

Student Name

Personal Finance

12 January 2009

Summary of Quarter 1

We started the semester by making an excel spread sheet representing a stock portfolio. We had to pick out 3-5 stocks and track them each week in a table. After we had been following them for a few weeks we made the data into line graphs that showed the data visually. For my stocks I chose Microsoft Corporation, American Eagle Outfitters and Google. I originally had four stocks, with Lockheed Martin, but they were tanking so bad in the first few days that I got rid of it. I chose Microsoft because I thought that since it is a huge company, that meant more people working and making new products. Also since Microsoft is constantly putting out new things for computer and laptops, and constantly upgrading their systems, people will be able to always buy stock. This ended up not being true and Microsoft did not return what I had expected it to. The next stock I chose was American Eagle Outfitters. I considered this my fun stock, I wasn't really worried about whether or not it would make me money, but I wanted to see how American Eagle was doing in business. The last stock I chose was Google. I chose this stock because it is one of the top search engines on the internet and people won't stop using it, so the stock will probably not ever drop too drastically. This turned out to be false and Google lost me a substantial amount of money a few days following the market crash. I thought that this combination of stocks would bring me a lot of money and with the start of the government's fiscal year, Microsoft seemed like a good choice, along with Google and the start of the school year. If I had to classify this portfolio right now, I would probably call it a Growth and Income Fund. It provides a steady source of dividend income, but still has the potential for growth.

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Summary of Quarter 2

At the beginning of second quarter we began from scratch and went through the same process we did at the beginning of the year. We continued working on the same Excel spreadsheet, but made a new table and picked new stocks. For my new stocks I chose Verizon Communications Incorporated, Southwest Airline Company, and Ford Motor Company. I chose the first because Verizon is becoming increasingly popular, providing internet, phone, and cable, all on the same bill but cheaper than Cox Communications. With the holidays coming people might be getting cable for Christmas, or another holiday and I thought that would make the stock go up. The second stock I chose was Southwest. I chose this stock with the holidays in mind as well. If out of state relatives want to visit, the quickest way is by plane. Finally the last stock I chose was Ford. I thought that since it is so old and one of the "anchor" stocks I expected it to be a bit more stable. Instead the price was constantly changing going from \$2 and change down to barely above a dollar. If I had to classify this portfolio, I would call it a Growth and Income Fund. It provides dividends which are a source of income, yet the prices fluctuating can cause growth.