STRATEGY

DIVERSIFY: Using the technique of diversification, we invested in different industries like Technology, Retail, Pharmaceutical, E-commerce, Airlines, financials, etc. The idea to invest in different categories was to minimize the risk, watch, hold and understand market fluctuations.

TECHNOLOGY: Making our portfolio heavy on technology, because we live in an age and time where technology is growing constantly and it is the clear future.

RETAIL AND E-COMMERCE: Retail market is getting back to the after pandemic normal and growth has been clearly seen as people get back to living the new normal in the year 2021. E-commerce is getting to its all-time high, the pandemic has definitely boosted e-commerce platforms where people now prefer shopping online from the ease of their home more.

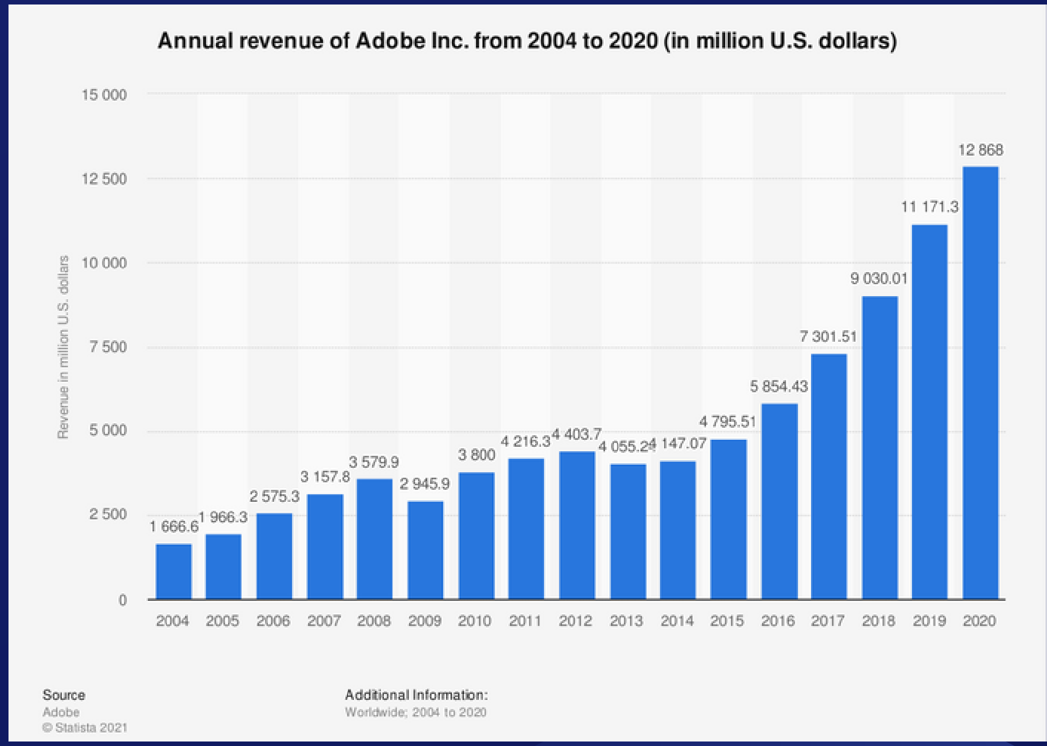
PHARMACEUTICAL: After the pandemic hit us last year in 2020, since then the pharmaceutical industries have been on rising because of the high demand. And companies coming out with vaccines had played a huge role this year.

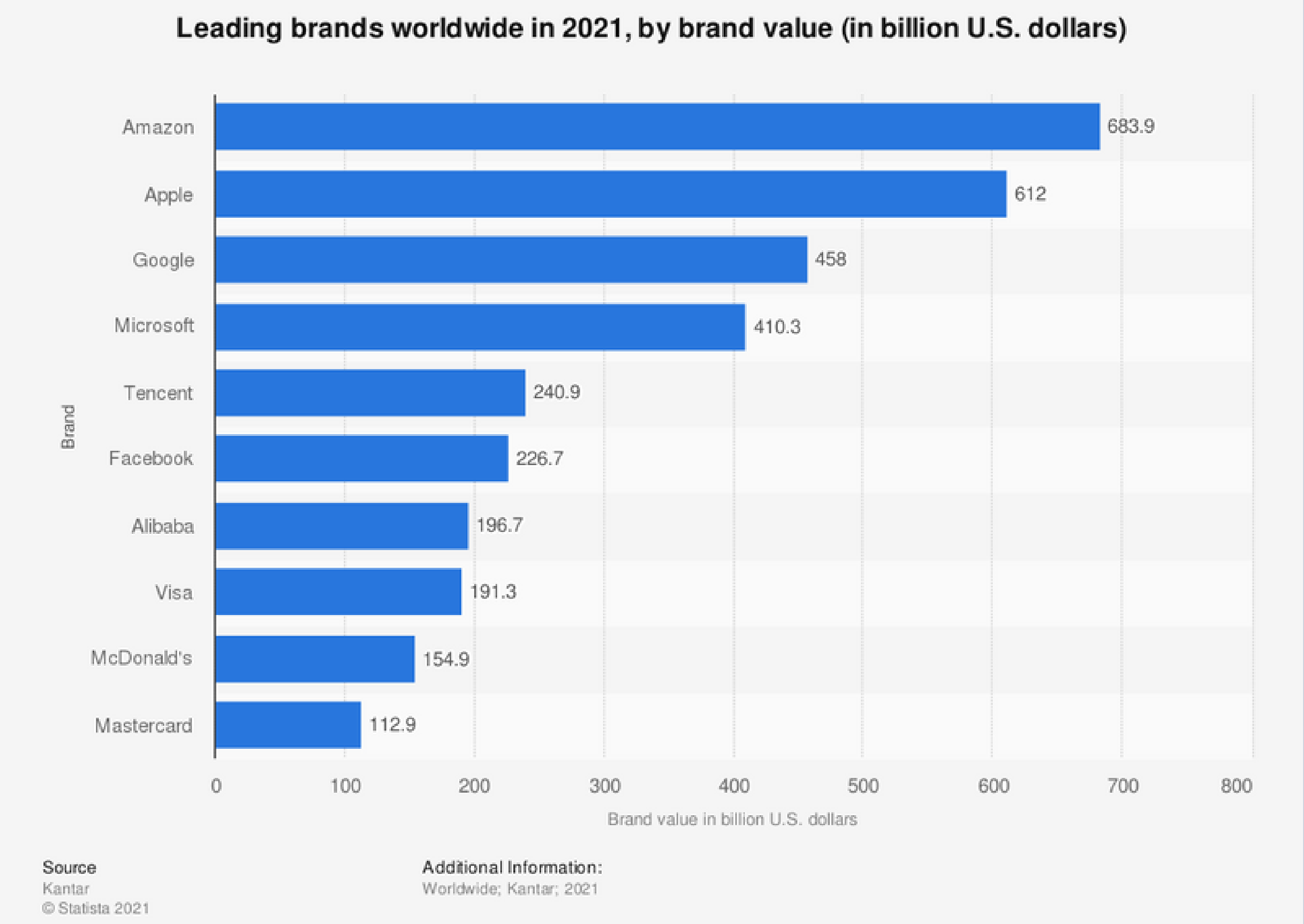
COMPANIES

ADOBE:

Adobe is a U.S.-based software company that specializes in creative software and has invented many widely used software-related tools.

- The company has recently expanded its business into the cloud market as well, its main products being the Adobe Creative Cloud and Document Cloud.
- A trustworthy name in the tech industry that has proven its ability to adapt and innovate to new technology over decades of success, Adobe’s Creative Cloud already boasts over 10 million subscribers, while forecasts indicate that this number will continue to grow in the coming years.
- Adobe Inc. reported a company record of 12.87 billion U.S. dollars in revenue for its 2020 fiscal year. In the seven years since 2013, the company has nearly tripled its overall revenue figure from around four billion dollars, to the 12.87 billion that it stands at today.





AMAZON:

Amazon is an international e-commerce company offering online retail, computing services, consumer electronics, and digital content.

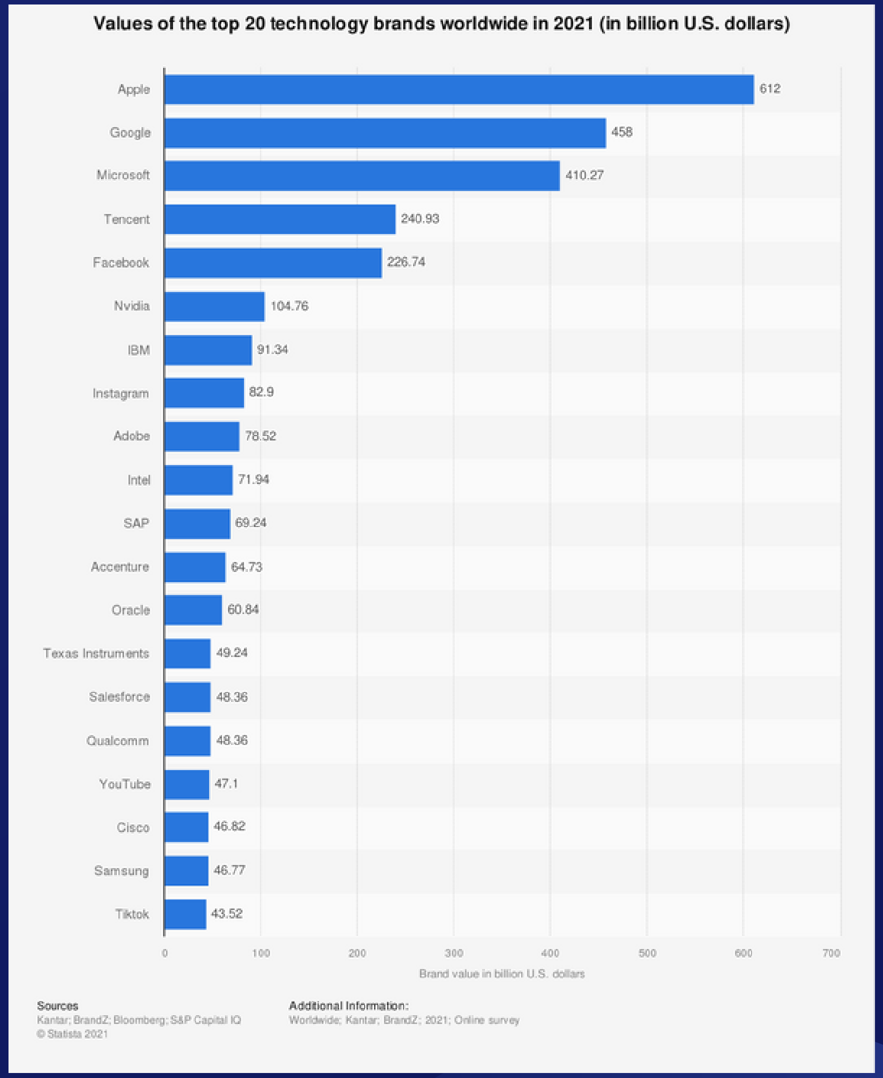
- The multinational conglomerate retained the lead as the world’s most valuable retail brand ahead of e-retailers such as Alibaba in 2020.
- That year, Amazon’s revenue reached a record 386 billion U.S. dollars, and while other companies struggled to maintain their success amidst the economic turmoil of the coronavirus (COVID-19) pandemic, Amazon’s brand and business continued to thrive thanks to the retail giant’s diverse portfolio of products and services.

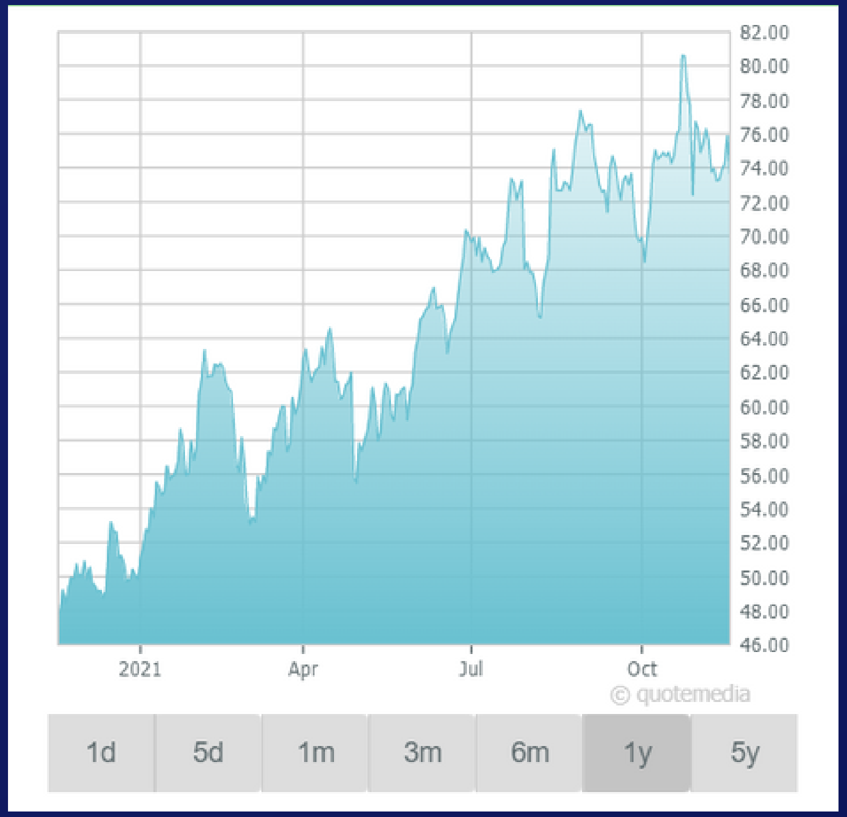
COMPANIES

APPLE:

Apple Inc. is an American multinational technology company that specializes in consumer electronics, computer software and online services.

