

1. (10 points) Please think through, **do not rush**, and plan and answer each question (a through c) with 2-4 paragraphs (or more), to include critical thinking, thought, and detail.
 - a. What did you learn from this assignment?
 - b. How would you describe the experience?
 - c. What type of emotions, if any, did you feel during the assignment?

Answer a. What did you learn from this assignment?

I learned that the stock market is extremely unpredictable and anyone who claims to be able to predict the stock market is not actually able to do so. Stock market experts able to make educated guesses and predictions about what might happen to a company's stock, but there are so many factors at play that influence a stock's price. Sometimes a company's stock changing has nothing to do with events in that company, but rather events happening in the world. We saw the Presidential Election impacting stock quite a bit. Of course, we also saw the global pandemic impact the stock market overall earlier this year. Some stocks still haven't recovered. AMC's stock is hovering between \$2 and \$3 with no recovery in sight. This time a year ago, AMC's stock was consistently around \$8. AMC's stock dipped to the currently price when the pandemic began and rallied over the summer when it looked like recovery was beginning, but the stock has plummeted again due to ongoing coronavirus concerns causing closed theaters nationwide.

I also learned that it's not a great idea to invest in a brand just because I "like" the company, especially during a pandemic. That seems obvious now, and I'm glad I didn't learn this lesson with real money. This assignment showed me an interesting way to follow the goings-on at brands I care about but investing in those brands is probably not a great way to generate a profit. I did enjoy checking up on these companies, though. Perhaps if someone very rich invested a lot in Starbucks, they would be able to influence the happenings at Starbucks - wouldn't that be cool? - but I'm not that kind of investor. In the future, if I were doing a shorter-term investment, it would make more sense for me to invest in companies who are in a growth period. Starbucks currently is flat due to the pandemic recovery. I imagine that it would be a great idea to invest in Starbucks or another popular publicly traded restaurant in a similar position for the long-term, if the investor doesn't expect to need or want that money for at least a year or two. Of course, they should diversify their investments and not rely on a Starbucks payday! We can't know that their stock will return to pre-pandemic growth next year, but that is the prediction.

I learned that the stock market expert's advice is probably worth paying for if you're an investor with significant amounts of money to invest. I also learned that I, as an individual investor who isn't really investing \$100,000, would likely only see a significant return over the long run. As referenced above, personally investing seems like a long-term strategy to me. I have seen many stocks advertised as "buy" with predictions that they'll rise significantly, but I understand now that this information is mostly for investors with significant amounts of money to invest if any short-term return is to be expected. Currently, I'm the type of investor who will add small amounts of money to my E*TRADE account so it's interesting and beyond informative to see the kind of return I could get with large amounts of money to invest. I can see why people go into trading as a career - it's exciting! I'm not sure I have that much tolerance for excitement in my own day-to-day career.

Finally, I learned that no stock is a "sure thing" because the market's overall performance is based on so many factors outside of a company's control. A company can technically have all the things that make its stock look attractive to investors - good cash flow, low operating costs, current and future revenue promise - and investors can still lose money on that stock. My understanding that Flowserve and Fluor were "safe" investments because both of their industries are essential was completely mistaken and would have lost money if I were investing real life money. This is another reason that diversification of stocks is so important - my other stocks were able to nullify the unexpected losses so that I still made a

profit. At week 3, I was mildly dismayed to see that every one of my stocks were down significantly. I believe I was shown a good lesson at week 4, when my stocks were up enough to be profitable again. Week 4 showed me why it can be worth it to ride out the changes in the market, particularly when those changes are based upon something that someone said in the news. There will always be another news cycle which can have an opposite impact.

Answer b) How would you describe the experience?

First, I would describe this experience as surprising. It sometimes seemed like changes in the price of a stock was completely arbitrary or impacted by some other news that doesn't *really* have much to do with the company. It's sometimes difficult to know if a stock is up or down because of the market, or because of something happening in that company specifically. It seems like every few days there is some article about the stocks being up or down based on a statement that the president has said, and we saw this happening even more during this election season. I imagine that the stock market is less volatile when there is a more stable leader in office.

It's also intriguing to see how a profit can still be returned even within an extremely volatile market. It tells me that you don't need a good market to make money, you just need money. It's funny how that works! I am still surprised that my return rate was around 3.5% - that's more than just letting the money sit in the bank. I would like to see what that return would have been in a more stable market, perhaps in a non-election and non-pandemic year. Wishful thinking doesn't make a profit either, of course!

It also interesting to see stock diversification in action. Even though some stocks didn't do well, some did extremely well, and my return was still just under 3.5%. For only a month's investment, I'm happy with that and I also think that with better-informed investments, the return could be higher. It's probably not a smart strategy to invest in companies "just to see what happens," and I'll admit that's been my personal strategy up to now.

Answer c) What type of emotions, if any, did you feel during the assignment?

At different points in the process, I felt excitement, nervousness, and disappointment, as if this was real money. Perhaps not as much disappointment as if it were real money, but I certainly felt some disappointment, maybe even dismay, when my stocks dropped, especially when I couldn't really tell why! I noted that it's also more difficult to find the reasons for a stock's decrease when one is a little disappointed in that decrease. It's a lot easier to see the reasoning objectively when there is separation from the emotions related to the loss. I also noticed that I felt (or thought), "oh, I'm going to lose a lot!" at week 3, when all of my stocks were down.

