Introduction to Business

Fall 2020

1. **(10 points) Please think through, *do not rush,* and plan and answer each question (a through c) with 2-4 paragraphs, to include much critical thinking, thought, and detail.** 
   1. **What did you learn from this assignment?**

This assignment was a great introduction into the world of stocks. Prior to this, I knew nothing about the stock market aside from the fact that you can purchase, sell, and trade shares. To me it has always been a digital banner of letters and numbers I thought I would never comprehend. I only visualized a floor of suited men waiving tickets in their hands and shouting, all in a race against time before a loud bell ring. I did not even know what a Ticker symbol was. I was thrilled to learn the difference between the NASDAQ and NYSE and other Stock Exchanges. As a traveler I have seen stock exchange buildings all over the world but never knew the differences between them.

I have read stocks, bonds, and securities used interchangeably, so it was refreshing to learn that money market instruments, bonds, and stocks ARE securities. To understand the differences between all of them brings me much satisfaction. I also learned about indexes, index funds and mutual funds. I was clueless to any of this terminology. I always thought the Dow Jones was some sort of oil company and was dumbfounded to find it is an index for blue chip stocks. Furthermore, to learn that the S&P 500 is another index of the 500 largest U.S. publicly traded companies now makes perfect sense. Through this assignment I also learned that despite Tesla meeting the qualifications it has yet to be let into the S&P 500.

Through this whole process I realize there are many types of investors when it comes to the purchase of stocks. The end game is obviously profit, so the goal is to sell shares higher than you purchased them for. I have learned that many investors buy, sell, and trade daily while others hold on to stocks for the long haul. I learned as an investor, having a diverse portfolio is key. The levels of risk should be spread out and there should be some stock you sell sooner than others. I cannot imagine being a financial advisor that handles several portfolios at once.

I also learned that the stock market can be volatile. When looking at your portfolio, do not get too caught up in daily share price fluctuations, news, or analyst reports. The graphs are a great way to view the stock in perspective. There is still much for me to learn about the financials, but with this assignment I discovered key things to watch out for. Not only should you look at the share price, but what the ask and bid price is, the market cap, volume, and dividend per share.

* 1. **How would you describe the experience?**

I found this assignment very challenging. The entire process was much more time consuming than I anticipated. Before the selection process even began, I spent countless hours trying to understand how the market works. For someone who has zero knowledge of the stock market it requires much more thought. I found the links and documents provided to be very helpful guides. They made the decision-making process go a lot smoother. Warren Buffet’s suggestion to pick stocks that you know, are in the news, and that you have an interest in were the tools I used.

Howthemarketworks.com is a helpful platform for learning as well. The site is user friendly and offers tutorial videos which I very much needed to utilize. The portfolio view simplifies access to each stock as well. The buttons for viewing charts and seeing the latest news were very useful. To be able to view each position with ease and see the chart flows made me feel like a real investor. Again, much of the financials I still cannot comprehend, but this assignment drives me to learn more and become a real investor.

One of the biggest hurdles for me in this experience was tracking the news of each firm. To keep a journal and take notes everyday was a very timely process. Half of the stocks I picked were constantly in the news. With certain stocks I felt like I could not keep up. For other stocks I sometimes found it difficult to find any news. In addition, interpreting some of the information, particularly from analysts, was sometimes impossible for me to comprehend. In addition, consolidating all that I had written in my journal and summarizing it took much thought. Interpreting the impact of news on share prices was very challenging for me as well. I often left the idea open-ended because there is no possible way of knowing for sure how they did.

* 1. **What type of emotions, if any, did you feel during the assignment?**

I was on a roller coaster ride of emotions before, during, and after this assignment. When the instructions were revealed I read them at least 4 times before I even went to the website. The most defining word I can use to describe my emotion was intimidation. Do not get me wrong, I do enjoy a challenge, but having zero knowledge about the stock market was quite frightening. I remember the first day of class when I saw the assignment listed in the syllabus. I think my heart rate rose twenty beats.

After the assignment was well under way, I felt exhausted. This assignment came in midway through the semester when most of my courses were in full swing. The extra work indeed added much to my already full plate. I am not complaining, I am merely expressing my emotion. Fear ensued as I questioned my success because I did not know what I was doing. Negative thoughts breed more negative thoughts, so you see where this pattern is going. I will say speaking with you alleviated much anxiety, so I thank you for that. I am often an over thinker.

As the news came to an end, I felt a large sense of relief knowing I was almost over the hump. From there I was able to meditate and take things day by day. I feel a great sense of accomplishment finishing such a large project. I am happy that it is over and have learned that I must have more confidence in myself. To summarize, the roller coaster of emotions included intimidation, fear, anxiety, and joy.

1. **(10 points) For each of the six stocks you chose to purchase, *discuss in detail* (fully develop each with 2-3 paragraphs) the basis of your decision i.e., why you decided to purchase each stock. Carefully research each company and formulate a well-planned and thought out answer. The more you know about a company, the more you can also decide why the purchase made sense (or not)….**
   1. **Why you purchased stock A**

Tesla was the first company I thought of when deciding which stocks to purchase. To check off the first box it is a company that I know. Tesla is most famous for its electric cars, but they are so much more than that. Tesla’s mission is to accelerate the world’s transition to sustainable energy. This really resonates with me. We are in a climate crisis and the only way to protect our planet is to use clean energy and renewable resources. In terms of being a company that aligns with my views on energy use, they easily check off this box as well.

Tesla’s Model 3 was recently named as the best electric car available in 2020 by Consumer Reports. In addition to being the best electric cars on the market, the technology cannot be beat. Their goal is to have a fully functional self-driving system to help save lives. Aside from electric cars, they also build battery and energy storage from home to grid scale, and solar products such as solar panels and solar roof tiles. Their technology is years ahead of their competitors. With that said, they are the leader of the competition which is yet another box to check off.

The company is expanding. They have two lithium-ion factories in the US and two more opening in Shanghai and Berlin. There is a need for more factories in order to produce enough energy storage. In 2019, Tesla’s revenue more than doubled to 24.6 billion dollars and the company generated 1 billion dollars of positive free cash-flow. Since 2019 their share prices have risen dramatically. The year low was 44.86 and the high was 502.49. Tesla was on many lists for top stocks to buy in 2020, including The Motley Fool, and Fortune stated there is an expected 60% earnings growth over the next 3 to 5 years.

* 1. **Why you purchased stock B**

Facebook was my next stock pick. I started using Facebook when it emerged onto the scene back when Myspace was still the “go to” platform for social networking. Although I do not agree with the way the company gathers information from its users, this topic is for another discussion as it is the same way most tech companies gather information. Being that I know and use their platform, as well as Facebook being the social networking giant, these two boxes were immediately checked off for me when deciding.

Facebook is huge. There are over 2.5 billion users worldwide. They are still listed by many as a top pick for purchase. They were on US News best stocks to buy list for four consecutive years. Their acquisition of Instagram and WhatsApp essentially eliminated the competition, but also created much synergy. Instagram users are getting a lot of new messaging features with new messaging integration across all three platforms. Consumers will not have to choose between a network of users on one platform and the feature set of another platform, and it eliminates the need to track conversations across multiple apps.

There are many long-term opportunities ahead, such as Instagram monetization, dating, and FB Marketplace. With FB Marketplace, Facebook shops will allow businesses to sell directly on Facebook and Instagram. This will make Facebook a major player not only in social networking and media, but e-commerce as well.

* 1. **Why you purchased stock C**

My third pick was more of a personal decision. I chose Wyndham Destinations because I am a timeshare owner through Club Wyndham. What better stock to pick then a company I have a vested interest in? This is not a traditional timeshare where you visit the same location once a year at a specific time. With Wyndham you purchase points and book a reservation much like you would a hotel, up to a year in advance. The points you do not end up using can be rolled over to the next year or can be deposited with RCI. They have different member tiers, depending on how many points you purchase, and the higher the tier the more benefits and perks are rewarded. I have been an owner for 3 years and have already purchased more points twice. As a happy consumer I know the value of the company because I have visited over 8 resorts to date.

Wyndham is also the largest vacation ownership and exchange in the world. They have a global presence in 110 countries and 220 resorts to choose from including Club Wyndham, WorldMark by Wyndham, Margaritaville Vacation Club, and 4,500+ affiliated resorts through RCI, as well as over 10,000 rental properties from coast to coast through Wyndham Vacation Rentals. You can use your points interchangeably between all these properties, or you can trade them for car rentals, hotel stays (Wyndham owns many hotels as well), cruises, or flights. If you are in a rough financial position you can rent stays for cash as well.

Wyndham is known for its social responsibility and diversity in employment, earning them several prestigious awards such as, Forbes’ Best Employers for New Grads, Newsweek’s 100 Greenest Companies, Ethisphere Institute’s World’s Most Ethical Companies, Human Rights Campaign Corporate Equality Index, and more. For this, they check off another box for me. I know the tourism industry has struggled due to the pandemic, but I truly believe people will have an urge to travel once it is safe again. With quarantine restrictions and travel bans being lifted, tourism is bound to explode. According to an article in Seeking Alpha, Wyndham is well-positioned as an early beneficiary of a comeback of the travel and tourism industry. The stock is at near lows while fundamentals have shown early signs of improvement.

* 1. **Why you purchased stock D**

For the fourth pick I chose Alphabet. I strongly feel the benefits of owning stock in this company will pay off greatly in the future. Google is a name I know very well so I immediately check this off my list. It is still the #1 search engine and makes most of its income off digital advertisements, which it sells against its search results with key words. Although other tech companies are starting to catch up, Google’s Android operating system holds 70-80% of the market share. Android’s default search engine is Google, and I already see mobile devices taking over desktop computers as the more frequently used device for searching information. So, I immediately check another box off my list as they are the leader in their field as the search giant of the world.

In addition to the search engine, there’s Gmail, which I cannot imagine life without. There is also Google Play, Pixel phones, Google Home smart speakers, and Google Cloud (which has saved my life for lost data in the past). They also bought YouTube in 2006. YouTube’s ad revenue and Premium paid subscribers add a nice chunk to Alphabet’s income stream as well.

Google is highly innovative and diverse with their products, so the long haul is very promising. Like Tesla, they are developing self-driving vehicles. I am excited to see the outcomes of their AV’s and research and development investments in artificial intelligence.

* 1. **Why you purchased stock E**

For this pick I wanted to diversify my portfolio a little bit. I chose Fitbit because I love their products and I wear one and use their app every day. I have always been active and into health and fitness, so I wanted a stock that reflected that as well. As I can personally attest to, I know several people that have gained weight due to being couped up in their apartments and out of work. I think one of the best ways to lose weight is to track your steps, but Fitbit is so much more than just that. In company with its app, it tracks your heartrate and your sleeping patterns. In sync with the data you input into the app, it can tell you how fit you are based on your resting heartrate and give you an accurate reading of how many calories you are burning in a day.

You can also sync it to other apps. I use a nutrition app to log all the food I consume, and to track my macronutrient percentages. All the information is automatically uploaded to the Fitbit app. You can input how much weight you want to lose in the Fitbit app and how aggressively you want to create a deficit. The app will let you know if you are on track with calorie consumption for the day, aligned with how many calories you have burned so far. It keeps you in check and is one of my favorite features the company offers. The watch itself constantly reminds you to get up and move as well, which is nice if you are distracted by work or schoolwork on your computer.

Most of the companies I have chosen to purchase shares in have been for long-term investments, however this pick is for a quicker trading opportunity. Alphabet is supposed to be acquiring Fitbit later this year for $7.35 per share. As of writing this, Fitbit shares are $6.25. If the deal goes through there will be more than a 10% upside in a few months. This will be quick way to make a buck. Some say the deal will not go through because of the coronavirus, but I disagree. As the quarantines ends, I think their products will be in high demand as people want to get back in shape. If in turn Alphabet does not acquire them, I think the share prices will go up nonetheless making it a good investment at least for the short haul.