- Apple is the largest information technology company by revenue and, since January 2021, the world's most valuable company.
- Apple's total net sales amounted to 274.52 billion U.S. dollars in their 2020 financial year, a slight increase from the historical record of 260.17 billion U.S. dollars in financial year 2019.
- Apple's annual revenue quadrupled in the last ten years.





EBAY:

eBay Inc. is an American multinational e-commerce corporation based in San Jose, California, that facilitates consumer-to-consumer and business-to-consumer sales through its website.

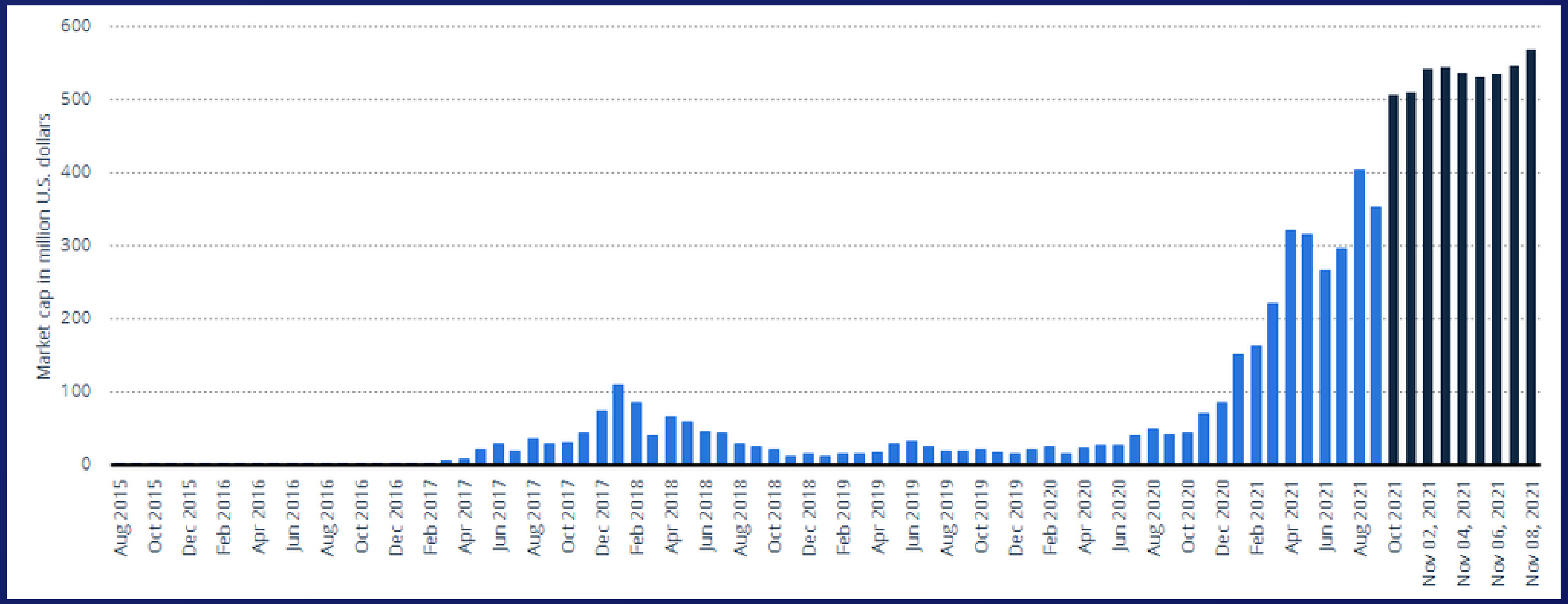
- After the pandemic there is a clear spike in e-commerece, this has in turn favoured the company. As the company has been looking to expand in more attractive segments of e-commerce the returns and its market place looks healthy and growing.
- In the most recently reported fiscal year, eBay's annual net revenue amounted to more than 10 billion U.S. dollars, a significant increase from 8.6 billion U.S. dollars in the preceding year.
- n the most recently reported fiscal year, the online auction and selling website's net income amounted to almost 5.7 billion U.S. dollars, up from a 1.79 billion U.S. dollar net income in the previous year.

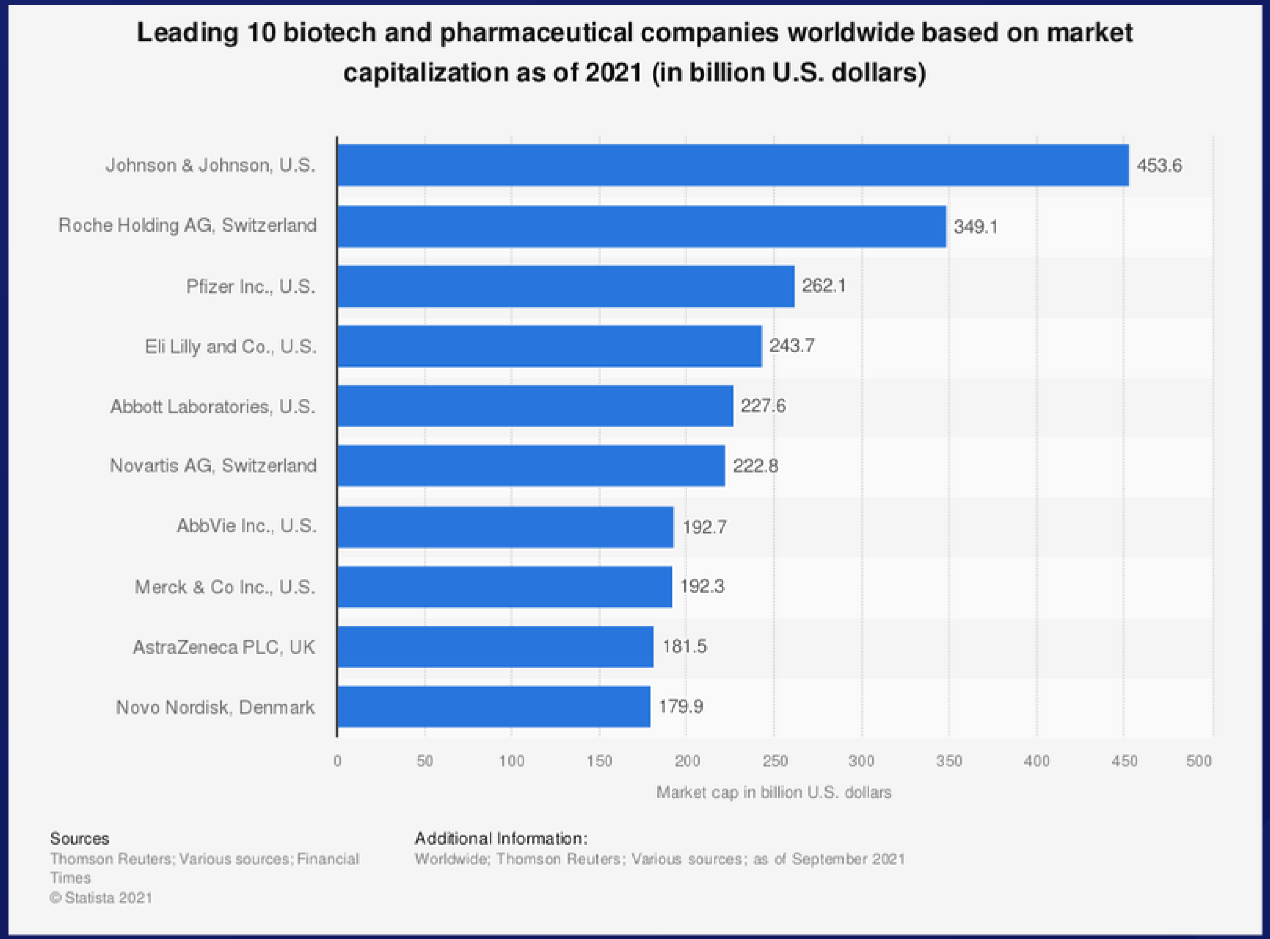
COMPANIES

ETHEREUM:

Ethereum is a decentralized, open-source blockchain with smart contract functionality. Ether is the native cryptocurrency of the platform.

- Amongst cryptocurrencies, Ether is second only to Bitcoin in market capitalization.
- Ethereum's market cap has constantly increasing in the past few years.
- Due to its critical role in creating Non-fungible tokens, and its innovative potential, Ethereum is the top cryptocurrency investment of the year.





JOHNSON & JOHNSON:

Johnson & Johnson is a multinational company, specialized in pharmaceuticals, medical devices, and consumer goods.

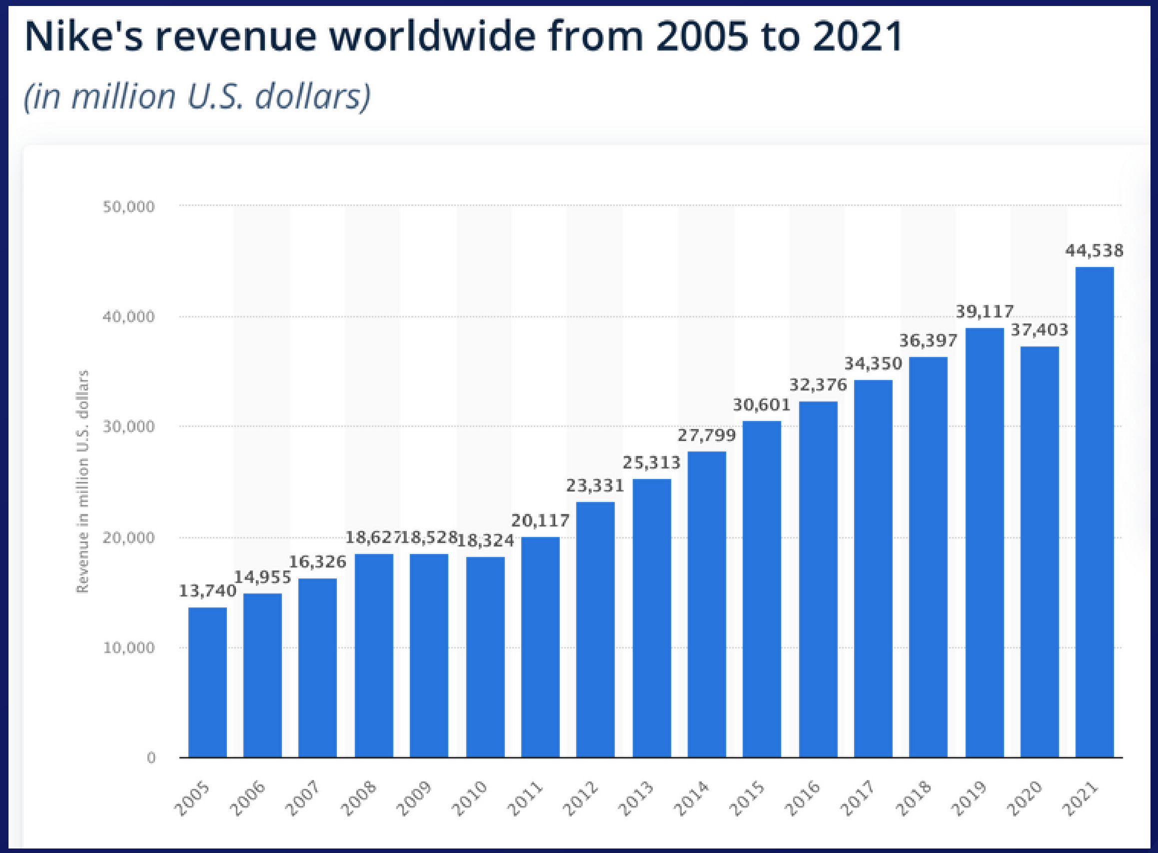
- In 2020, Johnson & Johnson's came to some 82.6 billion U.S. dollars in sales.
- As of September 2021, Johnson & Johnson had a market value of around 454 billion U.S. dollars.
- Based on revenues latest available as of 2021, Johnson & Johnson was the leading pharmaceutical company in the United States.
- The firm annually generates over 81 billion U.S. dollars worldwide, which is almost 40 billion U.S. dollars more than the next ranked U.S. pharmaceutical company, Pfizer.