I had an equal amount of surprise, excitement, and pride when I saw my stocks gain money. I also felt excitement at seeing the kind of capital investments that these companies are making. It was so interesting to follow along with what these companies are doing each week, since I have a loose personal connection with each of them. Even if that connection is completely one-sided, it still makes it feel personally exciting and disappointing to see the jumps and dips.

I was not expecting to feel strong nervousness, disappointment, or excitement, so the fact that I had strong feelings throughout the assignment was surprising in itself. I don't even get the same excitement and disappointment with real stocks that I hold. Thinking about that further, it's probably because I maintain a certain mental distance from my stocks and consider that money "gone" once I've invested it. If I happened to make a windfall, I imagine that would be exciting, but I also imagine I wouldn't feel truly elated because it's *just money*. I do imagine I would feel a strong sense of self-satisfaction, the way one feels after a job well done.

2. (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)....

a. Why you purchased stock A - Flowserve (FLS)

I purchased Flowserve stock because I have familiarity with it through my former job as a paralegal. Flowserve has roots dating back to 1790, although (of course) it's undergone numerous name and ownership changes since then. Flowserve was made public in 1997. Flowserve is in the "diversified machinery" industry and is headquartered in Irving, Texas. I'm from Dallas, Texas, and get a personal enjoyment out of "supporting" Texas-based companies, particularly in the Dallas area (even if it's with fake money).

Flowserve has roots dating back to 1790, although (of course) it's undergone numerous name and ownership changes since then. Flowserve was made public in 1997. Flowserve is in the "diversified machinery" industry and is headquartered in Irving, Texas. I did understand that the diversified machinery industry is not going anywhere and is therefore a "safe" investment, but that understanding didn't account for the pandemic at all. According to Jeff Desjardins at *Visual Capitalist*, this industry was one of the best-performing of 2019. I also understand that Flowserve has the funds to make it through the pandemic, so it would make sense as a longer-term investment, I expect we would see them to have better growth in a couple of years.

My personal association with Flowserve is due to working at an asbestos litigation law firm on the plaintiff's side. We would sue companies in multiple industries, and I recall having many settlements with Flowserve, and always enjoyed working with their attorneys and paralegals. I can see now that this probably isn't the best basis for investment, since them paying out lots of money in settlements is certainly not an indication of their growth!

If I were to do this over again, or with real money, I wouldn't invest in Flowserve at this time or at the very least would have kept my investment much smaller. 1000 shares of Flowserve were too many! I do think if we weren't in a pandemic this could have been a better investment - but still with less shares purchased. As is, this purchase did not make sense.

b. Why you purchased stock B - Fluor Corporation (FLR)

This was another stock that I purchased due to my previous knowledge of them through my paralegal days. Fluor, headquartered in Irving, Texas and founded in 1912, is a global company in the Engineering & construction industry. Fluor is a holding company which provides services in the following areas: oil and gas, industrial and infrastructure, government and power. Again, this was a chance to "support" a Dallas-area company.

Fluor is another company who I recall making large settlement payments to plaintiffs, and this is an example of how the fact that they have historically been involved in industry lawsuits doesn't speak for the company's longevity. I hypothesize that these facts aren't as important for a company's wellbeing as having enough cash on hand and having lean operations, which Fluor does. It's also possible that Fluor having such a diversified Industry penetration has also helped them to survive this pandemic.

If I were to do this project over again, I don't think I would purchase FLR stock as the low price means the rate of return will also be, barring any miraculous and highly unlikely doubling of stock price.

c. Why you purchased stock C - Peloton (PTON)

I was most influenced to buy this stock because of the number of people I know who are devotees to Peloton. Even friends who I wouldn't necessarily expect to be all-in for this company are huge proponents of their workout plans. One of my friends has been joining classes on her Peloton for over a year and has made huge, radical changes for the better, which she thanks Peloton for. How's that for social marketing? I've looked into Peloton and don't see myself getting one anytime soon due to the prohibitive cost, and I imagine other consumers are also in that situation, but there are still a large number of people to whom this brand appeals and is accessible. That appeal has only risen during the pandemic! I was excited at the chance to "invest" in their stock since I know the demand is only going to grow.

I didn't anticipate that Peloton would run into manufacturing capacity issues. It was interesting to see in real time what happens when a company experiences growth and demand that it's not able to accommodate due to factory capacity restrictions. Perhaps the Peloton investment didn't make sense this month, but I do think their stock will achieve more growth when the new factory is built.

d. Why you purchased stock D - Autodesk (ADSK)

I purchased this stock because I work at Autodesk and I understand the company is in a good place to weather the pandemic. Autodesk underwent a digital and subscription-based transformation which took several years, much like Adobe's transition from physical software to license purchases to, finally, a monthly subscription-based service. The transition that Autodesk underwent was tough, with flat operating costs for a few years, but that tough transition ended well before the pandemic hit and we see that the pre-emptive moves have paid off now, with Autodesk in a secure financial and operational place to weather the pandemic.

Autodesk is headquartered in San Rafael, California and was founded in 1982. They are a Software company that provides software in the architecture, engineering, construction, manufacturing, media, education, and entertainment industries. This was also a great investment and I think that the diversification of industries is helpful in the massive growth that we saw this month. I have to say that working on this project has made me somewhat excited about the long-term options of my Autodesk RSU's. I was just happy to receive them.

e. Why you purchased stock E - Spotify (SPOT)

Spotify is a popular music streaming service with a paid premium subscription option, founded in 2006 in Stockholm, Sweden. I purchased Spotify stock as an emotional investment, as I've been a Spotify subscriber since their platform was made available in the United States in July 2011. Their platform was so much better than anything else available at the time, and it remains at the top of its industry.