* 1. **Why you purchased stock F**

This last pick was the most difficult for me, but ultimately, I went with a company that I know as well as stand behind. I remember when Netflix first emerged on the scene. Blockbuster was a block away and my favorite stop for renting movies to watch. The Netflix option of paying for rentals with a revolving shipment of movies on disc, along with free returns, was very exciting. They quickly evolved into a subscription based streaming service which catapulted them into the global market. In 2012 they took more of an active role as producer and distributor for both film and television series.

I have watched the company flourish over the years and the company now has almost 200 million paid subscriptions and operates in more than 190 countries. They released an estimated 126 original series and films in 2016, more than any other network or cable channel. In July of 2020, Netflix became the largest entertainment and media company by market cap.

As expected, since the pandemic, price shares have been on a steady rise. This is one of my riskier investments, as the company has taken on much debt. However, I think it is a platform that more and more consumers will switch to. The subscription is exponentially cheaper than cable, and like myself, I know plenty of people that have cancelled their cable subscriptions to opt for a less costly choice. Many of the Netflix original series are my favorites as well, so there are plenty of great selections to choose from. In the past year, shares were at a low of $264.58 and a high of $575.37. The rise due to the pandemic is obvious, but in the last 5 years there has been quite a bit of growth to show.

1. **(10 points) Please spend some quality time thinking about each of these questions as you complete this assignment. For full credit, write a minimum of 2-4 full paragraphs for each question. You will not be graded on whether you gained or lost money over the four-week period of time!** 
   1. **What was the overall result (gain or loss) of each of your six stocks from the (beginning 10/12 through 11/6) of the assignment for each of the four weeks of the assignment? Simply record the gain and/or loss for each of your six stocks from the start of the assignment to the finish.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Company Stock** | **Qty of Shares** | **Purchase Price** | **Ending Price** | **Total Profit/Loss** |
| Tesla Inc. | 40 | 421.61 | 429.95 | 333.60 ↑ 1.98% |
| Facebook Inc. | 50 | 263.83 | 293.41 | 1,479 ↑ 11.2% |
| Wyndham Destinations | 400 | 31.90 | 36.85 | 1,980 ↑ 15.5% |
| Alphabet Inc. | 25 | 1,483.05 | 1759.73 | 6,917 ↑ 18.7% |
| Fitbit Inc. | 1036 | 6.96 | 7.04 | 82.88 ↑ 1.15% |
| Netflix Inc. | 25 | 512.30 | 514.73 | 60.75 ↑ 0.47% |

From the date of purchase to the end of this assignment my wealth grew $10,853.23. I had a gain in each stock for an average of almost 11%. Not bad for just over 4 weeks.

* 1. **What was your expectation of the outcome of your six stocks over the five weeks, and did it change from week to week? On an ongoing basis (weekly), spend a lot of time thinking about this one and if it makes sense, record your thoughts on this weekly).**

Tesla was my first choice when I began this assignment. I think that a total conversion to green energy is what needs to happen to save the planet and life on it. I expected this stock to do very well. The firm stays on top of innovation and they dip their toes into many different things. The company is the leader in the EV market and self-driving technology and is expanding their solar efforts. Their growth is unprecedented when it comes to production and expansion. I found the most news articles with this firm. I honestly had difficulty keeping up with it. My journal has endless pages of notes for the company and I am glad I know much more about them now. When it comes to growth in the stock, the outcome of the share price was not what I expected. The first week started out impressive, but the subsequent two weeks declined. The share price dropped 4.5% from week 1 to week 2, and then 8.4% from week 2 to week 3. I was scared the downward trajectory would continue but then it gained a whopping 10.8% in week 4, leaving my total gain a small 1.98%.

Facebook, Inc performed about as I expected it would, although my expectations were based on zero knowledge. Their share prices were volatile on a day to day basis which reminded me to try not and look at the stock every single day for the sake of my nerves. This is funny because although it was not real money, it sure did feel like it was. Facebook is always in the news. I feel like the firm is always ahead of the game and stays on top of innovation and technological improvements, but they are not without controversy either. The company was the topic of many headlines regarding privacy and monopoly concerns. I found it difficult to decipher if any of the news had an impact on the share price. Overall, I gained 11.2% with this stock so I cannot complain.

Wyndham Destinations was a stock I picked merely for the fact that I am vested in it. The stock performed well aside from a 10.3% drop from week 2 to week 3. I found it very difficult to find news for the firm. I thought that being the leader in luxury timeshares was cause for headline news, but I was mistaken. There were plenty of analyst reports, however, so I feel like I learned a lot about financials due to this purchase. After the firm’s Q3 report came out the share price went back up in week 3, and then gained even more in week 4 with the confirmation of their dividend disbursement. Overall, the stock gained an impressive 15.5%.

Alphabet, Inc exceeded all my expectations. Like other big tech companies, they were not without heat when it comes to headlines, but their constant innovation is unparalleled. If I owned enough of this stock, I might just quit a day job. The share price went up 4% the first week and down slightly 1.3% from week 2 to week 3, but then went up 9.2% the week after that. The upward trend in the long run is clear to me. The overall gain for this pick was a whopping 18.7% from start to finish. I look forward to what this company will continue to bring. Like Facebook, privacy and monopoly concern will continue to give pause, however I strongly feel litigation will not keep up with fast growing tech in general. Eventually governments would have to sue everyone which is not pragmatic.

Fitbit only saw an overall gain of 1.15%. I was surprised at the outcome of this stock. Fitbit is the leader in devices when it comes to health and data technology for the consumer. They were in the news every week either teaming up with companies or getting rave reviews for new devices. They are the first contender for early detection of Covid-19, which is incredible considering we are in a pandemic. The firm also had a good Q3 report. I initially purchased this stock as a short-term pick, with the anticipation that the Google merger would happen before year end. Although the overall gain was not much, this pick is a “for sure” thing. Google will pay out $7.35 to shareholders who do not want to transfer their shares to GOOGL. If the stock performs better than that share price I can always sell for and even larger profit.

Netflix did not perform how I expected at all. This was by far my most disappointing stock. I only saw an overall gain of 0.47%. I was quite surprised with this one. The first week saw a gain, but then the subsequent weeks dropped 8.7% and then 2.6%. Many analysts have a bearish view of the firm’s profitability. I personally thought their numbers were excellent in their much anticipated Q3 report, which exceeded many analysts’ projected estimates. I am a big fan of this company and a subscriber as well. I feel that new content is unmatched with their competitors and with a second lock down approaching, I do not think they will lose subscribers any time soon. However, I was scared the downward trajectory in share price would continue. Thankfully, the stock gained more than 8% in week 4, otherwise I would have taken an overall loss with this pick.

* 1. **What would you do differently? For full credit, write a few paragraphs on this one.**

This one is tough as I have been thinking about it from start to finish. A lot of emotions are tied into “what if”. At the start I did not have many expectations, so I tried to spread my dollars somewhat evenly through most of the stock. However, Google’s price per share was costly and I did not want to purchase less than 25 shares of anything, so I spent quite a bit more on this pick. Had I known how well the stock would perform I would have doubled the shares purchased.

Netflix was a big disappointment, but even with the knowledge I have now I still think the company has a bright future. Although I did not make much of a profit with the stock in a four-week period, I think it is a growth stock. Had I invested my own funds I would hold the stock for at least 10-15 years. I feel the same way about Tesla. I really believe in this firm. The world is going to have to catch up. Now that we have a new President-elect, green energy infrastructure is going to change. I see great things happening with the company. This is a stock I would hold onto for decades.

I would not change a thing regarding Facebook. The stock performed as good as I hoped it would. I am still torn about Wyndham Destinations, however. For the purpose of this assignment I would have picked a different stock. I only say that because it was very challenging to find news articles about the firm, and I was left trying to interpret financial estimations of analysts. As a real-life investment, I would keep with Warren Buffet’s advice to choose a company you have an interest in. I purchased a timeshare with the company a few years ago and have zero regrets. The resorts are top notch and have many amenities. They have locations all over the world and plenty of options for trading or selling points when necessary. Also, the stock was up 15.5% overall by the end of the project which is incredible.

When I first researched Fitbit, it was for love of their products as I use them quite a bit. I also wanted to diversify my portfolio as most of my stock was in technology of some sort. When I learned of the most likely merger with Google, I knew the stock could turn a quick profit so I figured it would be a good stock to hold for the short-term. However, when I learned of the merger the share price was $6.25. By the time I purchased the shares, the price went up to $6.96. If I were to change anything with this stock, I would have purchased the shares sooner.

* 1. **What type of investor do you think you are? (Research different types of investors and see which one might match the type that you are). For full credit, carefully and thoughtfully construct 2-3 paragraphs and think this one through very thoroughly. A few sentences just won’t cut it. Brevity doesn’t work for this assignment, valued at 20% of your grade, so consider giving this the time it deserves.**

I took a few risk assessments and all of them gave the same result. They all said I have above average tolerance. While I do feel my tolerance is higher than some, I am not sure how relevant the questions were. Many of the scenarios are not situations I would probably be in.

As of now I am not much of an investor at all, so a projection of how much risk I take is somewhat moot. Knowing what I do now, I would have started investing much sooner. Unfortunately, this is not something that was spoken of growing up. My father was an excellent investor, but he never taught us how to financially prepare for emergencies or retirement. Before my parent’s passing, I always felt they would be there as a cushion for me if needed. It was not until a few years ago that I started putting money into low-medium risk funds for retirement.

Now that I am in my early forties, I think I am willing to take bigger risks to prepare for retirement since it is quicker approaching than I would like to admit. I have a financial advisor with Northwestern Mutual that helps me look at the big picture. I have money spread across a couple IRA’s, as well as whole-life and term-life insurance policies. After taking this course and completing this assignment, I have a better understanding of what my funds are doing. I wish I would have taken this course before I started an account with them because I would have done a few things differently.

I always thought you needed to be a stockbroker or know a lot about the market to invest, but this assignment has proved otherwise. Learning more has given me more confidence. I look forward to building a larger portfolio and to diversifying. Once I am finally back in the workforce, I plan on investing in shares a little bit at a time. The risk assessments were a bit too general for me. I have a higher risk tolerance when it comes to my investments for cash flow during retirement, but with the market I will be a bit more conservative. I still think stocks can be volatile which is frightening if you have a lot of money invested. This assignment was not a true test of what I would do with funds because it was virtual money. I am not sure I would invest $100,000 in stocks unless I had at least $1,000,000 in somewhat liquid funds on top of that.

* 1. **What type of investor do you aspire to be? For full credit, spend a few hours reading and doing some research about different types of investment strategies and types of investors (active, passive, bargain hunter, retirement, etc). There is no right or wrong answer. For full credit, carefully think through and construct, edit, and write 2-4 paragraphs and spend some time really researching this and thinking this one through.**

This year has opened my eyes to the unexpected. I have never held more value in financial preparation than now. I would like to increase retirement cash-flow so that I can spend my golden years travelling and not living paycheck to paycheck. My plan is to start contributing the maximum amount allowed into my IRA accounts as soon as I return to work. In addition, I plan on purchasing my first home sometime next year which will hopefully be a solid investment. My 5-year goal is to purchase my first rental property. I would eventually like to have a few investment properties and utilize a few 1031 exchanges over the years to increase my wealth while deferring taxes.

