*FIN 320*

*Spring 2016*

*Dr. Yaqoub Baqer*

**Final report outline**

The report must contain the following sections:

1. **Introduction:** briefly introduce the report with your investment strategy and overall performance. How did you start and where are you now? What are your basic conclusions?
2. **Portfolio strategy:** what was your strategy throughout the time you managed the portfolio. For example, was it mainly investing in growth, or value stocks? What about size?
3. **Investment policy:** what was the purpose and scope of your investment? High or low risk? What region? …etc.
4. **Asset allocation:** you should know what this means by now. Show pie charts of your weights in different sectors and compare it to the market weights. Also, have a pie chart containing how much cash you have.
5. **Portfolio style:** have a 3X3 matrix highlighting how many stocks are invested in each category.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Small | Medium | Large |
| Value |  |  |  |
| Core |  |  |  |
| Growth |  |  |  |

1. **Screening variables:** Explain what criterion have you considered before investing in each stock.
2. **Portfolio performance results:** Each group must use the Sharpe and Jensen’s alpha performance measure to evaluate their performance. For purposes of comparison, the S&P500 will be used as a benchmark portfolio. Have some charts and tables where you show your performance.
3. **Performance of each stock in the portfolio:** briefly highlight your transactions during the time you managed the portfolio. How much you gained and lost and why?
4. **Economic conditions and business cycle:** discuss the major economic events that happened during the time you managed the portfolio and how they might affected your performance.
5. **Conclusion:** discuss your overall performance and lessons learned after running a million dollar portfolio.

The following points apply to both the final report and the presentation:

* Each group must submit the printed final report and the PPT slides by **Wed (May 4)**. In addition, send a copy of the PPT and the word document to [ybaqer@cba.edu.kw](mailto:ybaqer@cba.edu.kw)
* Each student will present for 5 minutes. The time per group depends on the number of group members. The maximum time allowed per group is (number of group members \* 5 minutes.)
* Presentations are going to be on **Wed and Thurs. 4-5 May.**
* You will be graded on your presentation skills as well as your knowledge of the stock simulation and portfolio. Make sure to be well prepared. Present clearly with eye contact. Your tone (voice) must be clear. Slides must be neat and clear to the audience. Professional appearance is expected.
* You must bring the Excel files of your individual reports to the presentation in a flash drive. Be prepared to answer any question regarding the model and the project. Each member must be well prepared for the Q&A.
* The report must include a cover page and table of contents
* Each student must present his summary of 2 stocks from 2 different sectors which he/she covers.
* Each student must include a table with his stock recommendations. This must include name, ticker, sector, industry, date, market price at the date, fair value, market price now, decision, % return since the date of the recommendation, when did you purchase the stock?
* The group must discuss the relationship between macroeconomic variables and the stock market. They should also comment on the main market moving indicators. Mention what actions/recommendations were taken. How did it affect sectors and the market.
* Each group must include a table which compares sector weights (over/underweight) with reasons behind their choices
* Discuss the business cycle, current economic conditions and world events affecting stock markets.
* Include discussion of the screening variables chosen
* Include the performance of the portfolio (Alpha, beta, Sharpe). Did you outperform the market?
* What were the best decisions? Bad decisions and mistakes? What have you learned?
* Include a 3\*3 matrix (value vs. size) of your portfolio. Visit Morningstar.com for more information.
* Include a pie chart of the sector weights.
* How much cash do you have? Why? Did you invest more/less during the weeks of trading?
* Short-selling brief summary. Name of stock. Why? What was the outcome. When did you cover it.