As one of the major players in the music streaming industry, Spotify continues to innovate in order to stay relevant in a constantly changing market. Spotify's main competitor for subscribers now is Tidal, the music streaming service owned by rapper and producer Jay-Z. Because the target audience for both apps consists of differing groups, there's not a large chance that Tidal will "steal" subscribers from Spotify, especially considering the premium content on each app is specifically available on that app.

f. Why you purchased stock F - Starbucks (SBUX)

Starbucks was another emotional investment, due to my knowledge of and affinity for the company. Starbucks is headquartered in Seattle, Washington and was founded in 1971. Starbucks has achieved global brand recognition since then

and is a staple for an embarrassing number of people globally. Starbucks is the largest coffee chain in the world, with stores in over 70 countries globally.

My coworker has jokingly asked me If I own stock in Starbucks, apparently a joke about how often I like to get Starbucks. That's one of the reasons that I wanted to make this investment, as well as, as mentioned above, "to see what happens." I've learned that it doesn't make sense to make investments "to see what happens" when we're still in a global pandemic.

I generally wouldn't advertise my Starbucks affinity because I feel it's extremely basic and I would prefer, in theory, to support the locally owned coffee shops in my neighborhood. However, with Starbucks being a globally recognized brand with a solid market and many devoted customers, it seems like a wise investment for a long-term investment. I don't think it was the best decision for this short-term investment since their recovery during the pandemic has been slow.

3. (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!

a. What was the overall result (gain or loss) of each of your six stocks from the beginning of the assignment to the end 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 (10/12) to the finish (11/6).

	Intro Price	Ending Price	# Shares	Total Gain or Loss
Flowserve	\$ 29.48	\$ 28.65	1000	\$ (830.00)
Fluor	\$ 10.93	\$ 12.65	200	\$ 344.00
Peloton	\$ 123.02	\$ 125.46	200	\$ 488.00
Autodesk	\$ 237.50	\$ 259.41	100	\$ 2,191.00
Starbucks	\$ 90.23	\$ 90.65	77	\$ 32.34
Spotify	\$ 250.50	\$ 276.10	49	\$ 1,254.40
Total Gain:				\$ 3,479.74

The overall return rate for this investment was just under 3.5%. I'm very pleased with this return rate as it shows that my informed hunches had some legitimacy to them. I also enjoyed the opportunity to see how this could have been better invested, or at least differently invested. Below I've listed out the weekly details for each stock as I found it too interesting to cut out.

	Flowserve (FLS) - 1000 shares purchased		
	Share Price	Gain or Loss per Share (week over week)	Gain or Loss Total (week over week)
Week 0	\$ 29.48	-	-
Week 1	\$ 29.05	\$ (0.43)	\$ (430.00)
Week 2	\$ 31.75	\$ 2.70	\$ 2,700.00
Week 3	\$ 29.12	\$ (2.63)	\$ (2,630.00)
Week 4	\$ 28.65	\$ (0.47)	\$ (470.00)
5-week gain or loss:			\$ (830.00)

	Fluor Corporation (FLR) - 200 shares purchased		
	Share Price	Gain or Loss per Share (week over week)	Gain or Loss Total (week over week)
Week 0	\$ 10.93	-	-
Week 1	\$ 10.77	\$ (0.16)	\$ (32.00)
Week 2	\$ 12.20	\$ 1.43	\$ 286.00
Week 3	\$ 11.35	\$ (0.85)	\$ (170.00)
Week 4	\$ 12.65	\$ 1.30	\$ 260.00
		5-week gain or loss:	\$ 344.00

	Peloton (PTON) - 200 shares purchased		
	Share Price	Gain or Loss per Share (week over week)	Gain or Loss Total (week over week)
Week 0	\$ 123.02	-	-
Week 1	\$ 136.43	\$ 13.41	\$ 2,682.00
Week 2	\$ 122.53	\$ (13.90)	\$ (2,780.00)
Week 3	\$ 110.21	\$ (12.32)	\$ (2,464.00)
Week 4	\$ 125.46	\$ 15.25	\$ 3,050.00
		5-week gain or loss:	\$ 488.00

	Autodesk, Inc. (ADSK) - 100 shares purchased		
	Share Price	Gain or Loss per Share (week over week)	Gain or Loss Total (week over week)
Week 0	\$ 237.50	-	-
Week 1	\$ 252.03	\$ 14.53	\$ 1,453.00
Week 2	\$ 254.42	\$ 2.39	\$ 239.00
Week 3	\$ 235.54	\$ (18.88)	\$ (1,888.00)
Week 4	\$ 259.41	\$ 23.87	\$ 2,387.00
		5-week gain or loss:	\$ 2,191.00

	Starbucks (SBUX) - 77 shares purchased		
	Share Price	Gain or Loss per Share (week over week)	Gain or Loss Total (week over week)
Week 0	\$ 90.23	-	-
Week 1	\$ 88.83	\$ (1.40)	\$ (107.80)
Week 2	\$ 90.80	\$ 1.97	\$ 151.69
Week 3	\$ 89.96	\$ (0.84)	\$ (64.68)
Week 4	\$ 90.65	\$ 0.69	\$ 53.13
		5-week gain or loss:	\$ 32.34

	Spotify (SPOT) - 49 shares purchased		
	Share Price	Gain or Loss per Share (week over week)	Gain or Loss Total (week over week)
Week 0	\$ 250.50	-	-
Week 1	\$ 261.55	\$ 11.05	\$ 541.45
Week 2	\$ 283.49	\$ 21.94	\$ 1,075.06
Week 3	\$ 239.89	\$ (43.60)	\$ (2,136.40)
Week 4	\$ 276.10	\$ 36.21	\$ 1,774.29
		5-week gain or loss:	\$ 1,254.40

- b. **What was your expectation of the outcome of your six stocks over the four 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).**

I went into this experiment with an open mind and wasn't sure how my stocks would do. I did start to form some expectations each week based on current events relating to each company and was sometimes surprised (or disappointed!) to see that my predictions were incorrect.