In addition to the modest risk investments, I want to invest actively in the stock market. I want my portfolio to include index funds, but also involve riskier purchases that I will need to analyze frequently. I want to know when to purchase growth stocks and value stocks and would like to spread my portfolio across many industries.

I want to be more educated in interpreting the financial side of things and I am anxious to take more courses to do so. I would like to better understand market capitalization. My future portfolio will consist of commons stock as a long-term investment and preferred stock for income including dividends. Dividing my stock into different classes, A or B, would be a good bet as well.

I know that in time my strategy will only improve. I did a little historical research and found that from 1824 to 2013, the stock market generated a positive annual return 71% of the time. With that said, as volatile as the market seems, I think it is best to invest and take a step back. I have already downloaded the Robinhood app, and I have taken the year to invest in human capital to better prepare myself for the future.

1. **(35 points) Next, WEEKLY over the course of the five weeks (beginning October 12 ), you will research news articles about each of the six companies you chose. Google has a “news” option whereby most recent news events of a company search are listed. See the newsletter I sent you the first few weeks with business publications. You can do this on the same day each week if that works for you. Many students choose Friday at the end of the day, or over the weekend.**
   1. **For each of the five weeks (using the table/outline below – and please refrain from using your own), discuss all news events which occurred. Please do not simply copy and paste news story titles – that doesn’t count. Summarize (in your own words) the important news events of the week. I realize some weeks will have less news than other weeks. Don’t worry, but do try to choose a company that is “in the news” Do not stress. It’s not perfect. Nothing is.**
2. **(35 points) In your own words, please discuss your own interpretation of the impact, if any, of each week’s news events on the price of each of your six stock picks. This part of the assignment is important. What are your thoughts? This is the question where many fall short. Please read the examples (I will provide later on) of student work very carefully. This will give you an idea of how to answer these questions. You will need to figure out and think through (there’s no right or wrong answer) whether you think the news event that week had an impact on the stock price/performance.** 
   1. **For each of your six companies, did the news events have an impact on the price performance for this week?**
   2. **Discuss (in detail) how, why or why not. There is no right or wrong answer here – and what I am looking for is your own interpretation and thoughts. Please do NOT copy and paste something a stock analyst has written. However, you can read the opinions of others. That’s fine. Just avoid plagiarism. It’s grounds for an automatic zero.**

**IMPORTANT: For questions 4 & 5, USE THIS TEMPLATE with any 10 point font. *Please don’t use your own format. This format just makes it easier for me to read over 150 of these.* Thx.**

**Week 1 – 10/12 to 10/16: (These are sample stocks) Fill this in with your own stocks.**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Symbol** | **Company Stock** | **Qty of Shares** | **Purchase Price** | **Week End** | **Differentiation** | **Profit/Loss** |  |  |  |  |  |  |  |  |  |  |  |
| TSLA | Tesla Inc. | 40 | 421.61 | 439.67 | 15.06 | 602.40 ↑ 3.5% |  |  |  |  |  |  |  |  |  |  |  |
| FB | Facebook Inc. | 50 | 263.83 | 265.93 | 2.10 | 105.00 ↑ .80% |  |  |  |  |  |  |  |  |  |  |  |
| WYND | Wyndham Destinations | 400 | 31.90 | 32.62 | 0.72 | 288.00 ↑ 2.26% |  |  |  |  |  |  |  |  |  |  |  |
| GOOGL | Alphabet Inc. | 25 | 1483.05 | 1567.70 | 84.68 | 2116.25 ↑ 5.71% |  |  |  |  |  |  |  |  |  |  |  |
| FIT | Fitbit Inc. | 1036 | 6.96 | 7.08 | 0.12 | 124.32 ↑ 1.72% |  |  |  |  |  |  |  |  |  |  |  |
| NFLX | Netflix Inc. | 25 | 512.30 | 530.79 | 18.49 | 462.25 ↑ 3.61% |  |  |  |  |  |  |  |  |  |  |  |

**Question 4**

|  |  |
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| **Stock Price** | **In your own words, summarize the news events of the week** |
| **Tesla**  **421.61** | Bloomberg reported, a Chinese firm that builds power packs for Tesla and Volkswagen AG, developed the ‘Million Dollar Battery’ with a lifespan of one million miles. The pack can also be reused in a second vehicle, which will lower the expense of owning an AV. An article in Seeking Alpha, states the use of these packs will most likely make the use of AV’s as Robo-taxis in the 2020’s more likely. AV’s will have a competitive advantage in rideshare services. AV’s are set to be profitable at $1/mile vs. Lyft/Uber at $2/mile, leading to the presumption that ride sharing services will have to become autonomous in order to compete.  In Stocknews, there is optimism in Tesla stocks. Contrary to automotive stocks falling at the start of the pandemic, as of October, Tesla has made a full recovery in share prices. This is due to the electric car trend in the industry. Seeking Alpha reports, suggest an asset bubble and are comparing it to ‘Tulip Mania’. Many analysts think the stock is overvalued and say share prices are rising too fast. Some do still have confidence, however, and say the prices have caught up to the level the business is operating at.  Financial News Media, says storage batteries are being installed into more households during the pandemic, as home improvement sees a surge. Tesla now has a deal with Piedmont Lithium which runs two mining operations in North Carolina. The agreement will deliver a third of their production to Tesla over the next 5 years. Seeking Alpha reports, Tesla is also building a cathode facility in Texas and will be sourcing raw materials from North America. In addition, they are also expanding their production and manufacturing facilities in China.  Tesla dropped the price of the Model S by 3k midweek, and for a second time at weeks end. The second decrease in price was in response to Lucid Motors’ announcement of their new EV base price.  Stocknews reports that if Biden wins the election, Tesla stocks will soar. Biden has a $2 Trillion plan to rebuild infrastructure and boost clean energy. Another article in Seeking Alpha, says a 7-8% drop in oil and coal consumption might suggest Solar is the ‘New King’ of the power market, and that the global response to Covid-19 can reshape the future of energy which will have a positive impact on Tesla stock. |
| **Facebook**  **263.83** | Seeking Alpha reports, the EU has Facebook on their ‘hit list’ of companies to make less powerful. The EU will be enforcing stricter regulations which will make them share data with rivals. The hope is to make tech companies more transparent on how they collect information. Many analysts are raising their targets of FB shares and say you should by now. The common consensus is that there will be a major upside to the shares in 2021. Despite Facebook’s challenges of fighting hate speech and misinformation, most seem to think the firm is well positioned for long-term growth. Motley Fool adds there is optimism Congress could reach a deal on a stimulus package before the earnings season gets underway.  There is news of stable coins, including Facebook’s Libra, as being a more stable currency than crypto currency, as they will be governed by central banks and tied to other assets. The Financial Stability Board has agreed to build a roadmap completing standard setting Internationally and Nationally by 2021 and 2022, respectively.  According to Bloomberg, India has the fastest growing advertising market in the world. There is a lot of potential for ad revenue growth in India, which has over 240 million Facebook users. In other news, it is said that by 2028 Millennials and Gen Z will make up 70% of the global population. Surveys conclude these generations are more concerned with sustainability and social impact, and Facebook stocks will be among those that benefit as a result.  By Thursday, there was a lot of heat between President Trump’s campaign and social media. This was in relation to a New York Post story concerning Hunter Biden’s activities tied to a Ukrainian gas company. Facebook and Twitter blocked the story and comments tied to it. Facebook claimed the article qualified for third party fact checking. Trump is encouraging removing Sec 230 (liability shield). In response, FCC Commissioner, Geoffrey Starks, said, “The President’s Executive order on Sec 230 was politically motivated and legally unsound.” He then said he will revisit the social-media law to clarify the meaning. Live Money reports that Facebook is among companies attempting to prevent voter intimidation in the upcoming election. They even launched an information hub to help users with credible information.  Despite negative publicity, many analysts and investors remain optimistic. StockNews.com reports that Facebook is among the 4 “Buy Rated” stocks to own in October. StockMarket news also stated ‘work-from-home stocks’ is a trend that will continue. Employees welcome the move because it offers more flexibility. |
| **Wyndham**  **31.90** | According to PR Newswire, Club Wyndham is offering 15 night ‘Travel Bubbles’ to reunite family members on Thanksgiving. The incentive is so families can quarantine in the comfort of apartment style suites for two weeks. This ensures a safe holiday together. The package also includes a $250 gift card for essentials to order via delivery during their stay. The company also announced that the Viva Wyndham resort in Grand Bahama is set to reopen in November.  The Baxter Report shows top Wall Street analysts rating Wyndham Destinations stock a strong buy. Eurowire and MarketBeat also report optimistic growth estimates by Jeffries, Oppenheimer and Deutsche Bank. Several firms increased their holdings of Wyndham Destinations shares as well.  Wyndham also teamed up with company Amperity to elevate their global marketing capabilities. This investment is part of their digital transformation. The technology will enable them to compile and analyze guest insights. This will enable them to be timelier and more efficient when it comes to traveler’s needs. |
| **Google**  **1,483.05** | The Motley Fool released an article stating Alphabet is the best value in FAANG stocks. Alphabet has over $120 billion in cash on its balance sheet which is 12% of its market cap. The discount price might be because of anti-trust fears. Google sees opportunities ahead in e-commerce with similar features as Facebook in YouTube. The firm believes YouTube can rely on the parent company through Google Shopping where it funnels shoppers to product pages for checkout. Shopping Tags may also be a new way for YouTube video creators to monetize their content. They could take a commission or sell their own goods by using the feature.  According to Wall Street, Adweek 2020 was a success, giving investors a new reason to buy Alphabet stock. Jeffries and Deutsche Bank had positive commentaries, and S&P Global Market Intelligence surveyed top analysts and forecasted growth in the 3rd and 4th quarters.  In a dimmer light, Seeking Alpha reports there is a breakup potential for the four biggest tech firms, Alphabet included. The House Judiciary Committee released a report suggesting there may be a monopoly. There may be a case against the firm to unload their dominant Chrome browser that is used to steer traffic to the Google search engine.  Motley Fool reported that Google stopped selling music downloads through Google Play. This news is not surprising however because most platforms are switching to livestreaming. Alphabet is trying to gain subscribers on YouTube however Apple and Spotify still dominate, despite YouTube’s monthly subscription costing the same.  Seeking Alpha, reports the firm is under a new 5-year deal with Nokia that will move its IT infrastructure to Google Cloud.  Google Search also released new AI features. Among them, song identification by humming. In addition, you will soon be able to pull up information when you point the camera at a location while following walking directions on Maps.  A Motley Fool article compared Alphabet stock to Twitter, as to which is better to buy. The news firm still favors Alphabet. It was stated that Alphabet generates stronger revenue and earnings growth, is much more diversified, and trades at lower valuations. |
| **Fitbit**  **6.96** | TechRadar reports the Fitbit Sense received a major update that adds a new ECG app, so you can monitor your heart rhythm. The ECG app has been cleared for use in the US and select countries in Europe and Asia. The app has 3 settings to show if your heart rhythm is irregular, normal, or inconclusive. If irregular, you can use the app to create a report that you can then share with your physician.  Seeking Alpha reported that the EU pushed back its deadline for the Google-Fitbit probe to January 8. There will be a second round of concessions to anti-trust regulators. Apparently, they were not swayed in the first round of promises to not use health data for targeted advertising. The Motley Fool stated regulatory approval and acquisition may not happen this year.  Bloomberg states Googles takeover of Fitbit is still likely, despite protests from consumer groups and rival competitors of the firm’s move into health data and devices. The article adds that the EU has not sent any objections which is a good sign they will move forward. Google repeats its stance that the deal is about devices and not data.  Data bridge market research says the global wearable computing market is expected to rise to an estimated value of 103.8 billion US dollars by 2026. This is attributed to advances in recognition, communication, and networking technologies. |
| **Netflix**  **512.30** | Seeking Alpha reported Netflix’s plans to increase animated films. Their goal is to release 6 originals a year. This will be a difficult task to accomplish as most studios release 2 to 3 a year. Animations take time so this will require a significant investment from the firm.  Competition continues to get stronger. Disney+, HBO Max, Apple TV, and Peacock were all launched in the past 12 months and will likely outpace Netflix’s growth. The firm’s growth was strong the first two quarters as was expected due to the pandemic. Their user base increased from 167 to 193 million. Some believe that with the economy opening, no new federal aid, and unemployment still high, the company may have some challenges soon.  Despite the fears of losing subscribers, the Motley Fool reports the company will continue the same pattern it was in pre-pandemic. According to Piper Sandler’s inhouse surveys, Netflix customers are loyal to the brand and think it is a great value. Some even suggest they would be okay with a 20% increase in subscriptions. The company has reopened its production studios and highly anticipated series will return next year. The company also invests a lot of money in content production which will likely continue their growth into the coming years. The article ends in stating there is room for more than one successful streaming platform in most households as well.  Stockmarket news adds to the optimism saying Netflix is still the leader of the pack due to original content. The better the quality the more likely users are to stay on. Netflix has many resources and can attract the best talent as well. The only question is whether they will be able to stay ahead of the competition.  There are several analysts that disagree with each other. Some say the firm has taken on too much long-term debt. Others say the stock is too high. The optimistic viewers, according to Seeking Alpha, say investing in new content is necessary to attract new customers.  Motley Fool also reported an increase in subscription plans in Canada. This might be a suggestion of subscriber growth in the 3rd quarter. From past patterns this may suggest the US and the UK are soon to follow the price increase. Seeking Alpha noted that Goldman Sachs and Cowen’s raised their target estimates. The company is standing up to the competition by continually taking a share of content consumption dollars. Investors are anticipation Q3 reports of gain. Streaming time is used as a metric for price increases by management which is another indicator of a positive report. The company is on pace to reach a positive cash flow sometime in the next few years.  The Motley Fool also reported Morgan Stanley raised its targets as well. With no vaccine and a second wave of novel corona virus in major cities of the US and Europe, Netflix will likely continue the positive momentum. It is given an overall A POWR Rating as a strong buy. The theme is that with an innovative and diverse portfolio of original series and films, a solid membership base, brand loyalty, and high revenue growth, Netflix is expected to do great in 2021. There will probably be more global subscribers as the company expands into other regions as well. |