COMPANIES

LOGITECH:

A Swiss company focused on innovation and quality, Logitech is a multi-brand company designing products that bring people together through music, gaming, video and computing.

- With products sold in almost every country in the world, Logitech has developed into a multi-brand portfolio, currently reporting $1.8B annual sales.
- Logitech is a corporate family of 76 companies and its current market value is $13B.
- Logitech has grown 76% in the fiscal year 2021 with Q4 revenues doubled. Product deman continues to rise despite Covid 19 pandemic.
- Sales were $1.54 billion, up 117 percent in US dollars and 108 percent in constant currency compared to Q4 of the prior year.
- Annual cash flow growth rate far exceeds industry avg.



NIKE:

Nike, Inc. is an American multinational corporation that is engaged in the design, development, manufacturing, and worldwide marketing and sales of footwear, apparel, equipment, accessories, and services.

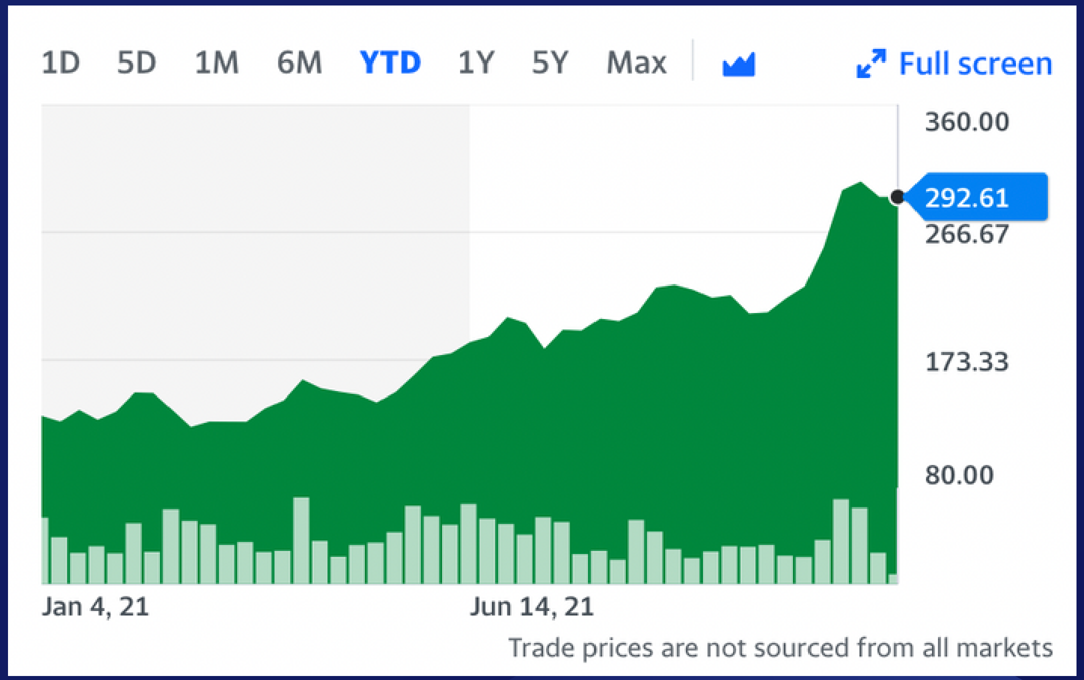
- Nike is a giant in the atheisure wear segment, valued at $280B.
- The athletic apparel company is making a push to increase direct-to-consumer online sales. Digital sales increase profit margins as Nike keeps the cut that would normally go to wholesaler partners.
- Nike's revenue grew 19% from 2020 - 20221 despite the Covid 19 pandemic.
- Nike's current marke share is approximatelye 45.2 %.
- In Q3 2021, Nike's net margin of 15.3 % company achieved higher profitability than its competitors.

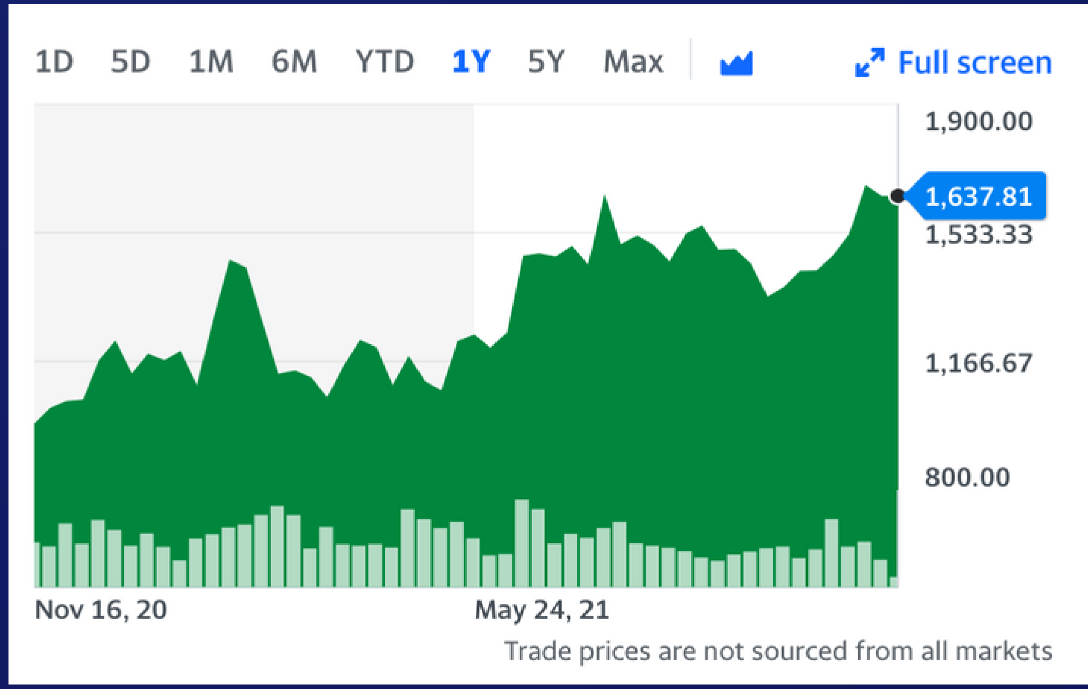
COMPANIES

NVIDIA:

Nvidia Corporation is an American multinational technology company that designs graphics processing units for the gaming and professional markets, as well as system on a chip units for the mobile computing and automotive market.

- In Q2 2021, Nvidia earnings jumped 89% while sales surged 68%. Gaming chip revenue soared 85%. Data-center chip sales jumped 35%.
- Nividia has shown consistent growth and increasing profitability year over year. Revenue from fiscal year 2021, which ended in January, topped $16.7 billion, up 52.7% from 2020 and up 263% from 2015.
- While Apple and Intel have started to develop their own chips for personal computing and gaming, Nvidia maintains a massive upper hand at producing chips with the speed and capability to handle the next generation of data.
- In April 2021, Nvidia CEO Jensen Huang unveiled Omniverse Enterprise. Using the technology, automaker BMW has constructed 3D models of future factories, complete with machines, parts and buildings, to optimize its final design plans.





SHOPIFY:

Shopify Inc. is a Canadian multinational e-commerce company headquartered in Ottawa, Ontario. The Shopify platform offers online retailers a suite of services including payments, marketing, shipping and customer engagement tools.

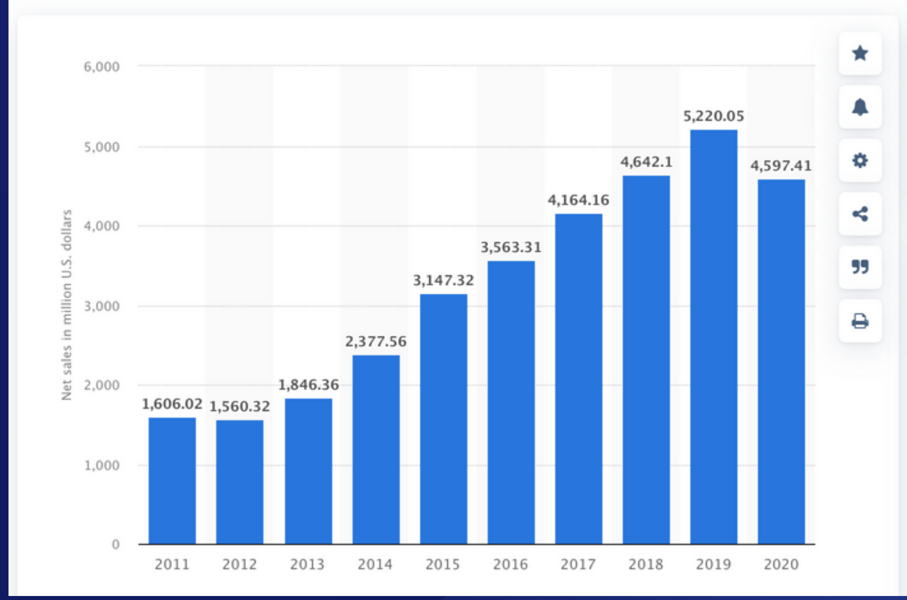
- Shopify is the most popular e-commerce platform in the U.S., holding a 29% market share. The breadth and scale of its ecosystem differentiates it from website builders like Wix, its ease of use sets it apart from WooCommerce, and its focus on helping businesses grow their own brand, which gives it an edge over marketplaces like Amazon.Shopify platform now powers over 1.7 million businesses worldwide.
- Over the last 5 years, the share price has surged 2,930%.
- Shopify recently announced that Shop Pay, its accelerated checkout solution, will be available on both Facebook and Alphabet's Google later in 2021.
- It also has $7.8 billion in cash and short-term securities on its balance sheet, compared with just $910 million in long-term debt. That pile of cash means Shopify can weather economic downturns without selling new shares or issuing debt, and it affords the company the flexibility to invest in growth opportunities as they arise.

COMPANIES

SKECHERS:

Skechers USA, Inc. is an American footwear company. Lifestyle and athletic footwear and apparel for men, women, and kids filled with innovative comfort technologies.

- Skechers provides a cheaper alternative to brand-name athletic wear companies like Nike, a premium name that's also the largest U.S. apparel brand.
- Skechers posted $1.7 billion in sales in the second quarter ended June 30 versus Nike's $12.3 billion in sales in its fourth fiscal quarterended May 31.
- The company has a strong foothold in its international segment, which accounts for 58% of sales. China is a large growth market, with sales increasing 174% in that region in Q2.
- Sales increased 127% year over year and 32% over 2019 levels to a record high. It also widened its gross margin to a record 51.2% and posted record quarterly earnings per share (EPS) of $0.88.



Net sales of Skechers worldwide from 2011 to 2020
(in million U.S. dollars)

TARGET:

Target Corporation is an American retail corporation. The eighth-largest retailer in the United States, it is a component of the S&P 500 Index.

- Target's sales growth surpassed that of the previous 11 years combined.
- Target's investment in contactless delivery and pickup options and online sales had paid off. Customers favored both during the worst of the coronavirus crisis. And Target shares rose 38%, outperforming the S&P 500 Index.
- Target's already equaled last year's percentage increase -- up 38% to date.
- Earlier this year, Target said it would invest $4 billion annually to make itself bigger and better. That includes speeding up store openings and remodels.Target's same-day services (order pickup, drive up, and Shipt) climbed 55% in the most recent quarter. Today, Target stores fulfill more than 95% of all orders -- online and in-store.

COMPANIES

TESLA:

Tesla, Inc. is an American electric vehicle and clean energy company based in Palo Alto, California, United States. Tesla designs and manufactures electric cars, battery energy storage from home to grid-scale, solar panels and solar roof tiles, and related products and services.

- The electric vehicle maker has cemented its place in Wall Street lore as the stock has climbed more than 800% in the past 19 months on the back of exploding profits.
- Tesla's market value stands at a $1.2T with a year over year exponential growth.
- In the first half of 2021, global electric vehicle (EV) sales were 2.6 million units. It doesn't sound like a lot. But unit growth was up 160% over the same period last year. That's more than six times faster than the overall auto market.
- Revenue has jumped 256% since 2017, the percent it spends on both research and development, as well as selling and overhead, has been more than cut in half. To put it simply, the company has gone from the brink of collapse to a self-sustaining, cash flow machine.