I realized at week 1, and was certain at week 2, that Flowserve wasn't a great investment at this time. I was also certain at week 1 that I had bought far too many shares of Flowserve and wished I had better diversified my stock. If this were my real money, I would have sold that stock no later than week 2 based on the announcement that their yearly revenue was down over 30%. That would have been a wise decision, since Flowserve stock ended up losing about \$880. This was the only stock that lost money. If I sold my Flowserve shares at week 1, I would have only lost \$430. If I sold my Flowserve stock at week 2, I would have gained \$2,430. It's at this point I realize what a difference it makes when working with shares in the thousands. I tend to buy 1 or 2 shares at a time in my "real life."

I also found myself wishing at week 2 that I could trade my Fluor stock for more Peloton stock, which would have turned out to be an unwise investment due to the production and shipping issues Peloton has been experiencing. I realized that Fluor's low stock price, sitting at less than \$11, meant that the return would also be low.

At week 3, I was mildly dismayed to see that every one of my stocks were down significantly. I believe I was shown a good lesson at week 4, when my stocks were up enough to be profitable again. Week 4 showed me why it can be worth it to ride out the changes in the market, particularly when those changes are based upon something that someone said in the news. There will always be another news cycle which can have an opposite impact.

Multiple times through this project I found myself wishing I had invested more into Spotify, as they kept putting out more good news that I believe will help them in the long term, and therefore will be good for investors. At weeks 1, 2, and 3 I found myself thinking, "if this were real, I would sell my Flowserve and Fluor stock, and pick up more Spotify stock." I had no idea the return from Spotify would be as large as it was, but the ending stock price shows my hunch was right.

My expectations for Starbucks were more of a curiosity to see what happened with the stock, as I've mentioned before. I somewhat expected to see the announcements Starbucks has been making regarding their handling of the pandemic and recovery from said pandemic having an impact on their stock price, but it seems that their stock is sticking firmly around \$90 right now. I was very Impressed that the 42 cent share gain netted us over \$30. It's incredible to see those pennies add up!

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

There are a few things I would do differently. I don't think I would avoid emotional investments altogether, because my Spotify stock gave a 10% return, and my Starbucks stock didn't lose money. The main thing I would have done differently is diversifying my stocks differently. I bought so many stocks of Fluor because it seemed low stakes at a low price, but I lost \$800 on that stock when the same amount of money invested across the other 4 stocks would have made my return between 5-10%, depending on where it was invested.

If I had the perfect information that I have now (with hindsight being 20/20), I would have invested as follows:

- Flowserve - 120 shares (instead of 1000)
- Fluor - 100 shares (instead of 200)
- Peloton - 100 shares (instead of 200)
- Autodesk - 200 shares (instead of 100)
- Starbucks - 61 shares (instead of 77)
- Spotify - 120 shares (instead of 49)

This \$100,000 total investment would have netted me 7.5% return as opposed to the 3.5% I did receive.

Of course, if I had only invested in Autodesk and Spotify stock, purchasing 103 shares of each, I would have received a 9.6% return! That isn't good diversification of stocks, though, so wouldn't have really made sense. I'm also trying to imagine how excited an investor would be about a 9.5% return on \$100k. I imagine that there are stock which would have provided an even better investment during the pandemic.

Finally, if I were to do this again, I would choose another media-based company to invest in rather than a restaurateur, since restaurants are still struggling during the pandemic. I didn't expect to have a huge return from a restaurant stock and was curious to see what would happen with that investment. The answer was: not much!

d. 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. Thanks.

I would say I have some characteristics of both a pre-investor and a passive investor. Financially, I'm not in a place where I am able to invest very much, which puts me in the pre-investor category. However, I do think about investments and I do invest very small amounts of money to "play with" in the stock market, which might make me a bargain hunter. I do leave my small investments alone, hoping that in a year or so they'll be higher than when I started. Of course, receiving even a 9% return on a \$200 investment is only \$18.

To me, investing is currently a hobby that stands as a replacement for making silly impulse purchases that I don't need. Of course, I haven't seen much return, if any, on my small investments, but I have been able to learn how the market works. It's exciting to see my very small investments growing gradually, although I don't expect to see a significant return if I continue the same pattern of investment. I think that's why I am so intrigued by the amount of return one could make with very large amounts of invest like we had in this assignment.

The company I work for did something really special this year and granted restricted stock units to all full-time employees. I wouldn't call those RSU's an investment on my part since they were "given" to me (although I have invested my time heavily into this company! they have also invested into me) but I can see some characteristics of a passive investor in myself since I'm just waiting for those RSU's to mature and vest.

I do also have a retirement account, but that was provided by my employer so I don't believe that classifies me as a retirement investor. According to financialmentor.com, If I have a retirement account provided by my work, that does not necessarily make me a passive investor since I don't meet the other criteria necessary: I'm still living paycheck to paycheck, at least since the pandemic started.