**Question 5**

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| **Stock Price** | **In your opinion, the impact, if any, of the news event(s) on stock price** |
| **Tesla**  **421.61** | Tesla saw a gain of 15.06, raising the share price from 421.61 to 439.67. Although, Tesla closed with a great week, the share prices started decreasing quickly midweek to end.  There was much in the news for Tesla this week. It is hard to interpret if any of it impacted the price of shares. There seems to be an equal divide of optimism and pessimism between analysts from different reporting agencies, so my view is that these articles do not really have much weight in Tesla’s stock.  Early news was very optimistic with talks of the impact of AV’s and the likely Robo-taxi trend. Positive news of Solar and the future of energy, as well as Tesla making a full recovery of share prices in October, seem to be consistent with share prices rising the first half of the week.  Prices began falling mid-week. This could be a reaction to Tesla dropping the price of the Model S. With price reductions and a cheaper version of the Model Y coming soon, some may think this will put too much pressure on average selling prices which will shift the consumer market and revenues.  Tesla’s expansion of production and manufacturing will eventually impact the price of shares as the firm makes more of a global presence, but I do not think the news of this affected the stock this week. The article of the new deal with Piedmont Lithium, may have helped with the rise in stock on Wednesday before close, but again it is hard to say. It will be interesting to see if politics will indeed have an impact on Tesla’s stock, pending a Biden win, but this article was not likely to have affected the prices this week. |
| **Facebook**  **263.83** | Facebook saw a gain of 2.10 raising the share price from 263.83 to 265.93.  The week started out strong for the stock, possibly because of broadly raised targets made by top analysts. In talks of the upcoming earnings season, the Motley Fool article might have added to the optimism as well, reminding investors that a stimulus could have positive impact. Although Facebooks Libra is yet to be established, news of a soon built roadmap could have also impacted the share price as well, giving optimism for growth.  The stock appeared to be on a gradual decline throughout the week, however. It seems as if Facebook is always in the hotseat of controversy. Perhaps the President’s response to the blocking of the New York Post article caused the dip in the stock? We do see the share prices picking back up again on Friday closing out the week with a gain. Maybe backlash from the FCC affected this as well?  FB stock seems to be volatile. There are many spikes and dips in the share prices throughout the week. It is difficult to interpret what news has impact, because there is no shortage of media coverage regarding the company. |
| **Wyndham**  **31.90** | Wyndham Destinations saw a 0.72 gain raising their share price from 31.90 to 32.62.  The first half of the week saw a slight decline. I did not find much news about the company relevant to their financials. However, the articles at the start of the week were very positive. With the announcement of the ‘travel bubbles’, as well as the Baxter Report, I would have thought the price shares would rise. Due to the decline it is not likely this news impacted the stock.  There was a bit of spike midweek and then the share prices flattened out a bit. It seems logical that optimistic price estimates from Jeffries, Oppenheimer and Deutsche Bank influenced the spike. Large institutions increasing their shares probably drove the price up a bit as well.  Investing in technology and teaming with Amperity will no doubt have a positive impact on global marketing capabilities for Wyndham Destinations, however, it is hard to say if news of this had any effect on the stock prices. Research documentation on global vacation ownership show impressive signs of recovery from the pandemic, so it will be exciting to see what the share prices do soon. |
| **Google**  **1,483.05** | Alphabet saw a gain of 84.68 raising the share price from 1,483.05 to 1,567.70.  Monday saw a bit of an increase in prices. This may have been due to the articles posted early that day. The Motley Fool posted Alphabet was the best value stock now that morning which seems to correlate with the rise in share price. Other articles that day about the positive potential of e-commerce through YouTube as well as its video creators monetizing their content, may have influenced the price rise as well.  The stock saw a decrease the following two days. The big announcement of the possible break up of big tech firms could have influenced the price. If the DOJ and Stater Regulators are successful in their case against Alphabet, they would be forced to unload their dominant Chrome browser. This would have a huge negative impact on the firm, because many of the users of the Google search engine are funneled via Chrome. Another downfall could have been through the decision to stop selling downloads on Google Play.  Thursday saw a big spike upward in share prices. Maybe the announcement of the deal with Nokia played a role? The announcement of added AI features to the Google search engine could have affected the price as well.  Friday saw a big drop in share price, despite Motley Fool’s optimism of GOOGL being a better buy than TWTR. I am not sure if any news influenced such a large drop by close that day. I thought GOOGL stocks were going to close out much higher. |
| **Fitbit**  **6.96** | Fitbit saw a gain of 0.12 raising the share price from 6.96 to 7.08.  The share prices stayed steady on Monday but saw a bit of an increase the following day. The article in TechRadar may have affected the price. The Fitbit Sense is the firms most powerful smartwatch, and a new development for their heart monitor is big news. Fitbit is ahead of the game with health data and devices and an update of this nature could potentially have lifesaving affects.  The Bloomberg article gave the hope that Google’s acquisition of Fitbit is still very likely, however, I do not think this impacted the price of the shares. The price of shares saw a decline before close on Friday. The decline might be attributed to news of the EU’s pushback on the deadline to January, but it really is hard to say.  There was not much in the news for Fitbit this week that I found to be relevant. I find it difficult to gauge a stock where the value is so low. Movement in share prices is by the pennies, making it harder to analyze. |
| **Netflix**  **512.30** | Netflix saw a gain of 18.49 raising the share price from 512.30 to 530.79.  There was a large spike in share prices on Monday. I attribute this possibly to the announcement of plans to increase their animation offerings. This is big news for the company. Keeping up with the demand of new content is very important in this market to keep user commitment as well as gain new subscribers. In response to growing competition, they also announced a free version of their subscription as well which could have added to the share price increase.  The next day, however, the share prices dropped almost as much as it spiked the previous day. I honestly do not see how any of the news could have impacted the drop. Most of the articles I read were optimistic of the firm still being a leader of the pack.  Mid-week the share prices only gained a little bit more momentum before experiencing another big drop on Thursday. The news from the previous day, had an equal distribution of articles with bearish and bullish views, so again I cannot differentiate between either having positive or negative effects.  The week closed with share prices staying pretty level all day. I thought there would have been another increase in the stock due to such optimism from big firms raising their targets. There seemed to be a lot of positive buzz about the Q3 reports coming up, due to Netflix’s increase in subscription prices in Canada among other factors. Netflix stock is difficult to predict, so I anticipate much news after the Q3 report is released. |

**Week 2 -- 10/19 to 10/23:**

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| **Symbol** | **Company Stock** | **Qty of Shares** | **Week Start** | **Week End** | **Differentiation** | **Total Profit/Loss** |
| TSLA | Tesla Inc. | 40 | 439.67 | 420.63 | -19.04 | 159.2 ↓ .95% |
| FB | Facebook Inc. | 50 | 265.93 | 284.79 | 18.86 | 1,048 ↑ 7.9% |
| WYND | Wyndham Destinations | 400 | 32.62 | 36.00 | 3.38 | 1,640 ↑ 12.9% |
| GOOGL | Alphabet Inc. | 25 | 1567.70 | 1632.98 | 65.28 | 3,748.25 ↑ 10.1% |
| FIT | Fitbit Inc. | 1036 | 7.08 | 6.95 | -0.13 | 10.36 ↓ .14% |
| NFLX | Netflix Inc. | 25 | 530.79 | 488.28 | -42.51 | 600.5 ↓ 4.92% |

