

# Stock-Trak Project

## FINC 233 Investment Management

### Purpose of the Project

This project is designed to help students to review what they have learned in FINC 233 (Investment Management) and provide them with an opportunity to practice the fundamental investment concepts and skills in a mimic environment of the real world. Though students are rewarded with 5% in their grades based on their investment performance, the basic objective of the Stock-Trak Project is to familiarize students with financial market, financial instruments, and investment practice.

### Your Goal as an Investment Fund Manager

Now you are hired to manage an investment fund of \$1,000,000 for a period of 18 weeks. The shareholders of this fund seek to maximize their return. So is your objective because the management fee that you will receive is 10% of the gross return. Thus, you will conduct an investment strategy that you believe will lead to the highest return.

### Requirements of the Project

The project consists of two assignments: the investment transactions and the project report.

#### Assignment 1: Investment Transactions

As our course goes on, you are assigned to conduct some transactions with specific features. For example, when we finish discussing how to buy and sell the securities, you perform the transactions such as purchasing in margin, shorting shares, and covering short sales. Meanwhile, you can make your own investment decisions and place all the kinds of orders. Even though these transactions are for the purpose of practice, you should select your positions carefully and try to make money, or at least, not lose money.

#### Assignment 2: Project Report

The Project Report summarizes your investment activities at Stock-Trak throughout the whole semester. It consists of two parts.

Part 1: Summarization of your transactions. For each transaction, you should briefly report the followings.

- (1) The reason you conduct this transaction. If it is an open position, how long you plan to hold the position, and under what condition you plan to close the position.
- (2) The number of shares, trading dates, and prices.
- (3) The return of the position if it is a close transaction, and the lessons you learn from this transaction.

If you have a lot of transactions, just discuss a few transactions from which you think you have learned a lot.

Part 2: The Overall Report. As a fund manager, you provide an overall description of your fund. It should include the followings.

- (1) The fund investment objective and strategy.
- (2) The assessment of your fund risk and performance.
- (3) The prediction of your fund performance and your suggestion for the future investments.
- (4) The key things you learned from your Stock-Trak experience.
- (5) Based on your personal experience, propose your suggestions about how to organize and deliver this course and how to combine the class learning with Stock-Trak practice.

### **Assignment 3: Optional**

On the Stock-Trak platform, students are expected to read article, watch videos, and implement some specific transactions occasionally. These assignments are tests to improve the instructor's course design and teaching methods in future. Thus, these assignments embedded in the Stock-Trak are optional. However, students' performance in these assignments will contribute to their course activities, where students would earn a bonus of up to three percentage points in the final grade.

## **Grading of Stock-Trak Project**

The Stock-Trak Project is graded in two separate parts, INVESTMENT PERFORMANCE and PROJECT REPORT, which accounts for 5%, respectively. The instructor grades students' INVESTMENT PERFORMANCE in the Stock-Trak account considering their investment return, the number of transactions, and the manner to implement transactions. In a word, the instructor not only account for students' capital return but also examine their seriousness in investment transactions. PROJECT REPORT is graded based on the quality of the report per se, having nothing to do with the capital return. However, if a student does not take the Stock-Trak transactions seriously, for example, he/she starts transactions too late, his/her PROJECT REPORT would be graded as zero.

The project report should be at least three-page long with 1.5 lines. See the Requirements and Rubrics of the Project Report for details.

## **How to Register at Stock Trak?**

(1) Click the following link:

<https://www.stocktrak.com:443/members/registerstudent?className=2020FINC233INVESTMENT>

(2) Fill in the needed information

(3) Make a payment of \$35.95 to complete the registration

(4) Start your transaction.

## **Sources of Information for Investors**

Sources that you may find to be particularly valuable for your research include:

- Yahoo Finance: [finance.yahoo.com](http://finance.yahoo.com)
- CNBC: <http://www.cnbc.com>
- Wall Street Journal: [www.wsj.com](http://www.wsj.com)
- Morningstar: <https://www.morningstar.com>