- e. 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.**

I aspire to be an active investor and would also like to stay true to my bargain hunter roots - I viscerally enjoy a good bargain and I enjoy doing the research that could enable me to be successful in active investing as a moneymaking hobby.

Ideally, I would like to be the kind of investor who moves money around frequently, generating profits on stock. The idea of doing a lot of short sales really appeals to me, since the return can be high, and the profits are available to reinvest immediately. It almost seems like gambling to me. As someone who doesn't enjoy gambling because I understand the odds, I would also like to compare the rate of return vs. rate of loss for stock market Investments as compared to actual gambling, where the odds are always set against the gambler. I know stock market "odds" are based on entirely different metrics that seem to favor the investor in certain circumstances. The difficult parts seem to be 1) knowing those circumstances and 2) having the money to invest in the right place at the right time.

Upon further reflection, in the long term it would make sense for me to have some mixed characteristics of an active investor and passive investor. I'd like to spend time researching and making short sales with smaller amounts, so that the risk of losing my "nest egg" isn't overwhelming. Since I have my own retirement account, I would like to invest moderate amounts into riskier stocks that would have a higher return. I'd also like to invest larger amounts, when I can, into "safe enough" stocks that have long-term promise. I understand the long-term approach puts me at the mercy of the market, riding its highs and lows, but over the long term this generally does net a return.

In conclusion, I would most enjoy a combination of active and passive investing in the future when I'm more financially established. I find the act of shopping for, buying, and selling stock to be quite fun. It will be necessary for me to learn more about the tax implications of doing multiple short sales in short periods of time to know what financial threshold makes short sales worth it. I look forward to having a combination of passive investments which I don't touch, and active investments for "fun."

Week 1 - 10/12 to 10/16:

Question 4

Stock Price	in your own words, summarize the news events of the week
Flowserve	<ul style="list-style-type: none"> The InvestChronicle noted that Flowserve's full year performance was - 35.65%.
Fluor	<ul style="list-style-type: none"> A subsidiary of Fluor, Stork, has been awarded a three-year maintenance contract from Shell-Esso in the Netherlands. Forbes speculates that Fluor will increase over the short term but not the long term. A long-term plan would be to expand further into EMEA.
Peloton	<ul style="list-style-type: none"> This week Peloton recalled ~27k bikes with defective pedals. There were 120 reports of broken pedals and 16 reports of leg injuries between July 2013 and May 2016. Surprisingly (or not?), demand is still at an all-time high due to the pandemic and the popularity of Peloton's workout program. Peloton also announced that they will be increasing capacity due to an order backlog and high demand. This backlog is obviously because of the pandemic and people wanting to work out at home. Imagine how much Peloton could have made this summer if we'd predicted the pandemic and they'd known to increase capacity in advance. Icon Health & Fitness who owns NordicTrack filed a patent infringement lawsuit against Peloton this week. What's interesting is that Peloton sued Icon in May for allegedly copying Peloton's at-home fitness system.
Autodesk	<ul style="list-style-type: none"> Autodesk announced this week the international expansion of the BuildingConnected program, which is a construction management software. They are expanding the software into multiple new countries in EMEA and APAC. The software offers integration that has been highly demanded by construction professionals in Australia and New Zealand. DBT News also mentioned that Autodesk has generated \$21,238 per employee and cites 'employee efficiency', I could not find the time period for this so I assumed that's for the past operating year.
Starbucks	<ul style="list-style-type: none"> Starbucks announced this week they will mandate anti-bias training for executives and linking their pay to 2025 diversity targets. I think this is great news, however the US Labor Department is now scrutinizing diversity goals.
Spotify	<ul style="list-style-type: none"> Spotify released its own iOS 14 widget for the new Apple iOS version this week. Spotify also has changed their podcast format to allow users to create their own podcasts. Forbes speculates that "Spotify is in trouble" because their premium subscriber growth rate is slowing and they are losing market share to competitors such as Tidal.

Question 5

Stock Price	In your opinion, the impact, if any, of the news event(s) on stock price
Flowserve	Stock price went down by about \$.40. This is a small change, but I expect that it will have a bigger negative impact over the next few weeks (or longer). I wonder when we will see this industry recover from the pandemic? If this was my real money, I would sell this stock today based on the news that their full-year performance was so poor.
Fluor	The price went down by \$.15 and it's likely unrelated to the news about Stork. I wonder if the market is down slightly overall. I know the stock market has tended to fluctuate with the president's tweets these days.
Peloton	Peloton stock went up a lot this week because of the announcement that they're increasing production capacity. Investors anticipate that they'll soon be able to fulfill production needs, and demand is extremely high due to the pandemic.
Autodesk	This caused the stock price to go up from ~237 to ~252 because Autodesk looks attractive to investors over the long term and short term. Autodesk's value is diversified across many industries, some of which have been bolstered by the pandemic. (Education technology and Media & Entertainment in particular)
Starbucks	The stock price has dipped slightly and I wonder if it has anything to do with the announcement re: diversity goals. It doesn't quite make sense to me that those would be connected, so perhaps the dip in price is related to the DOW

	being down overall. It's not clear to me how investors would see the move to implement diversity training, given the current President's opposition to and cancellation of diversity training for any federally funded programs.
Spotify	Spotify's stock went up by \$10 this week, probably related to the new iOS widget and investors expecting it to generate more revenue. It's interesting, we see that Spotify is exiting their growth phase and entering a maturity phase, in some respects, and they continue to innovate - this need to innovate with continue to grow as their subscriber growth rate in the US stays flat! It's also not clear how much of Spotify's market share is being lost to Tidal, as Spotify and Tidal are players in different genres of music, leaving unique users for both platforms. Tidal is likely more popular with students as it offers a student subscription discount while Spotify does not.