**Question 4**

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| **Stock Price** | **In your own words, summarize the weekly news events of the week** |
| **Tesla**  **439.67** | Electrek media reported Tesla is considering building a battery factory in Indonesia. There have been talks about mining for Nickel in the country in the past. According to the Minister for Maritime Affairs and Investment, any mining deal would be contingent on the firm keeping production in the country. Indonesia is one of the largest producers of Nickel in the world, but recently bans were put on the export of the resource. At the Battery Day event, Elon Musk announced his plans to ramp up production of battery cells from 200Gwh of annual production by 2023, and 3Twh by 2030. It is assumed that this level of production would require several factories around the world. This is a hint the Indonesia factory rumor could be true.  Forbes reported an issue for networked cars. The day after the Battery Day event there was a network system outage which left customers unable to connect to their cars. In addition, drivers were unable to charge their cars at stationed super chargers.  Reuters reports that Tesla is expected to export the Model 3 from China to 10 different countries in Europe. The firm is also in the process of building a factory in Germany. The German government announced a $9,000 Euro subsidy for EV purchasers.  The company had some negative press regarding their EV’s. They cut their used car warranty from 2-4 years to 1 year on the Model S and X. This affects all vehicles purchased in and preceding 2016. Electrek media reported there is also a design flaw in the Model 3, causing the rear bumper to fall off when driving over large puddles. This affects all vehicles built before 2019. Yahoo Finance also reported that Tesla’s Model Y vehicles were recalled due to inoperative trailer break lights. In addition, 30,000 cars were recalled in China over suspension problems.  Tesla released its Q3 reports on Wednesday. Elon Musk stated it was their best quarter in history. He added they had record production, deliveries, revenues, net income, and free cash flow of $1.4 Billion dollars. The report beat analysts’ forecasts. Musk also announced they will meet their goal of 500,000 vehicles for the year and Cybertruck orders will be delivered by 2022. This came the same day GM announced delivery of the EV version of their Hummer. There are some concerns that as more competition enters the market, regulatory credit will dry up. These credits have been a large source of revenue for Tesla for over a year.  The firm also rolled out a beta release of full driving mode software to a small group of drivers. The Motley Fool reported there is big money in autonomous driving. Tesla increased the price of the software another $2,000 to $10,000. Musk says the package could eventually be worth over $100,000. |
| **Facebook**  **265.93** | A report in TechCrunch stated that Facebook announced a new messenger API with support for Instagram. The update allows business to manage communications across Instagram. The old system was inefficient for businesses with a high volume of messages. Now businesses will be able to integrate messaging into the applications and workflows they are already using, rather than through the Instagram app or the Facebook’s unified business inbox.  A New Scientist article notes that Facebook AI can translate directly between any of 100 languages. The system outperforms others by 10 points on a 100-point scale. Facebook plans on putting the system to work soon. The system will handle the 20 billion translations made every day, when users click the “translate” button on posts written in more than 160 languages.  Fox Business reported Facebook blocked 120,000 posts in a fight against election misinformation. The hope is to prevent a reoccurrence of 2016 when the system was exploited in efforts to sway the election. Advisory warnings were also added to more than 150 million posts containing false information.  European data regulators are now looking into Instagram. Ireland’s Data Protection Commission announced they will open investigations on how Instagram handles children’s data. Most of Instagram’s users are between the ages of 13-17. Children as young as 13 can easily convert their accounts into business accounts. The investigation will gauge if the company has a legal basis and will examine profile settings to determine if they are appropriate for kids.  There is potential that Facebook’s ad revenue will increase in India. The country may be looking for alternative platforms in social media, due to manipulated data concerns in the commonly used Television Rating Points system.  TechCrunch also reported Facebook is in the testing stage of a clone version of their ‘Nextdoor’ feature, which will use social networks to connect neighbors and local services. This is a market that has increased during the pandemic. According to Seeking Alpha, Instagram also expanded testing for their live-streams tipping feature which will give micro-influencers tip options of $1, $2, or $5.  The Irish Data Protection Commission has given Facebook the go ahead to launch FB Dating in Europe. The feature will allow users to create a separate dating profile, identify secret chats, and go on video dates. The firm is also monetizing WhatsApp Business. This will allow for users to shop and pay for goods and services in WhatsApp chats.  The New York Times reported the FTC is closer to a decision about filing an anti-trust lawsuit against Facebook for its market power in social networking. The suit will question the acquisitions of smaller companies to create a monopoly and eliminate rivals. In addition, the GOP is pushing Facebook and Twitter CEO’s to testify after the suppression of two New York Post articles. The Senate Judiciary Committee voted to authorize legal orders if the CEO’s do not voluntarily testify. |
| **Wyndham**  **32.62** | Timeout issued an article re-emphasizing Club Wyndham’s “resort bubbles”, which were reported last week as well. The article suggested the firm’s option for comfortable quarantine could give families ease when reuniting despite social distancing measures. The package is only being offered at three resorts, however, Tennessee, Pennsylvania, and Arizona.  There were several analysts’ reports and market reports for purchase, however, aside from the Timeout article there was not much about Wyndham Destinations in the media this week. The summary for the analyst reports I could comprehend were two-sided. An article in Simply Wallstreet, suggested Wyndham shares were a great value to buy right now. A discounted cash flow model is used to forecast future values back to today’s values. They combine this with a terminal value formula to come up with an intrinsic value based on the number of shares outstanding. Based on these numbers, they state shares are below 50% of their intrinsic value estimate.  On the other hand, an analyst suggests buying Wyndham shares is a mistake for dividend investors. Simply Wallstreet reported dividend investors should follow three rules when making an investment decision: 1) Are the dividends affordable? 2) Is there a track record of consistent payments? 3) Is the dividend capable of growing? It was stated that even though Wyndham continues to pay dividend payments, the company is suffering losses. Share prices are down and the dividend has been cut at least once in the past. For these reasons, dividend investors should question whether to rely on this stock for income. |
| **Google**  **1,567.70** | The Verge reports, the firm is discontinuing its emergency location sharing app, Trusted Contacts, in December. Instead, the company is directing users to try similar features in Google Maps. Trusted Contacts was a popular app particularly for family members. The app would enable you to find family members if they do not respond such as if they were in danger or suffering a medical emergency. The features in Google Maps requires users to proactively broadcast their location to you.  In exciting news, Tech Crunch reported that Google launched their Lending Doc AI. This is the company’s first tool dedicated to the mortgage industry. It will help mortgage companies speed up the process of evaluating income and assets in addition to reducing risk.  The Verge also reported that Google is updating the look and functionality of the software on its Assistant smart displays, such as Nest Hub. The update will feature a dark mode and the ability to see calendar events from more than on Google account. The new screen will also divide content into sections accessible from tabs at the top of the screen.  Also reported, Google Assistant driving mode has appeared on some Android devices. It is unclear if this is just a test, or if it will be coming for all users.  Google Nest Secure Alarm Systems are being discontinued, however, the company invested $450 million in ADT where the devices will be used in their Smart Home offering. Google will also continue to sell video doorbells, security cameras, smoke alarms, and more.  Google AI recently launched a toolset to enable the exploration of city transitions from 1800-2000 virtually in a 3-D view. The scalable system runs on Google Cloud and Kubernetes and reconstructs cities from historical maps and photos.  The Justice Department along with several other states, filed an anti-trust suit against Google on Tuesday. The suit suggests anti-competitive behavior in search and search advertising. Googles search application is preloaded onto Android OS, and the suit suggests this prohibits competitors’ search applications from being preloaded. The New York Times also reported that the US government is accusing Google of a monopoly. Its contract with Apple devices makes Google the default option as well, cutting out competitors such as Bing and Yahoo Search. |
| **Fitbit**  **7.08** | CNet compared the Apple Watch Series 6 to Fitbit Sense this week. In price comparison the Fitbit is less costly at $329 on Amazon vs. Apple at $399. Both keep track of fitness levels, act as a phone alternative, have an electrocardiogram app, track workouts, sleep and blood oxygen levels. If you have an Android Fitbit is your only option, however, if you have an IOS device Fitbit will work on both. The consensus was that Apple is the best all-round smartwatch, but Fitbit Sense has better sleep tracking, temperature sensor, and a stress tracking sensor. Fitbit also has a better battery life and works with Android which has plenty of 3rd party watch faces to choose from.  Body+Soul magazine also listed Fitbit’s Aria 2 and Aria Air digital scales in their top 10 smart scales to buy. Smart scales track you weight, BMI, body fat percentage, etc. They are digital scales that automatically record information into an app or online database using wi-fi or Bluetooth. The Aria 2 can track up to 8 different users. If you have a Fitbit, the information will be stored in the app together with the watch. The Aria Air is a cheaper version with slightly less features.  Now there is a Paw Fit 2 pet tracker! T3 magazine wrote about the device that attaches to your pet’s collar. It monitors your pet’s movements in steps, calories burned, active and rest hours, and can be personalized to your pet’s age, breed, and weight. There is also a temperature alert, removal alert, and a “virtual fence”, which means that if your pet wanders outside of a custom safety zone you will be alerted.  In not so positive news, the Motley Fool wrote, there is now speculation that Japan will launch its own investigation into Google’s proposed purchase of Fitbit. Japan’s FTC Chairman suggested that any merger of that size could prompt an anti-monopoly investigation into the buyer’s process. |
| **Netflix**  **530.79** | Netflix released its Q3 earnings report this week. As expected, there was slower growth, however the company still added 2.2 million net subscribers. They had $6.44 billion in revenue which beat expectations. In a letter to shareholders, the firm stated that as the world hopefully recovers in 2021, the expected growth will return to where it was pre-COVID-19.  The Verge reports that Netflix had an advantage during the pandemic, as most of its shows and films set for release in 2020, were already in post-production stages and were able to be finished remotely. This put Netflix ahead of the competition. However, there is speculation that 2021 will see a different picture, as most of Hollywood film production was shut down for 9 months. Despite this, Netflix says it is still on track with everything it forecasted for release in 2021, with a few minor exceptions. It also added some may be more back weighted.  An article in TechCrunch posted that Netflix plans to give users in India free weekend access to its service as part of a test to expand its reach in the country.  The company seems to be keeping up with user wants as it announced four of 2020’s new releases were added to their list of 10 biggest Netflix original openings of all time. This includes “The Old Guard”, “Enola Holmes”, “The Kissing Booth 2”, and “Project Power”. They also have a slew of holiday movies coming in November, as reported in Market Watch. This will include rom coms, a musical, and a film with Oscar aspirations and an all-star cast.  Forbes analysts are still raising their targets for the firm despite a drop in shares. They recommend buying now while the prices are lower. Subscriber growth and a halt in production sent its free cash flow into the black for over $2 billion. Free cash flow has been in the red for several years up until now. As a result, they suggest Netflix will not need to draw on its $750 million debt instrument. |