UNITED AIRLINES:

United Airlines, Inc. is a major American airline headquartered at Willis Tower in Chicago, Illinois. United operates a large domestic and international route network spanning cities large and small across the United States and all six continents.

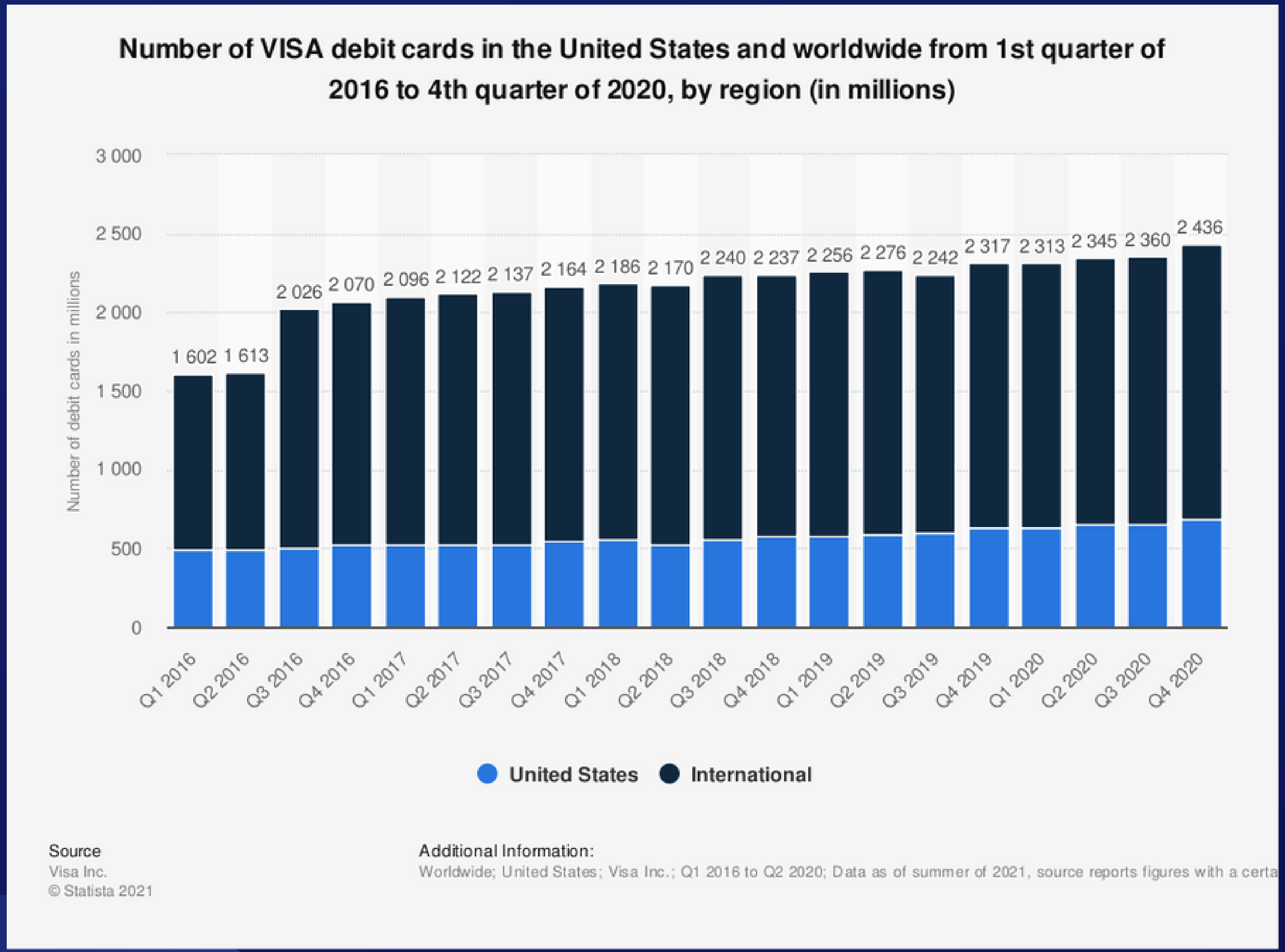
- Despite the company reporting a loss for the third quarter and projecting an even bigger loss for the fourth quarter, United Airlines executives remain extremely bullish about the airline's future. Management anticipates a strong recovery in demand for both leisure travel and business trips over the next two years.
- United's growth plan calls for spending $4.2 billion on capital expenditures next year and boosting capex to an unprecedented $8.5 billion in 2023. That will prevent the airline from making a dent in its debt load

COMPANIES

VISA:

Visa Inc. is an American multinational financial services corporation, it facilitates electronic funds transfers throughout the world, most commonly through Visa-branded credit cards, debit cards, and prepaid cards.

- In the fourth quarter of 2020, there were 687 million VISA debit cards in circulation in the U.S. and 1.7 billion VISA debit cards in circulation worldwide excluding the United States.



TRADE: WEEK 1

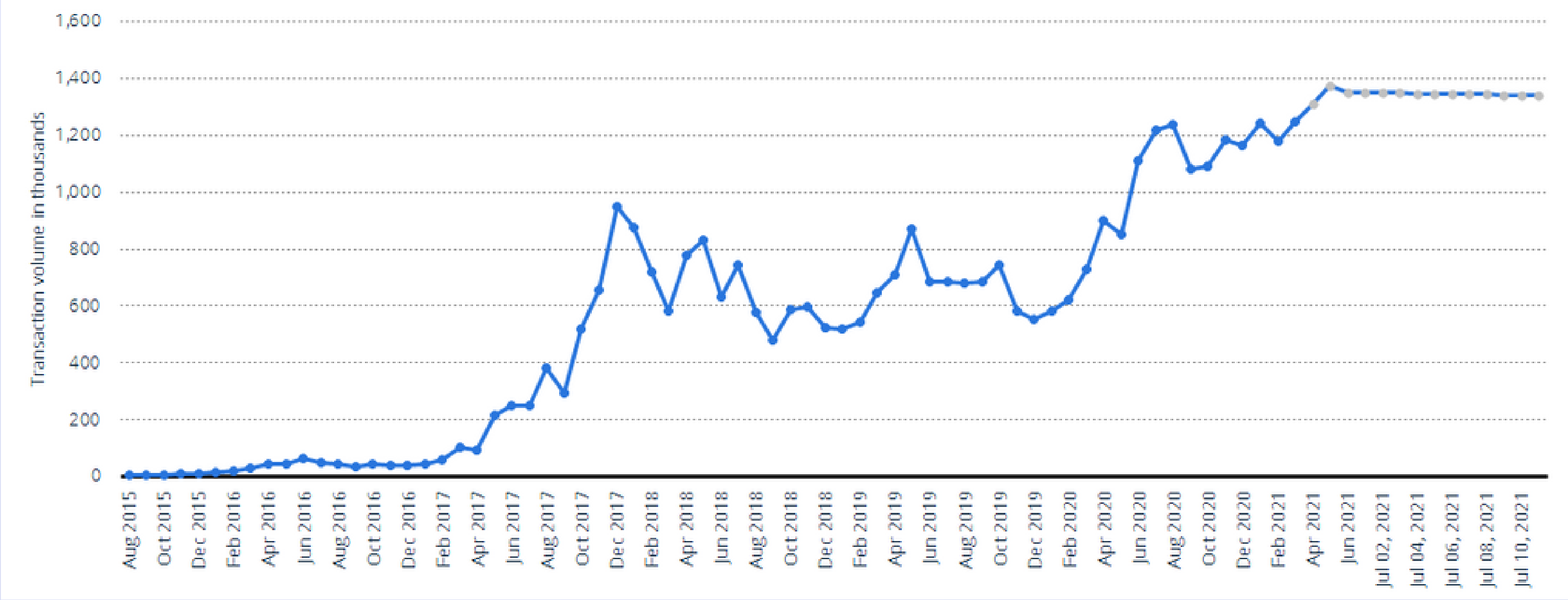
BUY: AMAZON

- Bought amazon when the stock dipped after its third-quarter results.
- The financials looked healthy and predictions stated an increase in the remaining year.

BUY: SHOPIFY

- The financials looked healthy.
- The stock showed constant growth.

TRADE: WEEK 2



BUY: ETHEREUM

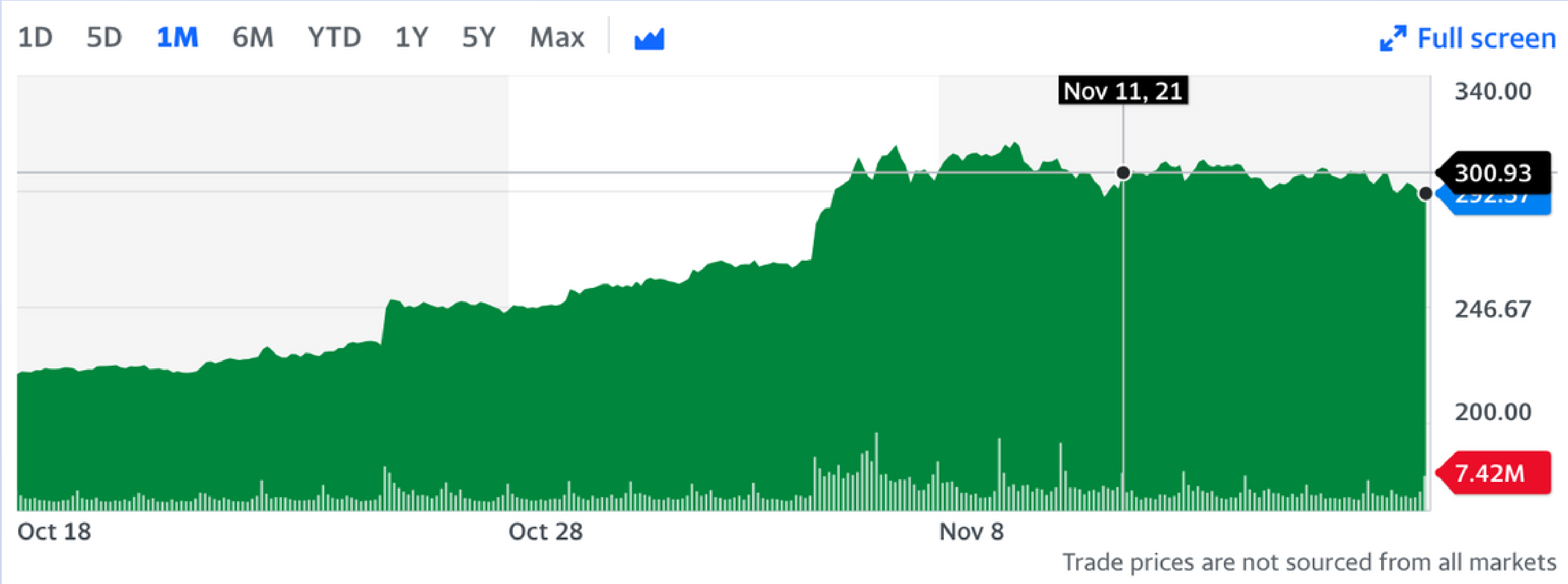
- Ethereum being a cryptocurrency looked very promising.
- The stock prices were rising rapidly.

SYMBOL COMPANY	QTY	PRICE PAID	LAST PRICE	DAY'S CHANGE	MARKET VALUE	% PROFIT/LOSS	
NVDA NVIDIA Cor...	10	254.44	255.67	6.26	$2,556.70	12.30 (0.48%)	TRADE
NFLX Netflix Inc.	10	689.48	690.31	16.26	$6,903.10	8.30 (0.12%)	TRADE
SKX SKECHERS U...	10	46.29	46.21	0.28	$462.10	-0.80 (-0.17%)	TRADE
M Macy's Inc.	30	26.21	26.47	0.18	$794.10	7.90 (1.00%)	TRADE
V Visa Inc.	4	208.93	211.77	1.93	$847.08	11.36 (1.36%)	TRADE
UAL United Con...	5	46.11	46.14	0.13	$230.70	0.15 (0.07%)	TRADE
TSLA Tesla Inc	10	1,101.64	1,114.00	36.96	$11,140.00	123.60 (1.12%)	TRADE
SHOP Shopify In...	6	1,464.65	1,466.73	9.73	$8,800.38	12.48 (0.14%)	TRADE
JNJ Johnson & ...	6	162.98	162.88	0.03	$977.28	-0.60 (-0.06%)	TRADE
JPM JPMorgan C...	10	171.47	169.89	-0.47	$1,698.90	-15.80 (-0.92%)	TRADE
NKE Nike Inc.	15	166.62	167.29	2.83	$2,509.35	10.05 (0.40%)	TRADE
MSFT Microsoft ...	10	330.19	331.62	7.27	$3,316.20	14.30 (0.43%)	TRADE
GOOG Alphabet Inc.	5	2,915.00	2,965.41	42.83	$14,827.05	252.05 (1.73%)	TRADE
AAPL Apple Inc.	15	149.68	149.80	-2.77	$2,247.00	1.80 (0.08%)	TRADE
EBAY eBay Inc.	10	76.77	76.72	4.31	$767.20	-0.50 (-0.07%)	TRADE
ADBE Adobe Syst...	20	644.22	650.36	11.08	$13,007.20	122.80 (0.95%)	TRADE
AMZN Amazon.com...	5	3,348.88	3,372.43	-74.14	$16,862.15	117.75 (0.70%)	TRADE
LOGI Logitech I...	5	83.09	83.03	-1.27	$415.15	-0.30 (-0.07%)	TRADE
TGT Target Cor...	10	259.13	259.62	1.40	$2,596.20	4.90 (0.19%)	TRADE
PFE Pfizer Inc.	10	43.83	43.74	0.56	$437.40	-0.90 (-0.21%)	TRADE

HOLD:

- After investing the majority of our cash balance we stop and watch the market.
- Most of the stocks were providing great returns and we were holding the ones in lossfor them to pick up again.