Week 2 - 10/19 to 10/23:

Question 5

Stock Price	In your own words, summarize the news events of the week
Flowserve	<ul style="list-style-type: none"> • This week Flowserve announced its dates for 3rd quarter FY20 financial results. Results will be released on November 5. Flowserve has been given a "bullish" rating by Investors Observer.
Fluor	<ul style="list-style-type: none"> • Fluor announced their Q1 financial results which had been delayed due to internal audits and a Securities and Exchange Commission investigation. Q1 2020 revenue was down from Q1 2019 revenue. It is suggested that the lower revenue is due to coronavirus concerns which is to be expected.
Peloton	<ul style="list-style-type: none"> • Peloton unveiled a new virtual barre class this week, adding new offerings to their already popular bicycle exercise programs. • Goldman Sachs has downgraded the stock stating that they rallied "too high too fast" but states the stock is "bullish long-term." • Finally, Peloton is currently experiencing shipping delays due to congestion in Los Angeles ports which could hurt short-term results.
Autodesk	<ul style="list-style-type: none"> • This week Hyundai announced it will be partnering with Autodesk to use Autodesk's Fusion360 software to make their "Ultimate Mobility Vehicle" (UMV) called Elevate come to life. This UMV is being called "the world's first walking vehicle." It will be used in search and rescue and humanitarian operations. • Autodesk's revenue for the quarter increased 14.6% YOY. This is Impressive considering that coronavirus has hurt profits across multiple industries.
Starbucks	<ul style="list-style-type: none"> • Multiple news sources are talking about a fight outside of a California Starbucks last week which was fatal. A suspect has been arrested. • A viral video is also being circulated of an anti-masker shouting racial obscenities at a Black Starbucks barista. • One Starbucks store in Seattle is testing their first vegan breakfast sandwich. If this test does well they would expand to more stores and reach vegan customers who currently have few breakfast options at SBUX. Motley Fool notes that the impact of Coronavirus have been almost reversed for Starbucks as most locations have been reopened. Starbucks has proactively made some changes in order to cope with the coronavirus pandemic. Starbucks made a change to their rewards program so that members can pay with a debit card instead of needing a pre-paid card.
Spotify	<ul style="list-style-type: none"> • Spotify has debuted their own daily morning show. Spotify has typically relied on outside artist-produced content, and is now beginning to produce some content in-house. • Spotify is now offering "sign-up integration" with Google. They already had sign-up integration with Facebook, but I imagine that less people are wanting to use Facebook auto-sign ups due to the privacy issues and ethical issues associated with Facebook. I'm not sure how much better Google is but their reputation is better. • Artist Sam Smith has released a 3D visual for their song "Diamonds" on Spotify, the first of its kind! Sam Smith is the first modern pop artist to come out as nonbinary, so the support that Spotify gives to Sam Smith is meaningful to a group of consumers who don't often get attention or recognition in the mainstream. • Spotify has removed racist music from their platform after it was uncovered that the music squeezed through their anti-hate filters. Apple Music and Youtube also removed similar materials this week. • Spotify banned 4 podcasts associated with the group QAnon on Monday. I personally am grateful to see this as QAnon has become a major problem with the radical misinformation being spread and labeled as "news." It's fear-based propaganda and good that Spotify is putting a stop to it. This group is flourishing on other sites like Facebook and Youtube. • Spotify's Year Over Year subscriber growth rate has decreased. This tells us that they're now in the maturity phase.

	<ul style="list-style-type: none"> • Scooter Braun, an American entrepreneur, announced he will be developing a new Country podcast on Spotify. (Radio Ink)
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Question 5

Stock Price	In your opinion, the impact, if any, of the news event(s) on stock price
Flowserve	I understand that stocks tend to "rally" when significant dates are announced, such as Flowserve announcing their earnings dates. I think this is also related to the positive statements from Congress regarding a potential stimulus bill being "close," as the market closed higher today. (Oct 23)
Fluor	I believe the slight increase in Fluor's price was related to the market generally being up for the reasons detailed above and below (Flowserve, Spotify). I don't believe that the announcement of delayed earnings dates had much of an impact on the stock price.
Peloton	The shipping delays Peloton is experiencing, coupled with the already long waitlist due to issues meeting demand, have caused the stock market to drop significantly.
Autodesk	Autodesk is up along with the market this week, but this gain is also likely related to the two new announcements this week. The new collaboration with Hyundai is the first of its kind and has an ability to disrupt the automotive industry. I wonder if there might be investors who don't want the automotive industry disrupted. I ask that because I would expect the stock to be even higher with these two announcements this week. It's very impressive that Autodesk's revenue is up 14% when many industries are down due to the pandemic, and I imagine that fact is not going unnoticed by investors.
Starbucks	<p>I don't believe the first two events would have much impact on Starbucks stock overall. It is likely that Starbucks stock is up this week because of their status as "almost recovered" from the pandemic. This tells us that Starbucks won't be dying due to the pandemic. It does seem like getting a coffee remains an important treat for many consumers now that so many amenities are unavailable.</p> <p>I'm not sure how much the announcement about the vegan breakfast sandwich pilot would impact stock price, but the announcement is interesting still. If, in the long run, Starbucks has more vegan options to offer, that would expand their customer pool. However, it's possible that some people who are vegan would also be morally opposed to supporting a chain like Starbucks. That's obviously why you do a pilot before rolling something out nationwide or even globally.</p>
Spotify	<p>We see that Spotify's stock is up to \$283 on Friday this week, a \$33 gain since we purchased. It's tough to know what's caused their stock to rise so high, but we do see a small jump this week across the board (excluding Peloton) so I believe this large change is related to current events going on outside of Spotify. It's likely that the US Labor Department's report regarding better than forecasted first-time jobless claims for this quarter. Additionally, existing home sales have risen for the 4th month in a row. Harvey S. Katz, CFA with Value Line, notes that these numbers would have risen more had there been more existing home supply. Finally, it seems that the stock market ended higher on this Friday Oct 23 because of the stimulus talks in Congress looking favorable at closing, with Nancy Pelosi stating that "a stimulus deal was just about there."</p>