**Question 5**

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| **Stock Price** | **In your opinion, the impact, if any, of the weekly news event(s) on stock price** |
| **Tesla**  **439.67** | Tesla had a loss this week of -19.04, dropping the share price from 439.67 to 420.63.  The start of the week continued to decline from the previous week. This was the companies longest losing stretch since March, decreasing the price in shares 8.4%. I cannot help but assume much of the decline was due to negative press about their EV’s. As an investor, news of network system failures, flawed design, and recalls over inoperative brake lights and suspension problems give me concerns. I can only imagine other investors feel the same, adding to the decline in share price. News of the reduction of used car warranties from 2-4 years to 1, suggest the company was possibly losing money for repairs as well, which could give investors pause.  There seems to be a lot of competition for the firm these days. GM’s announcement of the EV version of the Hummer leaves the Cybertruck less desirable for some. Decreased regulatory credit due to increased competition is a concern as well, being that credits are a major source of revenue for the company. These two things combined could also have affected the drop in share prices.  Q3 reports seem to have positively impacted the shares. Prices jumped 5.3% the day after the report was released. The numbers exceeded forecasts which I assume lifted optimism in some investors. Revenue was up 39%. With Musk reporting it to be the best quarter in Tesla’s history and record free cash flow of $1.4 billion dollars, it would be difficult to deny the positive impact.  The week closed with another decline, however. It is hard to speculate why and if news reports affected this drop. It seems some analysts still think Tesla’s business of selling cars is unprofitable. Despite the negative buzz about the EV’s this week, I would have thought the long awaited Q3 reports would have increased the share prices. It is said that without the revenue from regulatory credits Tesla would have reported a loss. Perhaps investors are aware that increased competition around the world are making the firm’s stock less desirable. |
| **Facebook**  **265.93** | Facebook saw a gain this week of 18.86 increasing the share price from 265.93 to 284.79.  The firm had a great week. Monday and Tuesday saw a sharp incline in share prices. The company proves to stay innovative and there is no shortage of buzz regarding this. Articles posted early in the week discussed updates to the Facebook messenger API, as well as improvements in Facebook AI. It is unclear if these announcements impacted the increase in share cost, but new innovations could certainly add to optimism about the company.  The stock dropped just slightly on Wednesday. Headlines were a mix of positive and negative information, so interpretation is difficult. Perhaps the announcement of a potential investigation into Instagram had a partial effect? The testing phase for a clone of FB ‘Nextdoor’, as well as the potential for added revenue seemed like enough to buffer regulatory fears. News of government suits and investigations do not typically sway investors optimism in the firm or share prices. The drop was small, so news impact is probably not likely.  The stock picked back up again on Thursday and Friday. There was much exciting media buzz regarding FB Dating launching in Europe, as well as the monetization of WhatsApp Business, and the expanded testing for Instagram’s live-streams tipping. The New York Times article on the FTC getting closer to the anti-trust suit seems to have had no effect on the share price. This adds to the assumption that regulatory fears for Instagram probably did not affect share prices mid-week either. |
| **Wyndham**  **32.62** | Wyndham shares were up 3.38, bringing the share price from 32.62 to 36.00.  The firm had a great week. Share prices were on a steady rise Monday through Thursday and flattened out a bit by close on Friday. Being that there was no media buzz for the company it is easy to say news most likely did not impact the cost of shares for the week.  The Timeout article only brought emphasis to Club Wyndham’s “resort bubbles”, but the news was announced the prior week. Although there were several analysts’ reports, they were posted in smaller media publication’s, so I honestly do not think the articles impacted the stock. |
| **Google**  **1,567.70** | Google saw a gain of 65.28, bring the share price from 1,567.70 to 1,632.98.  Alphabet had a great week. The share prices saw a consistent sharp rise every day. Most of the news for the week included innovation. Like Facebook, the company rarely disappoints in staying ahead of the curve. The Lending Doc AI, improvements on Assistant smart displays, and my favorite, the toolset for virtual 3-D view of cities back to 1800, are just a taste of the capabilities this company has. There is no question in my mind that innovation plays a large role in the stock. I feel this did positively impact the share prices this week.  The company did discontinue Trusted Contacts, and the Google Nest Secure Alarm, but news of this obviously did not impact the share price negatively. The company is still in the hot seat for anti-trust allegations, but as apparent from previous weeks, this does not seem to be too big of a concern for investors. It is likely the length and outcome of the investigations could take several years letting investors keep their optimism for the company’s many other assets. |
| **Fitbit**  **7.08** | Fitbit saw a loss of -0.13, bringing the share price from 7.08 to 6.95.  Fitbit’s share prices were on a steady but slight decline all week. The percentage change was very small. New reports are mostly about devices and how they compare to competition. In my opinion Fitbit’s devices always stay ahead of the game for fitness tracking and health data. News reports were all positive with concern to upgrades and comparisons as well. It seems logical that the news would not be consistent with a negative impact in share prices.  There is still some uncertainty with Google’s acquisition of the Fitbit. The Motley Fool’s article, speculating Japan’s investigation may be added to the ongoing investigation, could have had a negative impact. Despite the share price being down, the percentage change is minimal, so I do not think there is much concern the merger will not happen. Likeliness any news impacted the stock this week is slim. |
| **Netflix**  **530.79** | Netflix saw a loss of -42.51, bringing its share prices from 530.79 to 488.28.  Netflix stock did not have a good week. The share prices were on the decline for most of the week but saw a huge drop on Wednesday of almost 8%.  The impact could have been caused by the mixed earnings report for their Q3. The report of disappointing subscriber numbers most likely contributed to the decline. Netflix forecasted 3.3 million customer adds and reported only 2.2 million. It did beat the other forecasts, however, so I am a bit perplexed at such a large percentage drop.  This stock has been difficult to gauge. I honestly cannot explain why the share prices are falling. The company has not fallen short of new material and the new releases have received great response in user views. There is undoubtedly potential for growth in untapped markets as well.  The stock started gaining back some traction on Friday before close. Perhaps this was in response to Forbes article to buy now. Forbes is a large publication so its impact on share prices would be consistent with the rise.  Despite being at a loss so far, I am still confident in my investment of the firm. I predict the share prices will be on the rise again soon. Netflix is a great value for subscribers considering the content, which is much better than its rivals in my opinion. |

**Week 3 -- 10/26 through 10/30:**

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| **Symbol** | **Company Stock** | **Qty of Shares** | **Week Start** | **Week End** | **Differentiation** | **Total Profit/Loss** |
| TSLA | Tesla Inc. | 40 | 420.63 | 388.04 | -32.59 | 1,462.80 ↓ 8.61% |
| FB | Facebook Inc. | 50 | 284.79 | 263.11 | -21.68 | 36.00 ↓ 0.27% |
| WYND | Wyndham Destinations | 400 | 36.00 | 32.63 | -3.37 | 292.00 ↑ 2.29% |
| GOOGL | Alphabet Inc. | 25 | 1632.98 | 1616.11 | -16.87 | 3,326.50 ↑ 8.97% |
| FIT | Fitbit Inc. | 1036 | 6.95 | 7.04 | 0.09 | 82.88 ↑ 1.15% |
| NFLX | Netflix Inc. | 25 | 488.28 | 475.74 | -12.54 | 914.00 ↓ 7.14% |

**Question 4**

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| **Stock Price** | **In your own words, summarize the news events of the week** |
| **Tesla**  **420.63** | Tesla may have an opportunity to tap into India’s market. The country’s Department of Heavy Industries released an expression of interest invitation (Eol) to the private sector to set up EV charging stations on existing and upcoming major highways and freeways. The plan is to have a charging station every 15.5 miles. CNN reports that if Tesla pushes assertively, India could account for as much as 10% of Tesla’s total demand in less than 10 years. There are concerns, however, of a lack of liquid assets since the company’s operating costs have risen due to the development of new plants and a push into other markets. The pandemic could cause delays and lack of funding in India as well.  According to Electrek, Elon Musk states Solar Roof is the next “killer project”. There are 200 open roofer positions in the US, as Tesla prepares to expand solar roofing installations. The expansion is set for Canada as well. Tesla projects over 100MW solar roof tiles per quarter during the second half of 2021.  Tesla also announced a $12 billion investment plan for EV and battery factories in the next 2 years in order to increase production capacity. The firm’s CFO says it will remain profitable. He state’s the business is now generating cash flow from operations in excess of their level of capital to spend. After the investment, the company should have the capacity to produce over 2 million EV’s per year.  The firm announced a partnership with Octopus Energy in the UK. The plan directly targets Tesla vehicle owners and is offering lower electricity rates in the virtual powerplant. The rates could reduce electricity bills up to 75%.  Business Insider reports that Tesla was beat out by Cadillac’s Super Cruise and received 2nd place for best EV in the latest release of Consumer Reports. Although, the firm scored high in a lot of areas, Tesla has a poor track record of keeping drivers engaged while auto-pilot is on and tied for last place in this sector. Auto-pilot has been involved in more than a dozen crashes over the years, some of which were fatal.  The company is adding more service centers to match its growing production. 20 new centers were added in just a few months. Musk announce the company’s goal is to add one new center per week in 2021 and should create more demand for the firm. Service delays have been a common complaint in some markets in the past, so the increase in centers should help alleviate the issue.  Business Insider also reported mixed reviews from Tesla’s beta testers for their full self-driving software. Some argue that the technology cannot be expected to match human performance right away. The system needs real world experience to gather data, learn, and improve. Forbes reports that Tesla stays ahead of its competitors with these beta tests. Users of the software pay greater attention while testing the product and the necessary feedback is put into Tesla’s algorithm to help make improvements. |
| **Facebook**  **284.79** | Facebook launches a cloud gaming service with only free-to-play games. The games can be played on your phone or with your keyboard or mouse on your computer. The games are not intended to replace other platforms but rather to improve the ecosystem. The games will not work on iPhone’s however because of Apple’s app store policies that block competitors.  The Guardian posted Facebook is getting heat from 3rd party moderators ahead of the election. Many claim to be underpaid and ill prepared for the psychological toll policing hate speech has on them. In May this year, FB paid a settlement of $52 million to moderators who claimed the company did not do enough to protect them from mental health impacts of the job. A spokesperson for the firm commented that the employees receive an in-depth training program and are provided with psychological support, including a 24-hour on call service. FB has adopted measures ahead of the election to crack down on violence and misinformation, including banning conspiracy and militarized movements. The firm has implemented other tools to stop the spread of misinformation as well. 48 Trump Ads were removed that featured the phrase “your vote has not been counted” and ads with premature claims of election victory.  Joe Biden’s campaign says Facebook caused them to lose more than $500,000 in potential donations due to their new limits to political advertising the week prior to the election. CNN Business reports that the company has admitted there were some technical flaws that prevented some ads from running. The firm claimed the limited ads were to help news organizations and political opponents challenge assertions, since FB does not fact-check political ads.  In brighter news, Facebook launces a free online course for SME’s throughout Latin America. The company is collaborating with ASEM, Victoria 147, Endeavor Colombia, and the Association of Entrepreneurs of Argentina. FB did a survey and discovered 25% or more of Mexican small business sales are on a digital platform. The company will host a digital event where you can find workshops to help reinvent the way you do business. The belief is that businesses that build strong digital services will come out stronger from the pandemic. The company wants to support SME’s to maintain control with their customers at no cost.  CNBC reports that the CEO’s of Facebook, Google, and Twitter released their prepared remarks warning against the repeal of Section 230. Mark Zuckerberg argues that government should take a more active role in regulating tech companies. Big tech companies should not be the ones who make decisions on harmful content, privacy, and election integrity. Section 230 protects networks from liability for their user’s posts. Without that protection, platforms could face liability from even basic moderation. |
| **Wyndham**  **36.00** | Wyndham Destinations posted quarterly earnings on 10/28. The firm reported $0.83 earnings per share, which topped estimates of $0.31 by $0.52. Net revenue was $614 million and net income $40 million. The company’s CEO, Michael Brown, says, “Our ability to recover quickly during this re-opening phase demonstrates the resiliency of our business”. Other highlights include net cash from operating activities of $224 million and adjusted free cash flow of $120 million. With approval from the board of directors, Brown says he expects a Q4 dividend of $0.30 per share.  The firm’s CEO believes the company is well positioned to lead the broader travel industry in recovery. He expects the adjusted free cash flow to be positive for the next full year. He adds that the company is solely focused on leisure travel and are geographically diverse.  The current consensus among several analysts give the stock a strong “buy” rating. Several hedge funds and institutional investors acquired and lifted their positions of shares as well. |
| **Google**  **1,632.98** | Early in the week, the New York Times reported that a forced breakup of Google and Apple could be a significant threat to Google. The firm would have no obvious way to replace the traffic lost. In addition, Apple could push to acquire and build its own search engine. Google is still maintaining the partnership is fair and that it is no different than Coca Cola paying a supermarket for premium shelf space.  In Forbes, the Google Pixel 5 has been getting several complaints of a screen gap issue. As a result, many are returning the phones and cancelling orders. Google has yet to release an official statement, but the firm’s support suggests the gap may not affect performance or lower the IP rating. Some repair specialists argue that the flaw could be a serious problem for the company.  Google Home gets a positive review in CNet. A turn on/off feature has been added for when you leave your house or return home. The device can be paired with your Nest Learning thermostat, using its motion sensors to determine if anyone is home.  The NOAA and Google are in a partnership to enhance weather forecasting and research. In their 3-year agreement, the NESDIS and Google will pilot specific AI and ML related projects. Mike Daniels, VP of the Global Public Sector of Google Cloud, says, “This will improve the efficiency and effectiveness of environmental and satellite data by leveraging Google Cloud’s infrastructure and the AI/ML know-how”.  Wired magazine featured another positive review of the new Chromecast. The new device comes with a remote and has Google TV built in, which makes it easier to navigate streaming apps. It now rivals the usability of Roku and Apple TV. The system supports Dolby Vision and Dolby Atmos. It also has a strong interface that tailors to your preferences and includes TV shows and movies across all platforms at once.  In CNN Business, Alphabet reported a net income of $11.2 billion in their 3rd quarter. This is a 14% increase from the same period last year. |
| **Fitbit**  **6.95** | CEO, James Park, recently revealed that Fitbit has over 500,000 paying subscribers. He claims the business is doing better than anticipated during the pandemic and suggests people look to Fitbit to stay home, quarantine, and be healthy. He still believes the Google acquisition is set before the end of the year. With the acquisition he feels the brand will still resonate. He adds the merging of the companies has the potential to impact the course of healthcare. He also seemed optimistic that the smartwatches will detect Covid-19 before users show symptoms. They are conducting further studies to improve the algorithm.  Fitbit recently announced a partnership with MODA Health and will provide 64,000 members throughout the Pacific Northwest and Alaska access to devices and health coaching. This will enable members to share information with their healthcare providers. The move will be implemented into health plans January 1 of 2021. MODA President, Dr. William Johnson, says,” The future of healthcare is all about data, capturing it, understanding it, and turning it into information that helps people live healthier lives”.  A digital healthcare company, LIVEFREELY, is using Fitbit smartwatches to help seniors. They are launching a beta of their app, BUDDY, that provides a personal caregiving platform connecting seniors with their families, caregivers, and emergency response personnel. Buddy detects falls, or if seniors are unconscious, and connects to 911. It also sends critical data to 911 so first responders can ascertain a senior’s status before arrival. There is also a location setting for those who have stepped outside of certain parameters to help seniors that have dementia or Alzheimer’s. There are even reminder settings for medication.  Fitbit receives an Army award to further develop their Covid-19 early detection algorithm. They will receive $2.5 million from the US Department of Defense through the US Army Medical Research and Development Command. |
| **Netflix**  **488.28** | Netflix is raising most of its US prices by 8% to 13%. The increases will boost the subscription $1 to $14 per month. The premium plan that allows for more people to watch the service on different screens simultaneously, will now cost $2 more at $18 per month. New subscribers will be charged immediately while existing customers will see the increase in phases over the next few months. Earlier in the month the firm increased prices in Canada, so the US increase is not unexpected. The increase may test customer loyalty if the recession continues and households are forced to cut spending. Last year the company increased its subscription prices in the US and Canada and saw a decline of more than 130,000 subscriptions in just a few months. In addition, there is a lot more competition this year.  Every week, Reelgood, compiles a list of the most watched shows on Netflix for Business Insider. The list gathers the TV shows and movies that are viewed the most daily. This week, every series on the Top 10 list was a Netflix original except for ‘Schitt’s Creek’. ‘The Queen’s Gambit’ topped the list.  There are many holiday movies premiering early mid-November on Netflix, and ‘The Queen’s Gambit’ and ‘The Barbarians’ have been receiving rave reviews. David Fincher’s ‘Mindhunter’ may not come back for a 3rd season due to high cost and low viewership, however, his film ‘Mank’ is getting Oscar buzz already. ‘Mank’ is set to be Netflix’s first potential Best-Picture winner. The film is about the making of ‘Citizen Kane’, and is due out December 4th, after a theatrical release on November 13th. |

