Finance 100

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10/20/2017

Click the link above for more information and then click *Create Journal Entry* at the top-left of the next screen to submit your journal entry.

1. **Indicate the companies you are investing in:** Select three (3) US companies that are publicly traded.  Please use your knowledge and experience and pick, as many stocks as you’d like. Lastly, make sure you are practicing good diversification. Jim Cramer, Money Manager, on CNBC, plays a game at the end of his show called “Am I Diversified.” Check out a short clip to get a sense of industry diversification at <https://www.youtube.com/watch?v=f3lDxexupcE>.
2. **Sources of Information**:  There are many ways to find such companies and the stock prices, including the New York Stock Exchange at http://www.nyse.com, Google Finance at [http://google.com](http://google.com/), NASDAQ at [http://www.nasdaq.com](http://www.nasdaq.com/), and [http://finance.yahoo.com](http://finance.yahoo.com/).
3. **Indicate the amount you are investing in each company:** Decide how you will divide $25,000 across the three (3) companies; e.g.  $10,000 in Company 1, $10,000 in Company 2, and $5,000 in Company 3. You decide the amount you are investing in each company. You do not have to provide any analysis to justify your decisions. You must only provide some reason for picking that company. For example, you might invest in Ford because that company gets a lot of your money and you hear that Ford is doing well, and will continue to do well.
4. **Indicate the number of shares you are buying, and the price of the shares you are buying for each company:** Once you decide the companies and the amount for each company, determine how many shares you can buy. If Company 1 is selling for $42.16, then you may buy $10,000/ $42.16, or 237.19 shares. But you cannot buy a part of a share, so you decide to buy either 237 or 238. In this example you buy 237 shares, at $42.16 per share, investing $9,991.92. You won’t be able to buy exactly $10,000, or $5,000, or $25,000, but it will be relatively close.

**Stock Journal**

***Reason for investment***

Am diversifying my funds in the three portfolio in order to earn profits, spread risks and increase market share through investing in publicly traded companies with strong profit margins and strong working capital.

***I will be investing my funds in the following companies***

Having $25,000 as the total amount, I will be investing the funds across the following three companies of my choice.

Kohl’s Corporation ($10,000),

Target Corporation ($10,000),

PepsiCo, Inc. ($5,000)

***My goal is to maximize profits which will entails the following:***

* Based on the NYSE as of 19/10/2017 at 4:14 AM, Kohl’s Corporation [KSS](https://www.nyse.com/quote/XNYS:KSS) stock is at $43.39 USD per share. (230 shares at $43.39 = $9,979.7)
* Based on the NYSE as of 19/10/2017 at 4:23 AM, Target Corporation [TGT](https://www.nyse.com/quote/XNYS:TGT) stock is at $59.76 USD per share. (167 shares at $59.76 = $9,979.92)
* Based on the NYSE as of 19/10/2017 at 0:00 AM, PepsiCo, Inc. [PEP](https://www.nyse.com/quote/XNYS:PEP) stock is at $111.95 USD per share. (44 shares at $111.95 = $4,925.8)

**Total: $24,885.42**

***The following triggered me to invest in the companies,***

Following [Kohl’s 2017 Quarter Annual Report](file:///C:\Users\Harris%20Family\Downloads\Kohls-10K%202014%20-%20For%20Distribution.pdf), it can be noted that total current assets are $5,314, 000 and its total current total liabilities are $2,758,000. The accounting ratio for Kohl’s corporation is 1.93:1 regarding total current assets to total current liabilities. It can be seen that the company is doing well in terms of profit.

Based on Target Corps, [Five Year Dividend History](https://www.nyse.com/quote/XNYS:TGT/company), the company has seen significant grown in the areas of dividends and year-end yields %. Dividend history shows payable amounts the increased from $0.30 in 2012 to $0.60 in 2017. Although shares haven’t split since 2000, the company’s performance is strong.

PepsiCo, Inc. is one of the world leaders in beverages like Sierra Mist, Lipton, 7UP and Mountain Dew. In addition, the company has taken hold of the snack market with Frito-Lay, Tropicana, and Quaker food product. I believe in the brand because I am a customer. Analyzing of the company’s balance sheet, it clearly shows that the company has a strong financial stamina.

***Conclusion***

The results of my investments are quite well actually. I have not lost anything as of yet and I do not plan to at all. I have complete faith in them as well. Though they could have been much better I am happy with the results. I am very happy with my diversification criteria and hope all goes well.