Week 3 - 10/26 to 10/30:

Question 6

Stock Price	In your own words, summarize the news events of the week
Flowserve	<ul style="list-style-type: none"> • Inside shareholders may be selling their shares resulting in a declining stock price. Simply Wall St. notes that the President of Flow Control Division made a large insider sale in the past 12 months for a total of \$132k worth of shares. • Flowserve is expected to beat earnings estimates according to the Nasdaq.
Fluor	<ul style="list-style-type: none"> • Fluor has been awarded a 5-year position on OASIS by the United States General Service Administration. They will be bidding for task orders in multiple service areas for the GSA.
Peloton	<ul style="list-style-type: none"> • Two of Peloton's competitors, Nautilus and Echelon, are getting attention in the news. Additionally, Apple has released a new upcoming Peloton-like Apple Fitness+ service.
Autodesk	<ul style="list-style-type: none"> • Datamate has announced integration with Autodesk's BIM360 construction management software. Autodesk has been targeting the construction industry for digital transformation for years and this is evidence of progress for Autodesk.
Starbucks	<ul style="list-style-type: none"> • Starbucks announced the closure of 800 stores in the US and Canada due to the Coronavirus pandemic. • Starbucks announced that nearly a quarter of all US retail orders are placed from a phone, and pumpkin spice latte sales have sold an all-time record for the season. • Starbucks earnings were higher than estimated as sales were quicker to rebound from the pandemic than anticipated, even with extended and sometimes permanent store closures. • Starbucks announced it lost \$1.2 billion in fiscal Q4 sales because of the pandemic but expects sales to return to pre-pandemic growth next year.
Spotify	<ul style="list-style-type: none"> • Spotify executive Daniel Elk is defending Joe Rogan for hosting a conspiracy theorist on his Spotify-hosted podcast. This is said to be causing tensions inside Spotify. This isn't a good look for Spotify as Joe Rogan already says some controversial things and dehumanizes groups of people. • Spotify CEO announced the company will have more price increases • Spotify launched in Russia this week and the company now has 320 million monthly active users and 144 million subscribers. • Quarterly revenue rose by 14%. However, Spotify is still struggling in emerging markets and their growth rate was not as high as expected. Free accounts are growing faster than expected but paid subscribers are not.

Question 5

Stock Price	in your opinion, the impact, if any, of the news event(s) on stock price
Flowserve	<p>The news above doesn't look great to Flowserve, and the gains that were recognized last week have been reversed. The DOW is also down overall this week, with October being the "worst month for the DOW since March," according to Stephen Gandel with Moneywatch, CBS News. He also cites "pre-election jitters" as the source for a "tumbling stock market."</p>
Fluor	<p>Fluor is slightly down this week along with all of my other stocks. I do think we'll see the news above have an impact on Fluor's share price once they've begun taking assignments from GSA. At this point, the news above only means they're eligible to take assignments, but still competing with other contractors for said assignments.</p>
Peloton	<p>This is a huge dip! It seems like a combination of the market being down and Peloton's recent troubles with shipping and manufacturing capacity have hit their stock hard. It's surprising to see it so low this week, and it makes me wonder If Bloomberg was right last week about Peloton's stock "rallying too far too fast." I think only time will tell, since Peloton is working on Ironing out their hiccups and the demand for their products and services</p>

	isn't going away. I bet their investors are sweating this week seeing that share price drop by over 15%!
Autodesk	This week we saw the share price take a dramatic dip, along with the rest of the market. It's unclear how the news about Autodesk and Datumate's integration has impacted their share price. I expect we may see this impact the share price more when the integration is fully rolled out and able to be used by construction companies. This expansion can help to knock out Autodesk's main competition in the construction industry, but only time will tell.
Starbucks	It's interesting, while most of the stocks in my portfolio are down significantly this week, Starbucks is only down 84 cents week over week. I speculate that the obvious momentum Starbucks is showing toward surviving this pandemic has helped them avoid the kind of fluctuations I'm seeing in the rest of my portfolio. Although, I can also tell that the higher a stock's price is, the higher % of changes we can expect on a day-to-day basis. With that said, I would expect Starbucks to continue to stay around \$90 and see a boost at the holidays. I am looking forward to seeing if that prediction comes true.
Spotify	Spotify is also down significantly this week, along with the entire market. It's doubtful that this dip is related to Spotify CEO's association with Joe Rogan, although it could be related to the announced eventual price increase. I was expecting to see Spotify's price higher this week with the announcement about their expansion into Russia - the price dip makes me think that investors don't see it as a promising move to expand into Russia, and that more EMEA-based expansion is needed in order to be viable for the long term, particularly now that the maturity phase has been reached.