**Question 5**

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| **Stock Price** | **In your opinion, the impact, if any, of the weekly news event(s) on stock price** |
| **Tesla**  **420.63** | Tesla saw a loss of -32.59, bringing the share price down from 420.63 to 388.04.  The stock rose over $4 per share at the start of the week. News of the potential to tap into India’s market as well as the preparation for solar roof expansion was certainly optimistic. In addition, a $12 billion investment plan was announced showing how much the company is going to expand over the next two years. Although the news suggested growth for the company, I am not sure if it had any impact on the share price.  By close on Wednesday, the share price dropped 18.66, however, previous news was optimistic. Tesla announced its partnership with Octopus Energy in the UK the previous day, and Forbes had a nice write up on the firm’s beta testing.  In general, there was a minimum of negative news for the company for the week, yet the firm was down 6.1% by close on Friday. Perhaps investors across the board are experiencing pre-election jitters as the S&P 500 was down 2% and the NASDAQ was down more than 2.5% as well. |
| **Facebook**  **284.79** | Facebook saw a loss of -21.68, bringing the share price down from 284.79 to 263.11.  Facebook’s share price was up and down every day this week. Much of the news was somehow centered around the election and the tools and measures the firm are using to prevent misinformation. With the increase in monitoring of traffic prior to the election, moderators raised their voices for mental suffering and being underpaid. In addition, the company removed several campaign ads from Trump’s camp that were not within their guidelines and Joe Biden’s campaign made complaints that the firm caused a potential loss of $500,000 in donations. These headlines all coincided with Mark Zuckerberg’s remarks against the repeal of Section 230, which was sparked by the censorship and removal of posts.  Negative headlines were not the only news for the week, however, so it is very difficult to say what may have had impact on the price of shares. The start of the week the firm announced their new cloud gaming service, followed by news of launching a free online course for SME’s in Latin America.  Since purchasing the stock, I have not seen as much volatility in the share price as I have this week. Typically, investors do not seem to be affected by negative news as the company’s growth is undeniable. My conclusion is that the news is not impacting the share price this week. The stock plummeted almost 7% by close on Friday, which seems to be in line with many stocks that day. I can only assume the election has much to do with it. |
| **Wyndham**  **36.00** | Wyndham saw a loss of -3.37, bringing the share price down from 36.00 to 32.63.  The stock dropped more than 13% from opening on Monday to close on Wednesday. News did not impact the price drop because there simply was not any headlines at the start of the week. I cannot imagine why there was such a huge decline. The previous week saw an impressive rise.  On Wednesday, the company posted the Q3 earnings. Their earnings per share were $0.83, up $0.52 from consensus estimates of $0.31. They had a net revenue of $614 million and a net income of $40 million. The news boasted several positive reviews from analysts, and the firm’s CEO commented on the resiliency of their business model. Several hedge funds lifted their positions and acquired more shares as well.  I do feel the headlines mid-week had a positive impact on the share price. Top analysts gave the stock a strong buy rating and every article I read had good things to say about the company’s numbers. The share price rose back up again by almost 3% by close on Friday. This does not seem to be a stock affected by the election as compared to the rest of market. |
| **Google**  **1,632.98** | Google saw a loss of -16.87, bringing the share price down from 1,632.98 to 1,616.11.  Although the company saw a little bit of a loss this week, they do still seem to be on a trajectory upwards in share price. Google is always in the headlines in reference to monopolies. The New York Times reported early in the week that a forced breakup of Apple and Google could be a significant threat for the company. The Senate Commerce Committee also brought heat to big tech including Google, implying they are helping the Democrats and censoring right-wing voices. As is with the previous week, I do not think any of these headlines affected the share prices.  Forbes reported complaints about the Pixel 5 and a screen gap issue. The stock rose the next day, so it clearly did not have a negative impact on the share price.  I do think that positive headlines relating to the firm’s innovation impact the general rise in the stock. The new Google Home and Chromecast features, as well as the company’s partnership with NOAA are in line with the firm’s trajectory.  The Q3 report showed a 14% increase from the same time last year and reported a net income of $11.2 billion. I think the report positively impacted the share price as it rose 7% by close on Friday. The election does not seem to affect this stock either. |
| **Fitbit**  **6.95** | Fitbit saw a gain of 0.09, bringing the share price up from 6.95 to 7.04.  Fitbit had a great week. There were many positive headlines for the company and the CEO had great things to say about the future of the firm. I think it is very likely the news had a positive impact on the stock. Fitbit collaborating with MODA for data retrieval and interpretation, in addition to Live Freely using their platform for the beta testing of their app BUDDY, will both have a big impact for the future of digital healthcare.  Receiving the Army award to further develop its Covid-19 early detection algorithm is big news. They will receive $2.5 million from the US Department of Defense. This could mean great things for the company’s future. Amidst the pandemic this will be a device everyone will want. The stock did rise on Friday unlike many other stocks, so it is safe to say the election did not impact the price of shares for this firm either. |
| **Netflix**  **488.28** | Netflix saw a loss of -12.54, bringing the share price down from 488.28 to 475.74.  I am not sure what to make of this company’s stock. Like many other tech companies, their stock plummeted on Friday 6%. No negative news was reported to account for the drop, so I assume perhaps the election played a role. It is hard to say.  The company announced a price increase in the U.S. which will create more income for the firm. The news was no surprise to investors as they increased their prices in Canada earlier in the month.  Most of the other articles gave Netflix positive reviews for recent releases. Reelgood reported to Business Insider that 9 of the 10 most viewed shows for the week were Netflix originals. There is a lot of optimism for shows coming out in November and December as well, including Oscar potential for the film “Mank”.  I have to say I am baffled by the downward trajectory of this stock over the last couple of weeks. I do not have a clue as to why the share prices keep declining, but I do not think news has any impact on it. |

**Week 4 -- 11/2 through 11/6:**

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| **Symbol** | **Company Stock** | **Qty of Shares** | **Week Start** | **Week End** | **Differentiation** | **Total Profit/Loss** |
| TSLA | Tesla Inc. | 40 | 388.04 | 429.95 | 41.91 | 333.60 ↑ 1.98% |
| FB | Facebook Inc. | 50 | 263.11 | 293.41 | 30.30 | 1,479 ↑ 11.2% |
| WYND | Wyndham Destinations | 400 | 32.63 | 36.85 | 4.22 | 1,980 ↑ 15.5% |
| GOOGL | Alphabet Inc. | 25 | 1616.11 | 1759.73 | 143.62 | 6,917 ↑ 18.7% |
| FIT | Fitbit Inc. | 1036 | 7.04 | 7.04 | 0 | 82.88 ↑ 1.15% |
| NFLX | Netflix Inc. | 25 | 475.74 | 514.73 | 38.99 | 60.75 ↑ 0.47% |

