

# Foundations of Math 12 LG 3

## Investment Portfolio Project

### INTRODUCTION:

Investing in the stock market is a means of making money, but it also involves risks. The more you learn about investing, the better you will be equipped to make good investment decisions. In this project, you will create an investment portfolio and follow your stocks over a period of a few months.

### LEARNING GUIDE EXPECTATIONS:

On the completion of this learning guide you will understand:

- 1) how the stock market works.

### EVALUATION:

Complete the Investment Portfolio Project.

### RESOURCES NEEDED:

The Globe Investor Website  
Any other stocks website you need.

**NOTE:** This learning guide will take several months as you monitor your stocks. Once you have set up your stocks, you will move on to LG 4-5.

## LEARNING ACTIVITIES:

1. You have \$10,000 to invest. Decide on a minimum of 6 stocks that you want to invest in.
2. Create a spreadsheet to keep track of your portfolio. It should look something like this. Info on the various parts is below.

Stock Name	Symbol	Amount Invested	Initial value	# of shares purchased	Value after 1 month	Value after 2 months	Value after 3 months	Change in value	Percent increase	Yield %	Total Return	Profit/loss
General Electric	GE-N	\$1995.06	\$16.22	123	\$17.12	\$18.21	\$20.07	\$3.85	23.74	4.19	27.93	\$557.22
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3. Go to <http://www.theglobeandmail.com/globe-investor/>. At the top of the page, you can search for the stocks you are interested in.

**Symbol:** When you type in the search field for the stock on the website, you will see the stock symbol.

**Amount invested:** This is how much of the \$10,000 you are investing in this stock.

**Initial Value:** This would be the value when you purchased the stock. You will find the last value this near the top beside the stock name on the website.

**# of shares purchased:** This can be calculated by taking the *Amount Invested* and divide it by the *Initial Value* of each share.

**Value after 1-2-3 months:** Continue to look at and record the value of your stocks over the next few months.

**Change in value:** You can find this by taking your last stock value and subtract your *initial value*. This could be positive or negative depending on whether you have made or lost money on the stock.

**Percent increase:** This can be found by taking your *Change in value* and dividing that by your *initial value* and then multiplying by 100.

**Yield percent:** Click on “dividends” under your stock name. Then under “Rates & Yield” you will see the percentage beside “Trailing Annual Yield”.

**Total Return:** This is found by adding the *Percent Increase* with the *Yield Percent*.

**Profit/Loss:** How much money you have made or lost on your investment. Found by taking the *Total Return* and dividing by 100 and then multiplying by the *Amount Invested*. In the above example, it would be  $27.93/100 \times \$1995.06 = \$557.22$

4. When your spreadsheet is complete, email the completed spreadsheet to your teacher. Note: You are not marked on how well your stock performs, but rather on your calculations. In addition, provide a summary of your experience working with stocks. Which stocks performed the best? Why? Which stocks performed poorly? Why? Do you think you might consider investing in stocks in the future?