TRADE: WEEK 3



SELL: MACY'S

- Macy's stock seemed to have reached its peak
- The stock was declining due to a decrease in volume

BUY: NVIDIA

- The stock looked very promising with a good 19% return in 3 weeks
- Anticipated growth and analysts recommendations have been strong for Nvidia

TRADE: WEEK 4

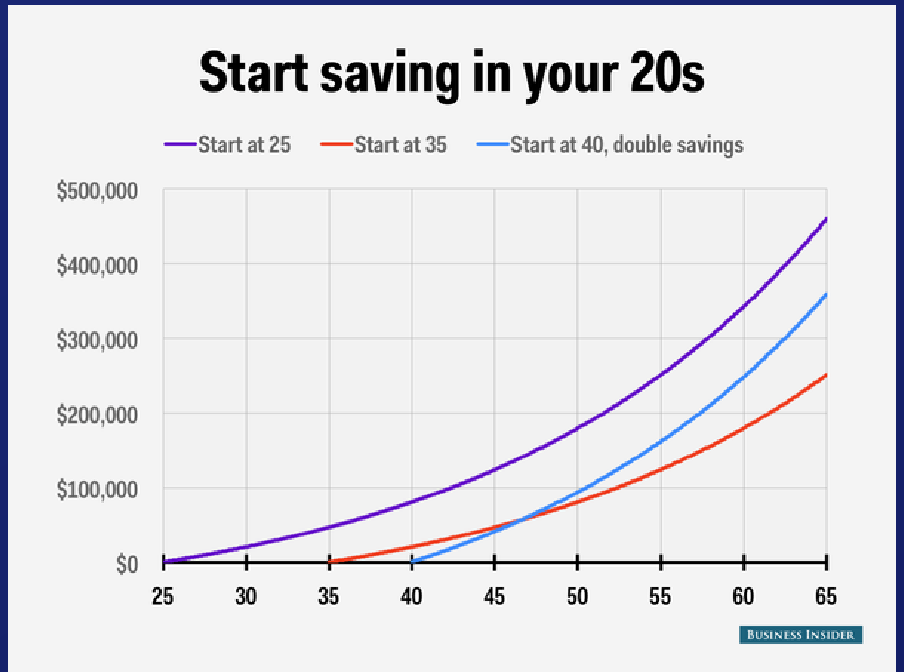
BUY: SHOPIFY

- After holding the stock for 3 weeks, the return on our investment was a good 11% which motivated us to buy more stock
- Shopify has been expanding and growing its market share exponentially. Over the last 5 years, the share price has surged 2,930%.

SELL: TESLA

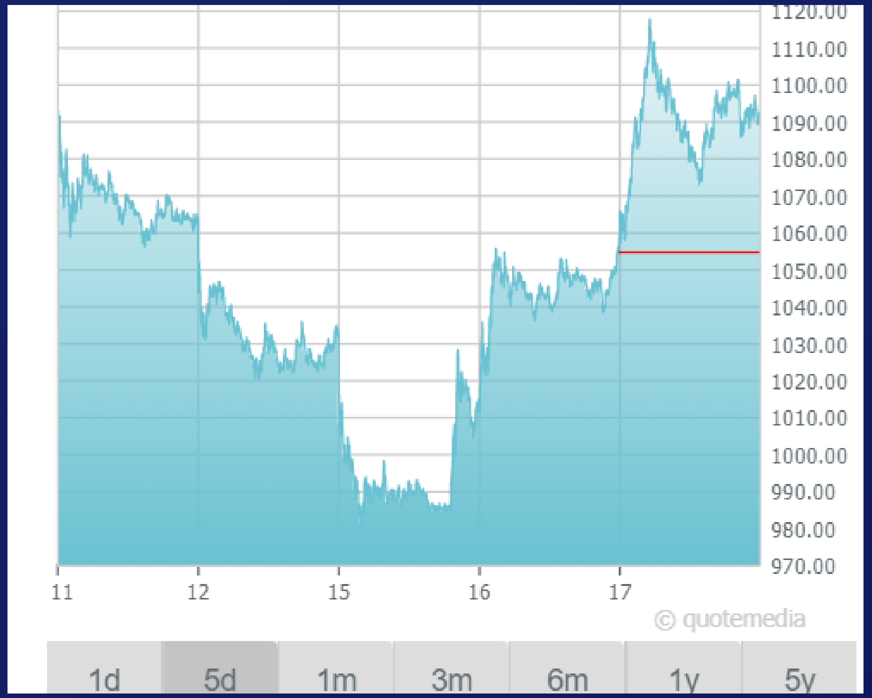
- After Elon Musk announced selling 10% of his shares, the stock dipped as panic fueled decrease in volumes.
- Our profits made started transitioning into incurred losses. The loss was increasing day by day and we decided to cut out risk.

CONCLUSION



The Power of Compounding

Major key learning was to invest sooner than later, we invested in few similar stocks as other teams but as we invested two days later than them we could already see the difference in stock prices.



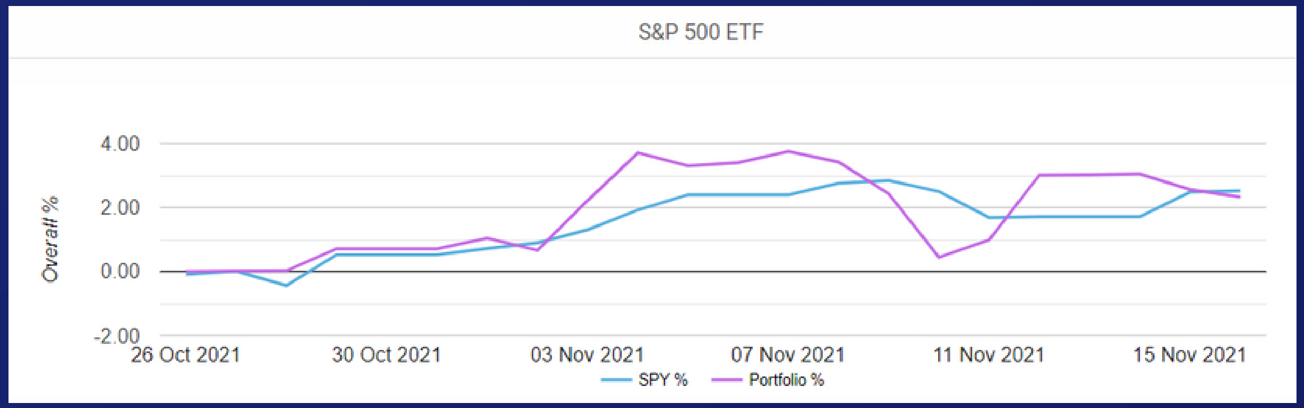
Awareness

It is very important to be up-to-date in the ever-changing world, especially when you've investmented in related portfolios. As an example - Elon Musk's twitter post about selling 10% of his shares that amounted to approx. $6.9B, Tesla share prices fell rapidly due to panic selling.

Tracking Market Fluctuations

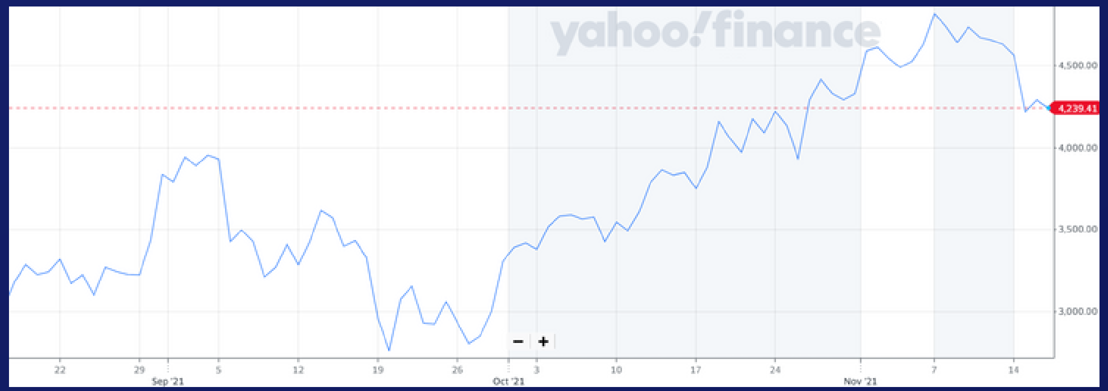
It was important not to just keep an eye on the losses but the stocks that were making huge profits too because you never know when they are at their peak, and you suddenly end up going into losses. Adobe for us was making good profit but dropped which made us go in loss, when we sold some of our stocks to minimize the loss but then few days later it picked up again.

CONCLUSION



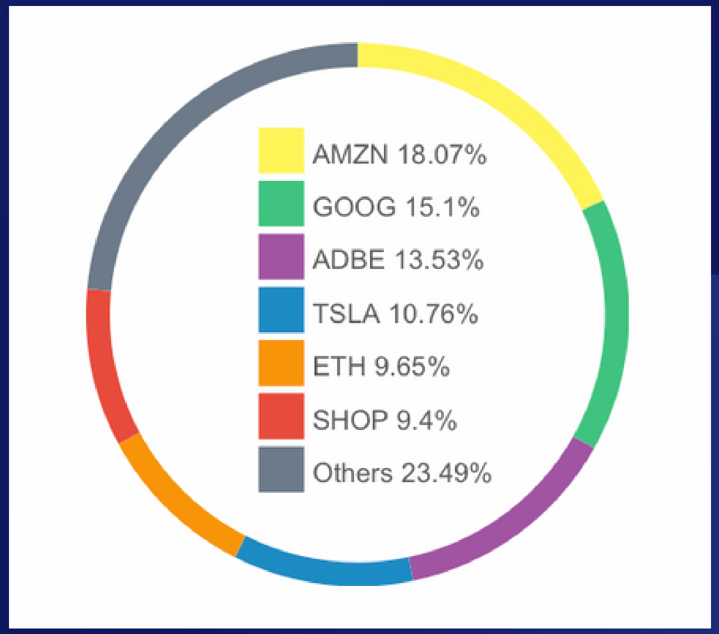
Investing in S&P 500 ETF

Investing in S&P 500 portfolio would have reaped us the similar returns without considerably less fluctuations due to less risk involved.



CRYPTO Currency is a risky & volatile market

We borrowed from our peers' strategy and invested in ETH only at the wrong time firstly. However, the market is volatile such that we were making a $600 profit one day and the next day a loss of $250 on an approx. $9k investment which only amountyed to 2 shares of ETH.



Diversify Porfolio

Markets are constantly changing due to various factors - economical, political and more. A good investment strategy is to invest in different industries and further diversify with muliple companies especially if you're just starting to invest.