**Question 4**

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| **Stock Price** | **In your own words, summarize the news events of the week** |
| **Tesla**  **388.04** | Tesla released a winter tire package for their Model Y vehicles. This is an option previously unavailable to vehicle owners in colder climates. The package guarantees high level traction, stability, and braking efficiency in temperatures under 45 degrees. The package costs $3,500 US and $4,700 in Canada. According to TechTimes, the company will soon rollout a new software update as well that will be compatible with the 5G network. The update will provide stronger data network connections and will benefit the car features.  Electrek announced that the firm received approval from the Chinese government to register its new Model Y in the country. Tesla is trying a different approach with Model Y vehicles and is only introducing the vehicles into markets where the vehicle is being produced.  The firm is hiring for their Gigafactory in Berlin. They previously encountered challenges in hiring 10,000 workers for their Gigafactory in Nevada. This resulted in the firm putting educational programs in to place to train their workforce. They do not expect as many challenges in Berlin, however, as Germany is known for their auto-industry. To boost the hiring efforts, Elon Musk will personally interview candidates as well.  NBC reported that Tesla received its largest order to date for its Semi Electric Truck. Pride Group Enterprises reserved 150 trucks with the option to expand their order to 500. The trucks will be priced between $150,000 to $180,000, which could make the order up to $100 million.  The first Tesla Model 3 NYC Yellow Cab hit the road recently. The vehicle was the first to be approved in the city. More taxi drivers and companies are reverting to EV’s for economic reasons. EV taxis are already popular in Europe.  The Wall Street Journal reported that Tesla released a limited-edition tequila on Thursday for $250 a bottle. The tequila is an Anejo and the bottle is shaped like a lightning bolt. The release sold out within a few hours. The tequila is in response to Elon Musk’s humor and relates to a photo circulated back in 2018 of him passed out against a Model 3 surrounded by “Teslaquila” bottles. |
| **Facebook**  **263.11** | CNBC reported that among the large tech companies, Facebook remains the leader in (ARPU) average revenue per user, but growth has declined and will continue to decline. Future growth may lie in the firm’s family of apps. The company’s plan is to integrate messaging apps with advertisements so that businesses can run them in Facebook and Instagram and take users to a Messenger or WhatsApp thread.  In the Wall Street Journal, it was reported that Facebook along with three other social media platforms were fined $1.2 million in Turkey for missing a deadline. The country imposed a new law requiring firms to appoint a country representative and the firms had until November 2 to do so. The new law will give their government more power to police content. The law also requires social media companies to take steps to store Turkish users’ data in the country and to execute orders to take down content.  In Forbes, Facebook announced it was taking “exceptional measures” to control the spread of misinformation. The company banned the “Stop the Steal” group, but on Friday several new “Stop the Steal” groups emerged. Two days after election day, half of President Trump’s tweets were labelled by Facebook and Twitter for spreading misinformation. The Wall Street Journal reported that Facebook relies on outside fact checkers to flag misleading posts from regular users. The company’s action is limited to labels that remind users’ that votes are still being counted and the process takes time. |
| **Wyndham**  **32.63** | There was no news regarding Wyndham Destinations this week, aside from analyst projections.  Investor’s Business Daily, reported Wyndham Worldwide had its RS, Relative Strength, upgraded from 66 to 71. The rating identifies market leadership with a rating from 1 to 99. It shows the market’s movement over the trailing 52 weeks. They claim decades of research reveal the best stocks have a rating of at least 80.  Analysts at Truist Securiti boosted their Q4 estimates for the firm. They now anticipate earnings per share at $0.60 vs previous estimates of $0.49.  Cision reported that Wyndham Destinations officially declared their cash dividend. The firm announced a $0.30 per share dividend on common stock which will be payable on December 30, 2020. |
| **Google**  **1,616.11** | As reported in CBS news, small companies complain they cannot compete with large companies for a spot in Google search. The firm offers two options for purchase. The cost for ads depends on how many times a computer user clicks, and much the company is willing to pay per click. There is also a paid search where companies can bid on key words to get a higher ranking. Small business argue that prices are not only driven up, but even if they were lower, large firms can outbid them.  In Entrepreneur, it was reported that Google Workspace optimized its tools. The upgrade will improve communication and productivity for its users. For example, in Dynamic Emails, Gmail users will be able to respond to access requests directly from the email without having to leave the message. Also, in Google Calendar, users will have a choice of conference platforms and choose either Google Meet or 3rd party platforms. Users will soon be able to preview linked Slides, Docs, or Sheets without having to open a new tab as well. The company’s goal is for users to be able to do more wherever they are.  In TechCrunch, it was reported that the National Payments Corporation of India announced they will enforce a cap to ensure no single payments app processes more than 30% of UPI transaction in a month. UPI is the most popular digital payments method in the country. Google and Walmart will be affected the most by the new cap, as their apps already process more than 35% of UPI transactions.  In response to Pixel 5 screen gap complaints, Google’s community specialist posted on a forum that the gap is normal and part of the design. The firm added that the gap will not affect water and dust resistance or functionality of the phone. Regardless, they are willing to replace affected devices.  CNet reported that Google Maps now has the option for blurring your house or other requested items such as license plates, faces, cars, etc. The company added the option after a famous artist apparently had a stalker go to her house more than 7 times after finding her house on Street View.  The company is now offering 6 months of Netflix bundled with Chromecast with Google TV Streamer for $90. This will save customers’ $44 with the purchase. Google’s Streamer costs’ $50 and 6 months of Netflix would cost $84, which essentially means you would be purchasing the new Chromecast for $6. |
| **Fitbit**  **7.04** | Wareable featured a review of Fitbit’s Charge 4. The article compared the device to Amazon’s Fit Band 5. In conclusion, Fitbit offers cleaner straight lines, and the buttons are built into the case. There are more band options if you want to dress up or down. The device is also water resistant which allows you to track activity in a pool. For the first time the device has a built in GPS as well and provides better sleep tracking and a more reliable heart monitor and better heart rate performance. You can now view phone notifications on the device and send quick replies as well. You can also use NFC to unlock Fitbit and pay with contactless payments. The device allows you to customize clockfaces and control music playing on your phone as well.  Businesswire reported Fitbit’s Q3 results. The company’s revenue was $364 million, up 5% year over year. Consumer demand was strong with point of sales including Fitbit.com up 4% year over year. The firm sold 3.3 million devices with an average selling price of $104, up 8% year over year. Within those sales, 52% were new devices including Fitbit Charge 4, Fitbit Sense, Fitbit Versa 3, and Fitbit Inspire 2.  The Utah Pulse reported that Fitbit is partnering with Regence Healthcare. Utah employees will be able to access Fitbit’s Ready for Work Program which helps with early illness detection. The devices will provide health metrics such as resting heart rate, heart rate variability, and breathing rate. In addition to self-logged data of symptoms, the information will be aggregated into a Daily Check-in feature that will provide guidance. This will help employers and employees make informed decisions on whether it is safe to return to work. The hope is to help stop the spread of Covid-19 for workers that do not have a remote work option.  Android Control gives Fitbit Inspire 2 a positive review. The new device added the heart rate monitor and now has an Active-Zone Minutes feature which will let you know when you have reached your personalized heart rate zone. The new device also has a 10-day charge and more exercise modes to log activity. The company is offering a year of Fitbit Premium with the purchase as well, which gives users access to exclusive insights and guided workouts. |
| **Netflix**  **475.74** | CNN Entertainment suggests Netflix could have as many as 3 Best-Picture nominations. As mentioned in previous news, one of the contenders is “Mank”, starring Gary Oldman as Citizen Kane. Another hopeful is “Midnight Sky”, a post-apocalyptic drama about astronauts returning to Earth after a catastrophe. The film is starring and directed by George Clooney. Another previously mentioned film is “Hillbilly Elegy”. This film is an adaptation of J.D. Vance’s best-selling memoir starring Amy Adams and Glenn Close. Two other stage to screen hopefuls include “Ms. Rainey’s Black Bottom”, starring Viola Davis, and “The Prom”, staring Meryl Streep.  Forbes stated the “Queen’s Gambit” is one of Netflix’s strongest originals of the year. The mini-series has been on the firm’s top 10 list for weeks and is currently holding the #1 spot. In addition to most views, the reviews have been excellent as well. Rotten Tomatoes gave it a 100% rating and it has a 97% Audience score, as well as 8.9/10 on IMDB. Even though the film is not meant to have a second season, fan buzz suggests the potential is not out of the question.  ARS Technician reported Netflix filed a copyright claim against tweets criticizing a movie trailer of their film “Cuties”. The company sent dozens of take down requests to Twitter. In response the tweets are still live, but the videos now display ‘This media has been disabled in response to a report by the copyright owner’. The film was politicized in the U.S. with a grand jury in Texas indictment against Netflix and its CEO accusing them of promotion of leud visual material depicting a child. The firm disputed the claims saying, “Cuties is a social commentary against the sexualization of young children”. The film played in Europe without controversy and the director won an award at the 2020 Sundance Film Festival.  Variety reported that Netflix is testing a linear channel in France. It is not like a regular TV Channel, as it will still need to be accessed through the website. However, instead of on-demand streaming, the channel will air whatever is playing at the time. Netflix says traditional TV remains popular in France, and suggests some people prefer to not have to choose what they are watching. This adds to the assumption that people can lean back and relax, or just be surprised with something new or different. |

**Question 5**

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| **Stock Price** | **In your opinion, the impact, if any, of the weekly news event(s) on stock price** |
| **Tesla**  **388.04** | Tesla saw a gain this week of 41.91, bringing the share price up from 388.04 to 429.95.  Tesla had a good week with the stock rising almost 11%. The largest rise was 9% from opening on Monday and closing on Tuesday and another 4% rise between Wednesday and Thursday. The week was filled with positive headlines, so it is difficult to decipher if any of the news impacted the share price.  The company’s growth is unprecedented, and it seems much of the news revolves around expansion in one way or another. The winter tire package is certainly good news for those in colder climates, and the beginning processes of hiring for the new Gigafactory in Berlin adds to the firm’s growth. The $100 million order for electric Semi Trucks almost guarantees revenue for the company as well. Any of these articles could have impacted the rise in share price.  Election week may have impacted the stock as well. Many expect green energy stocks to do well under a Biden administration. The stock rose steadily throughout the week aside from a very slight drop the day after election, as well as a 1.9% drop on Friday. |
| **Facebook**  **263.11** | Facebook saw a gain of 30.30 this week, bringing the share price up from 263.11 to 293.41.  Facebook had a great week with a 11.5% rise in the stock. The headlines were mixed for the week but most of the news revolved around the election. The company stayed on track with combatting misinformation. President Trump reemphasized the idea that tech companies favor Democrats and the Democratic Campaign and announced the day after election day that his win was being stolen from him. Facebook removed “Stop the Steal” groups from their platform and labelled the President’s comments for spreading misinformation. Despite the controversy, the stock was on a continual rise for the week.  As in previous weeks, I do not feel many articles impact the share prices of Facebook. The company remains strong and the stock usually rises. |
| **Wyndham**  **32.63** | Wyndham Destinations saw a gain of 4.22, bringing their share price up from 32.63 to 36.85.  Wyndham had a great week as the stock rose almost 13%. There were not any headlines to report for the company aside from a few analyst reports. Investor’s Business Daily gave them a positive rating and Truist Securiti boosted their Q4 earnings estimates.  Wyndham also announced a cash dividend to be dispersed in December. When a company announces a cash dividend it is usually a good sign that they are doing well. This in addition to positive estimates from analysts could have positively impacted the rising share price. I do not think the election affected the stock. |
| **Google**  **1,616.11** | Google saw a gain of 143.62 this week, bringing the share price up from 1,616.11 to 1,759.73.  Google had another great week with their stock rising almost 9%. The news was very mixed for the company this week. Despite heat from small businesses unable to compete with larger firms for ad space, most of the headlines contributed to the growth and innovation of the company. Negative headlines regarding suits and accusations of monopolies virtually disappeared as election week took hold.  Per usual, the firm was featured in several articles highlighting updates to current systems such as Google Workspace and the added blur feature in Google Maps. The Chromecast bundle with Netflix is a nice incentive as well. Any one of these article’s could have contributed to the rise in share price but I do not think they had much of an impact.  Election week could have played a role as well, as other tech stocks rose, but it is hard to say. The stock continually proves to rise regardless of any news. |
| **Fitbit**  **7.04** | Fitbit neither saw a gain or loss this week, keeping the share price at 7.04.  I do not think news of the firm affected the stock this week. The company received positive reviews for new devices, and the announcement of partnering with Regence Healthcare is certainly optimistic.  The firm posted their Q3 results which boasted of positive revenue year over year. In general, I do not think this is a stock affected by the election, however, the day after election day it dipped slightly by 1.3%. Perhaps this was due to election results uncertainty? The stock went back up the next day so again it is hard to say. |
| **Netflix**  **475.74** | Netflix saw a gain of 38.99 this week, bringing the share price up from 475.74 to 514.73.  Netflix had a good week as their stock rose every day for a total of over 8%. The firm was in many headlines receiving praise for their original work. CNN Entertainment suggested several films were contenders for a Best Picture Award. Forbes praised them for the mini-series “Queen’s Gambit”, noting it was one of Netflix’s strongest originals of the year. News of a linear channel in France being tested is also optimistic, as it shows the firm conforming to consumer demand. I think any of these articles could have attributed to the rise in share price this week.  I do not think election news had any impact on the firm’s share prices. Netflix is a hard stock to read. The company needed this increase as they were on a steady downward trajectory the previous weeks. The articles this week continue to highlight the company’s continued strive for excellent content and keeping their subscriber’s attention. I think the news could have finally had a much-needed impact on the stock. |