Week 4 - 11/2 to 11/6:

Question 6

Stock Price	In your own words, summarize the news events of the week
Flowserve	<ul style="list-style-type: none"> Flowserve has issued their Q3 earnings report this week on Friday Nov 6. Total bookings were down 21.2% YoY. Original equipment bookings were down 28.3% YoY and aftermarket bookings were down 13.5% YoY. Flowserve is currently undergoing a transformation called "Flowserve 2.0" which "has enabled us to achieve our \$100 million annualized cost savings target, as well as manage our margins and decrementsals better than previous cycles." (Scott Rowe, CEO) Flowserve expects a return to growth in 2021.
Fluor	<ul style="list-style-type: none"> Fluor Corporation named David E. Constable as new CEO. David Constable has been on the board of directors since 2019. This is Fluor's 3rd CEO in 2 years. Kliss McNeel, Environment, Safety, Health & Quality director for Fluor Idaho has been awarded the 2020 E. Gail de Planque Medal by the American Nuclear Society (ANS) for exemplary accomplishments by a woman in the fields of nuclear science and engineering.
Peloton	<ul style="list-style-type: none"> Peloton has warned of ongoing & continuing supply constraints. Sales have tripled because their demand is huge right now and they're not able to keep up.
Autodesk	<ul style="list-style-type: none"> Autodesk has signed distributor BlueTech for their African market. Autodesk uses partnerships with distributors to increase their expansion into emerging regions. Global Animation Market Report was released; Autodesk was one of the companies featured.
Starbucks	<ul style="list-style-type: none"> Starbucks is opening a new store in Roanoke, VA despite the shuttering of stores nationwide. Starbucks revealed & released their 2020 holiday cups this week. There are consumers who go to Starbucks specifically for these holiday cups so we expect to see a good winter season at Starbucks. Starbucks will be opening an outlet in Laos, expanding their network in Asia. Starbucks operates in more than 70 countries.
Spotify	<ul style="list-style-type: none"> Spotify is hinting at a podcast-only subscription model. Currently users have to sign up for the full subscription in order to access podcasts, so this would give users who only want podcasts a less expensive way to enjoy the service. Spotify has released updates to the Spotify app on Apple Watch. These updates are said to improve the user interface so that you can stream right from your watch. Spotify will begin allowing artists and labels to promote sponsored tracks in user recommendations. Recommendations were previously based on an algorithm and users would not hear "sponsored" music so this change is quite different. Historically, it's been difficult for artists to make money from Spotify plays, since they only receive a fraction of a cent for each "listen" a song receives. This is a great way for Spotify to help their artists make money.

Question 5

Stock Price	In your opinion, the impact, if any, of the news event(s) on stock price
Flowserve	<p>We see that the market is up at the end of this week due to the impending results of the presidential election, but that result hasn't reached Flowserve's stock. It's likely that the financial results being so low impacted the stock price. I imagine that we would have seen an even larger dip in the stock price if the market weren't up overall this week. I also think the fact that Flowserve is not seeing as much of a dip with their aftermarket equipment bookings is helping to keep the stock price from plummeting.</p> <p>I also understand that when a company is undergoing a "transformation" that typically points to flat spend in some areas so may be contributing to a</p>

	slight dip as well. I'm interested to see what happens to Flowserve's stock after Flowserve 2.0 is rolled out.
Fluor	It's difficult to know how the appointment of a new CEO impacted the stock price, if at all. It seems volatile to me, since this is the 3rd CEO appointed in so many years. That doesn't spell "stability," in my opinion, but it may be based on what's best for the longevity of the company, versus how it "looks" to potential investors. We see that the market is up at the end of this week due to the impending results of the presidential election, and I believe the slight increase over last week is due to that.
Peloton	We see this week that Peloton's stock has recovered, despite the ongoing supply issues. Because Peloton shared that these supply issues will likely continue, but the share price has also risen, it makes me think that Peloton is entering the category of a "specialty item" (if it were not already) - since people are now willing to wait even longer periods to receive their special Peloton exercise bikes. The significant price jump could also be related to the market being up overall due to the anticipation of election results.
Autodesk	What a jump! Again, it's hard to know if this significant increase is due to the market being up overall, or due to Autodesk's being set up for long term success. In recent weeks we've seen Autodesk recognized for positive revenue during a time where revenues are down across the board, as well as called out for their efficient and happy employees, so I'm not surprised to see their stock up this week.
Starbucks	We didn't see a large change this week, with Starbucks stock almost where it was when we started this project. I don't think this week's news had much impact on Starbucks stock this week. I do think the news of the past few weeks does make Starbucks look like a strong contender for the long run, as they've adapted to the pandemic, making stores safely accessible and closing the stores that couldn't be made such, whether temporarily or permanently. I do expect we might see Starbucks stock "rally" around the holidays since their holiday drinks are popular and known to draw people in.
Spotify	Spotify also had a huge rally this week. The two announcements regarding the Apple Watch update and the new revenue stream for artists likely caused this huge jump, combined with the market being up overall. Spotify isn't as high this week as it was at week 2 (\$276 this week vs. \$283 at week 2) but the share price has risen a total of \$36.21 since purchase.