FINANCIAL MARKETS PROJECT PRESENTATION

BUSI 710:
PRESENTED BY-
Samiksha Chopra and Sneha Singh Nagar

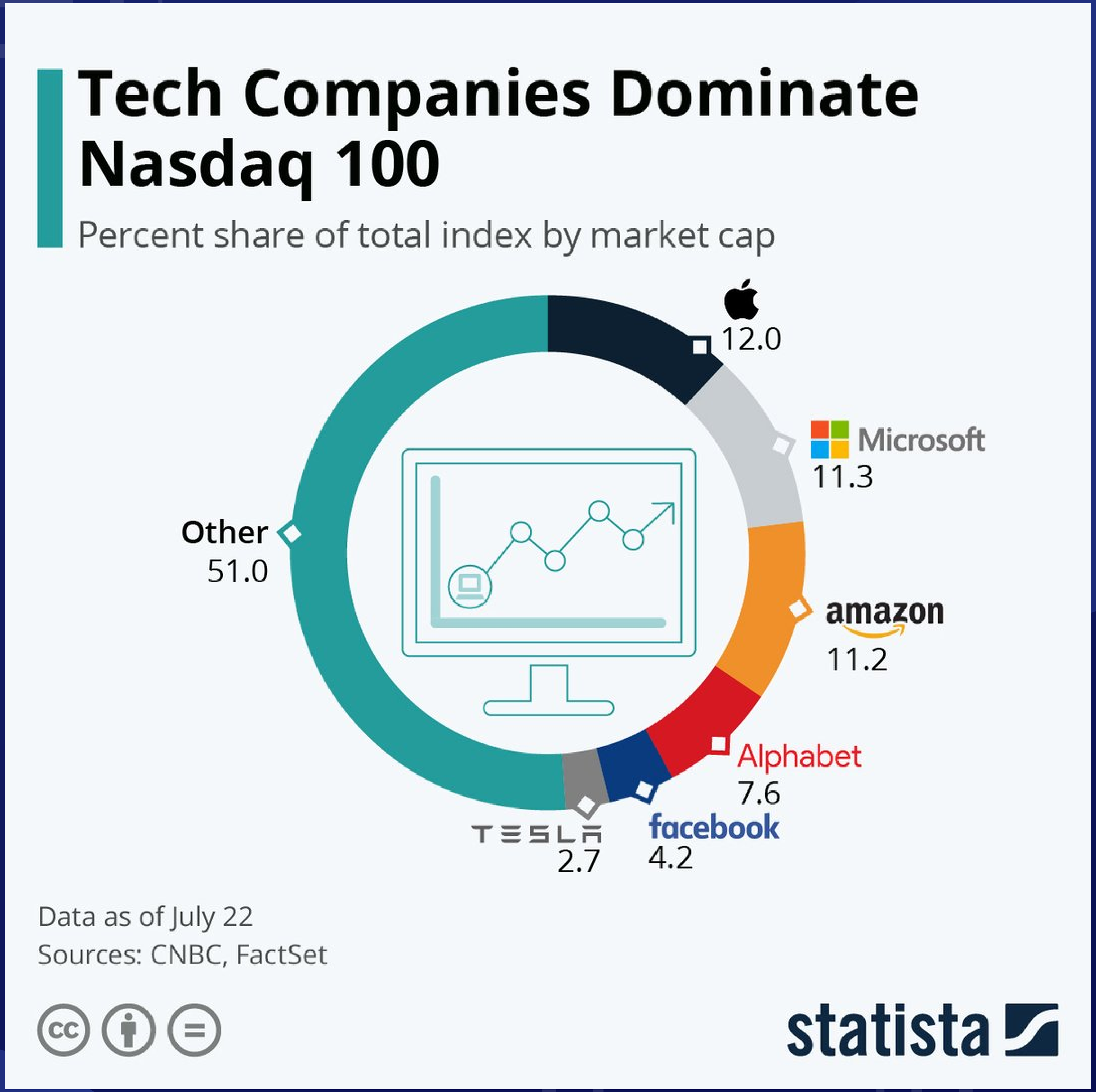
INVESTMENT STRATEGY

Owning shares from different industries intially to observe the market and maintain a low risk of loss.

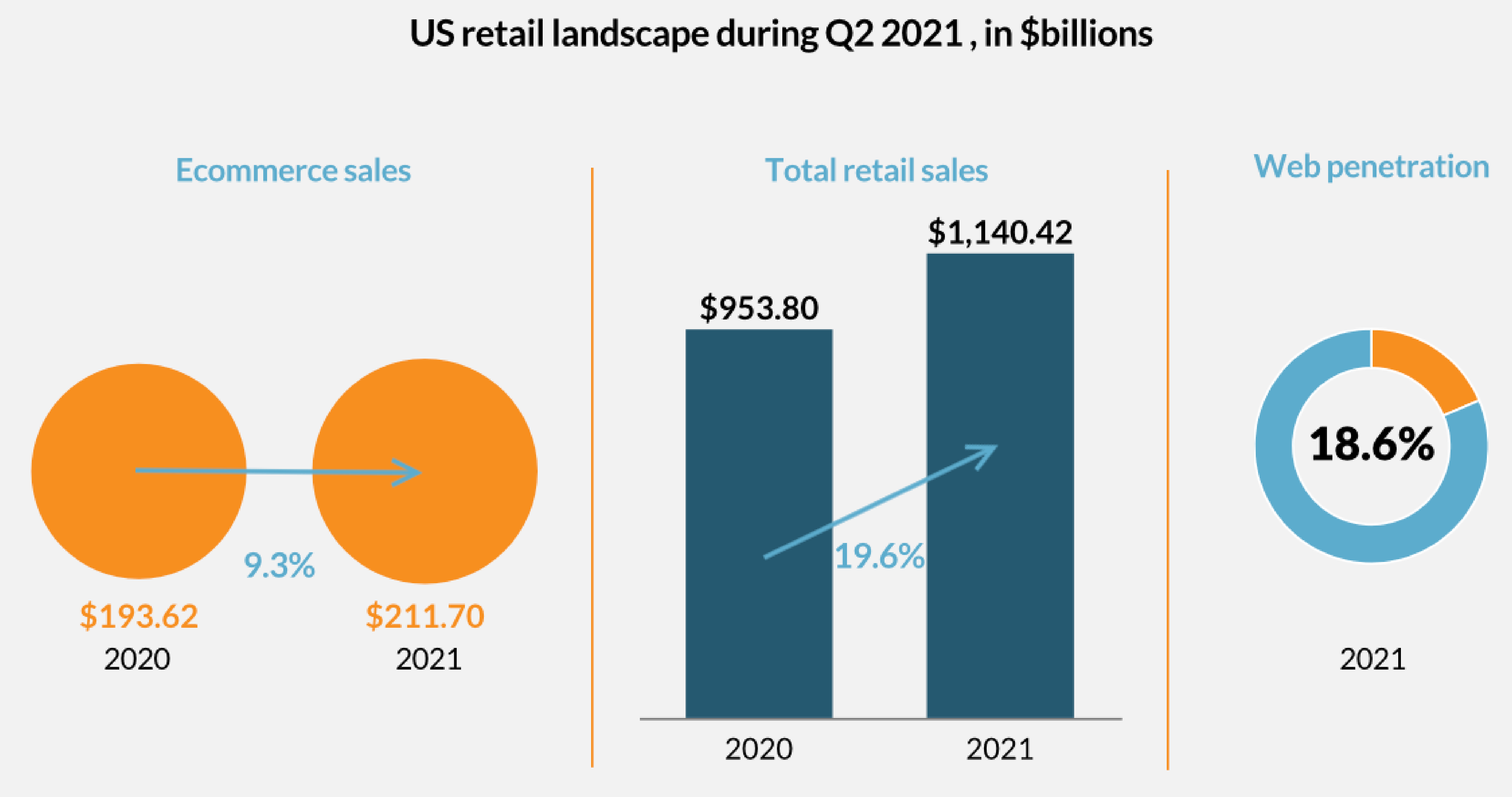
DIVERSIFED PORTFOLIO

INVESTMENT STRATEGY

iNVEST IN THE FUTURE:
TECHNOLOGY, E-COMMERCE



INVESTMENT STRATEGY



Source: Digital Commerce 360 analysis of U.S. Department of Commerce data; August 2021

RETAIL EVERGREEN CHANNELS

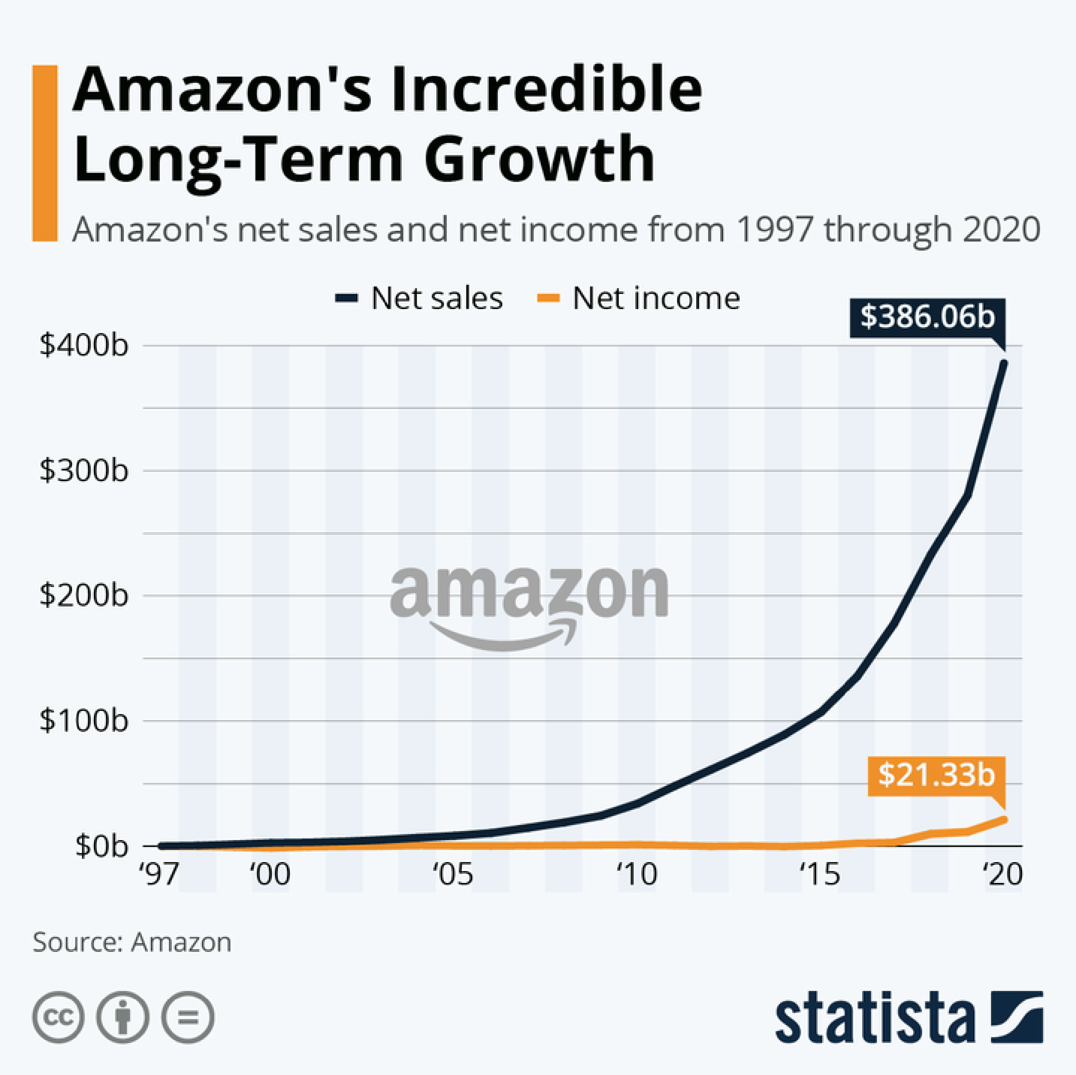
WHEN DO YOU THINK IS THE RIGHT TIME TO TRADE?

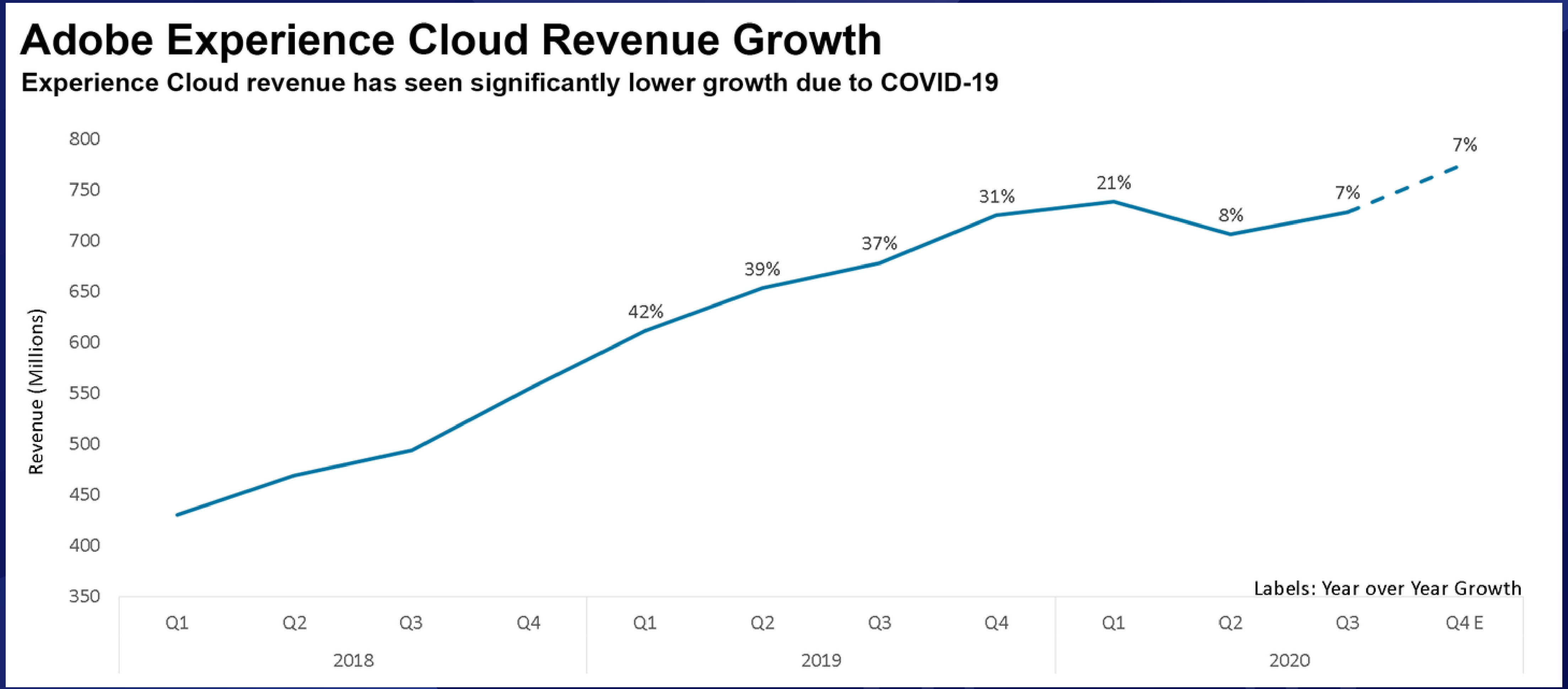
SHOULD YOU STICK TO BUY LOW AND SELL HIGH?

MAJOR TRADES

AMAZON

ADOBE

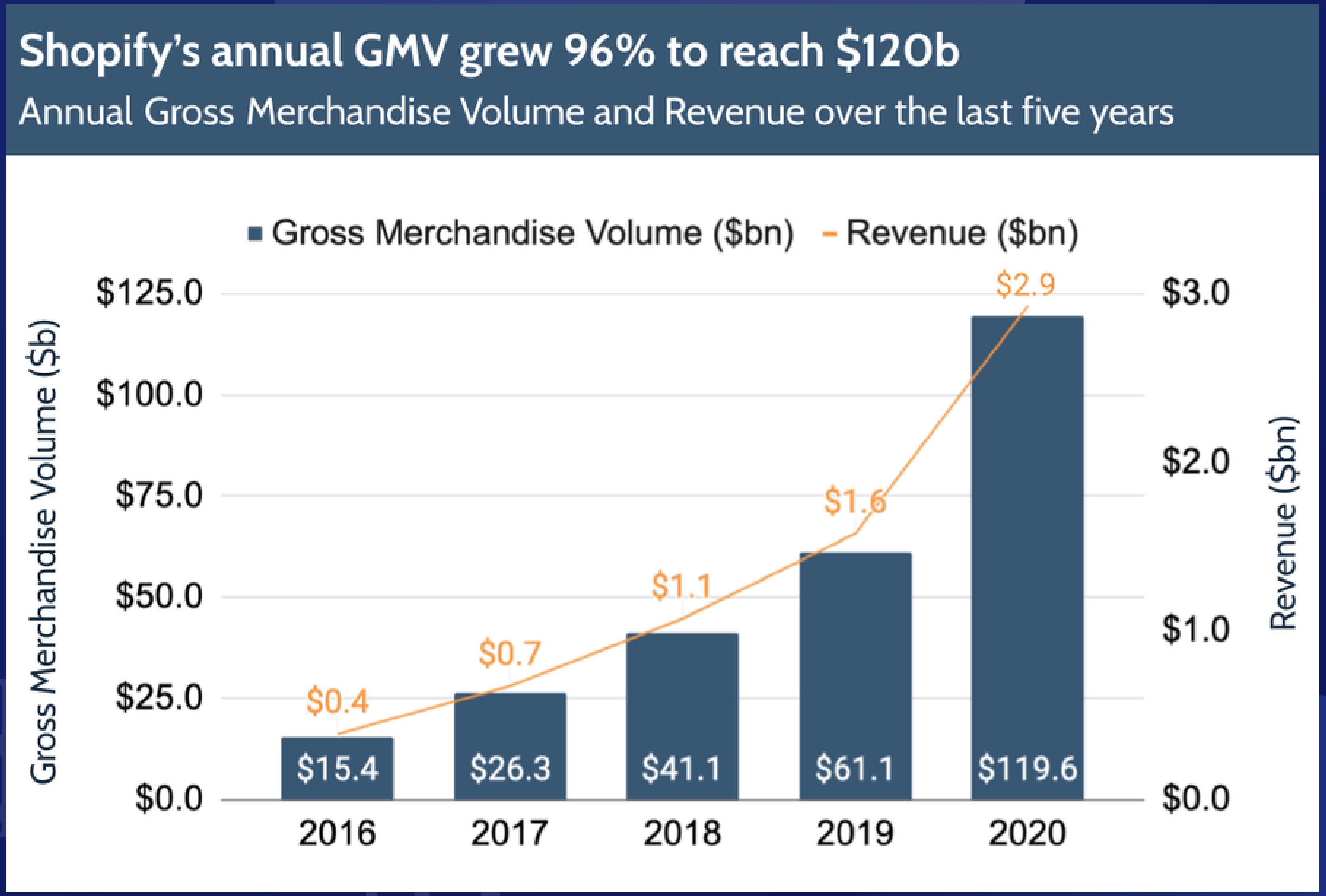


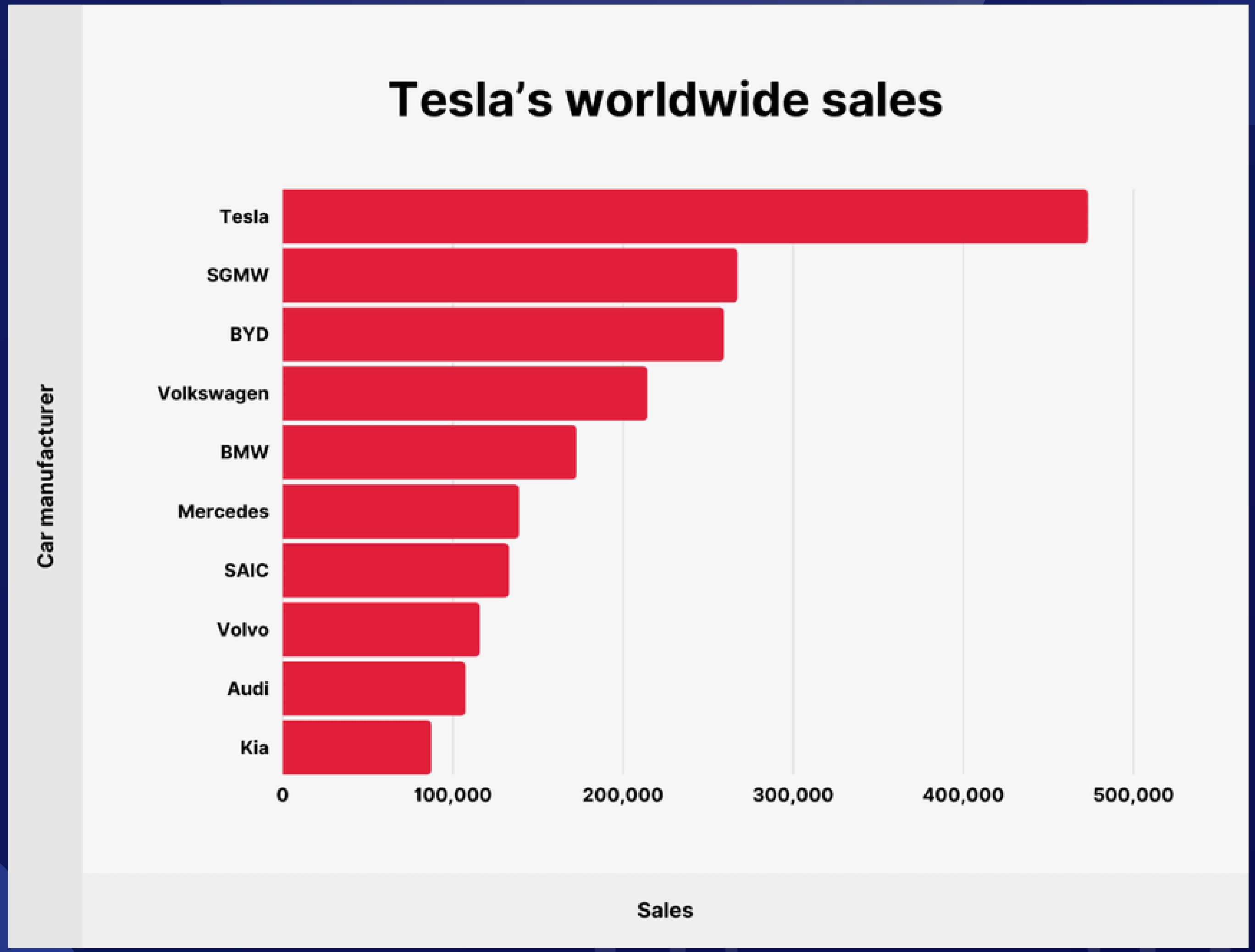


MAJOR TRADES

SHOPIFY

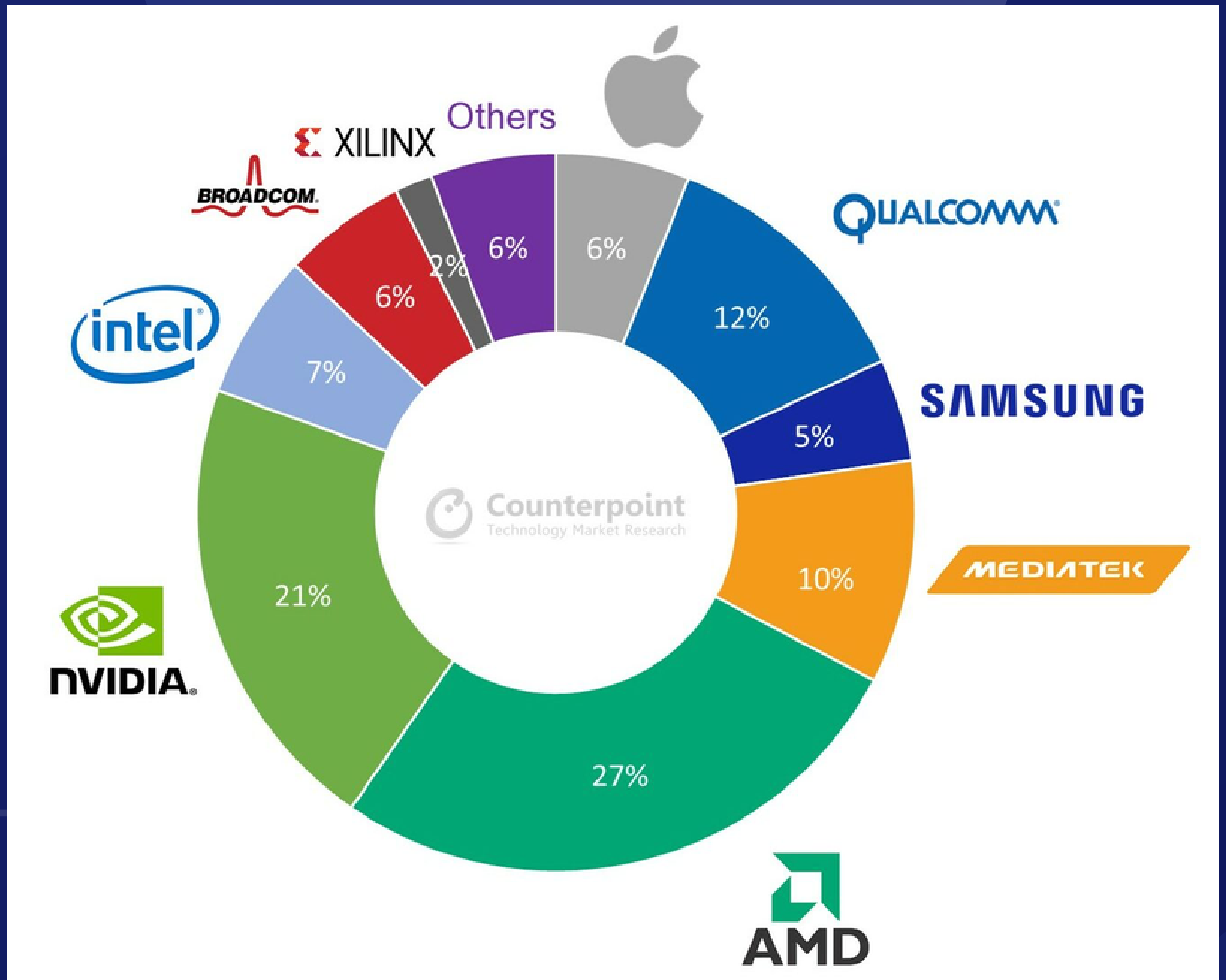
TESLA



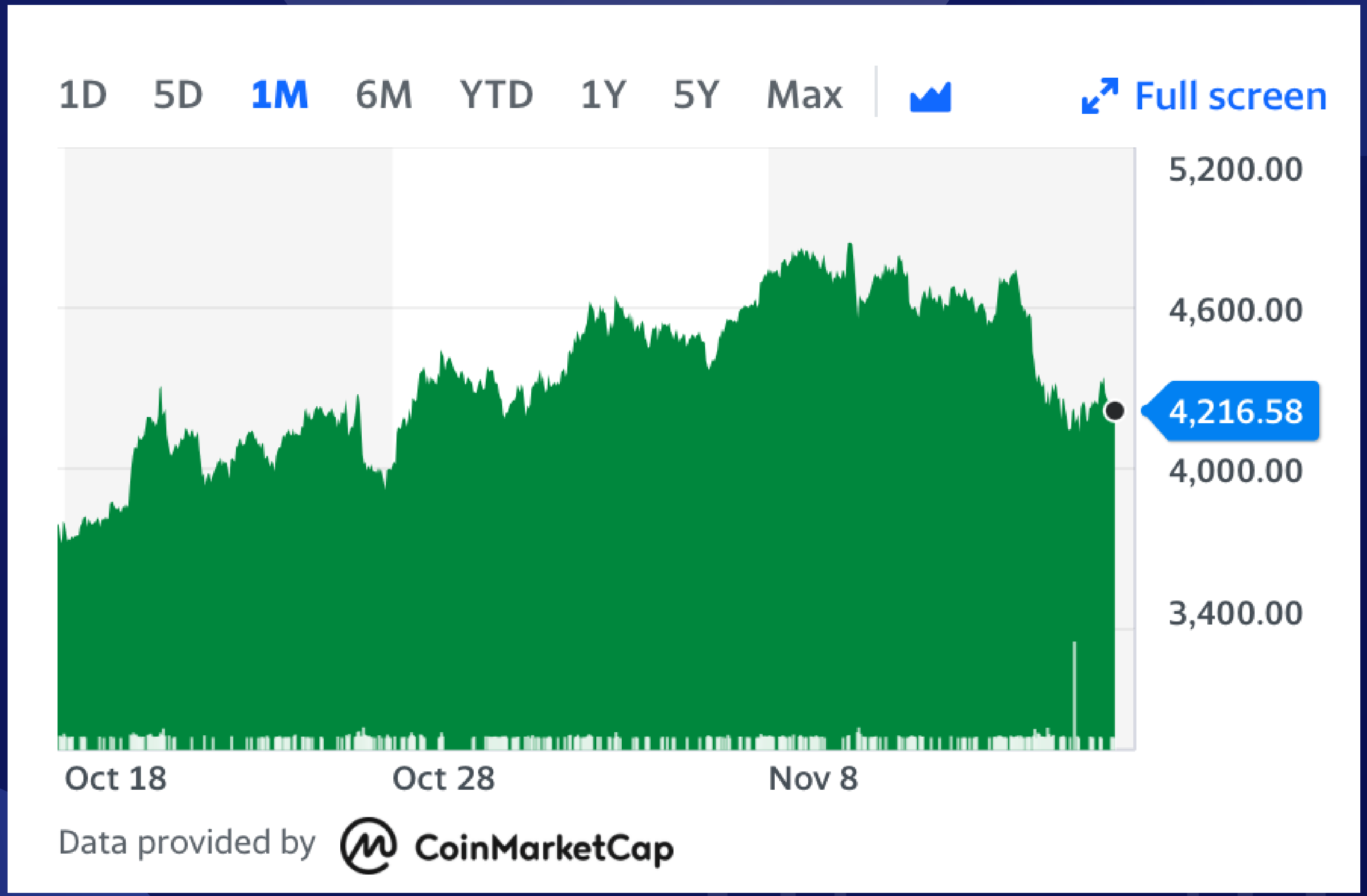


MAJOR TRADES

NVIDIA



ETHEREUM



CONCLUSION

COMPOUNDING

AWARENESS

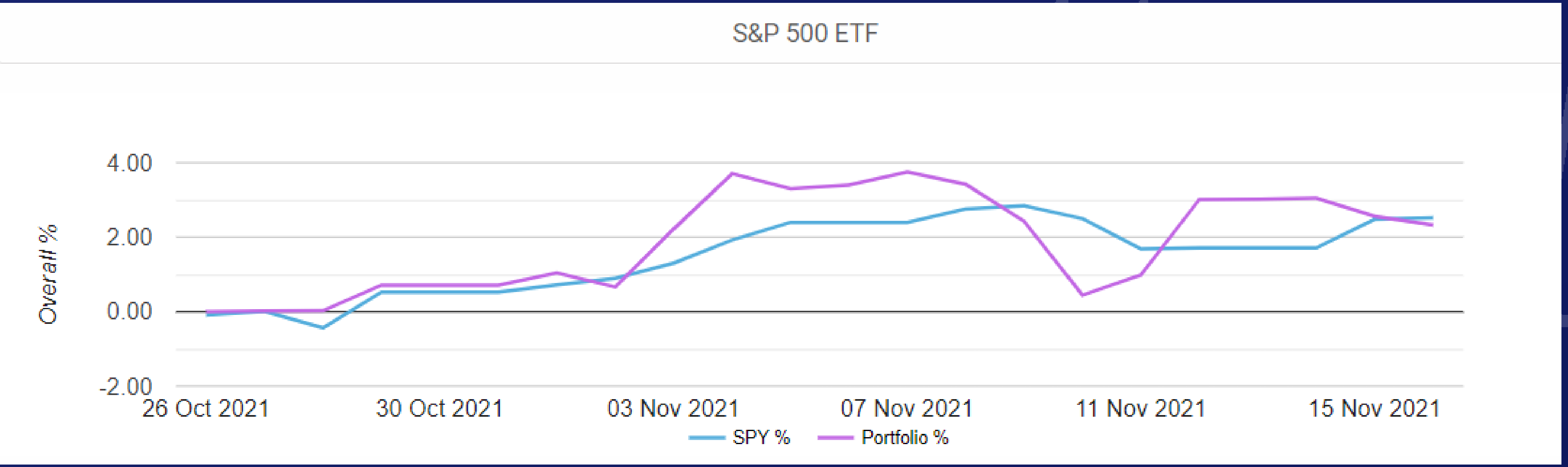
TRACK FLUCTUATIONS

INVEST IN S&P500

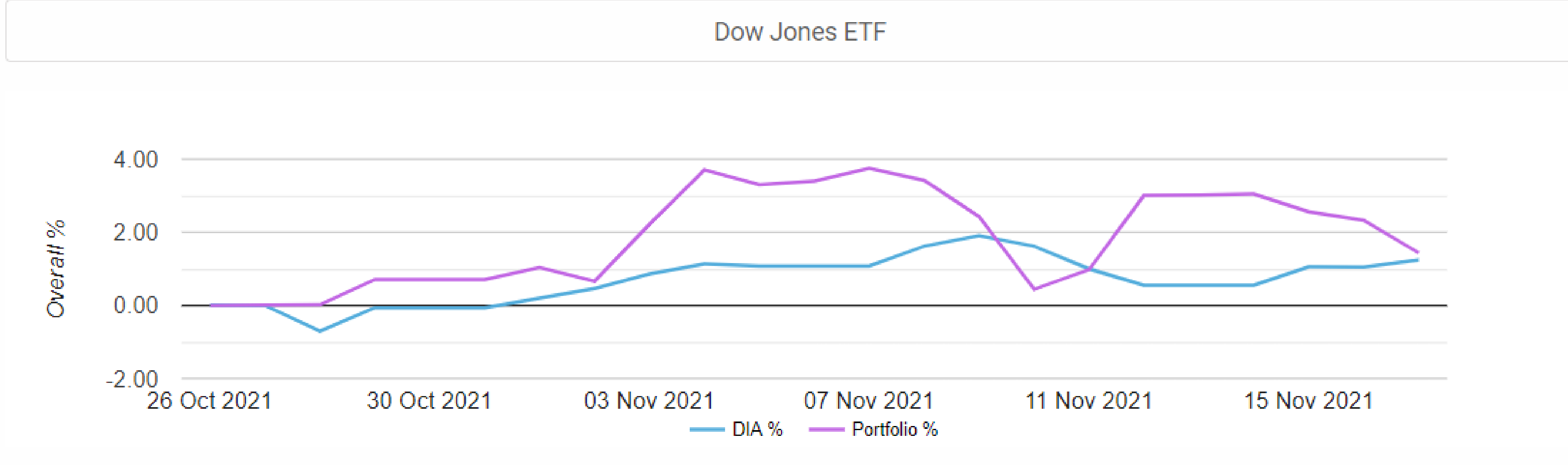
CRYPTO MARKET VOLATILE

DIVERSIFIED PORTFOLIO

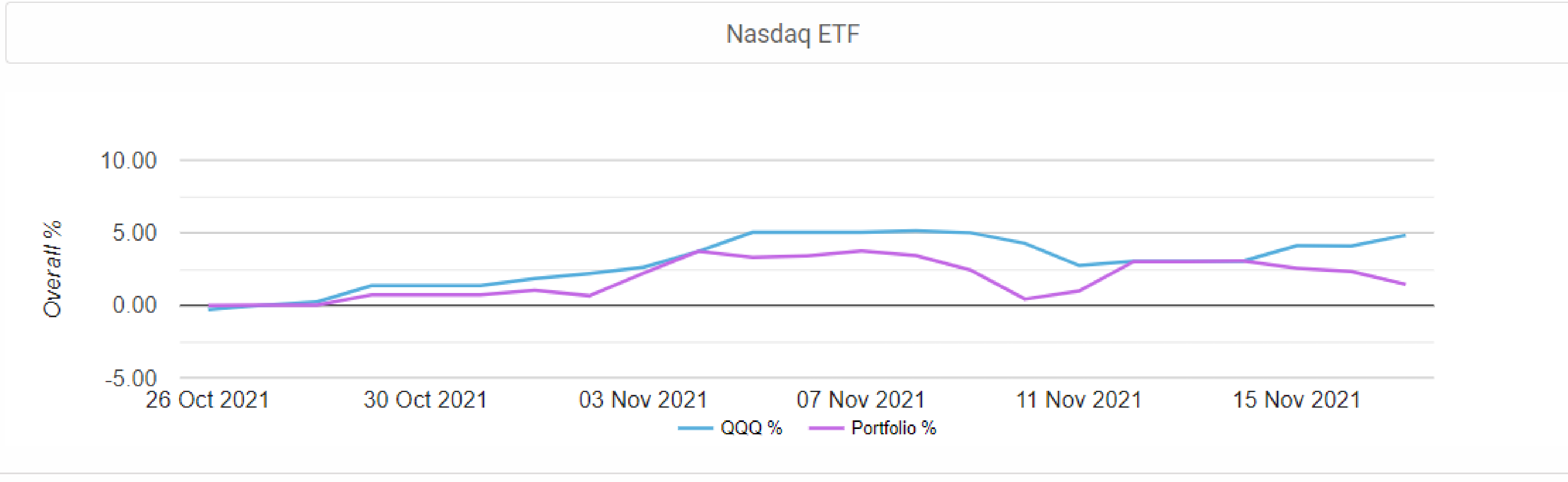
CONCLUSION



S&P 500 ETF
Overall %
4.00
2.00
0.00
-2.00
26 Oct 2021
30 Oct 2021
03 Nov 2021
07 Nov 2021
11 Nov 2021
15 Nov 2021
SPY %
Portfolio %



Dow Jones ETF
Overall %
4.00
2.00
0.00
-2.00
26 Oct 2021
30 Oct 2021
03 Nov 2021
07 Nov 2021
11 Nov 2021
15 Nov 2021
DIA %
Portfolio %



Nasdaq ETF
Overall %
10.00
5.00
0.00
-5.00
26 Oct 2021
30 Oct 2021
03 Nov 2021
07 Nov 2021
11 Nov 2021
15 Nov 2021
QQQ %
Portfolio %

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