The detail information of 10 stocks finance essay

Finance

This is a reflective report for individual assignment. There are four parts of this report, which were Performance of 10 initial stocks, Comparison of selection between individual portfolio and group's portfolio, Learning point/outcome, and Reflection on the group's acceptance of your stock suggestions. It will explain the detail of these four parts as follow.

Performance of 10 initial stocks

SGD 100million PortfolioEntry Date12-Mar-1312-Mar-1312-Mar-1312-Mar-1312-Mar-1312-Mar-1312-Mar-1312-Mar-1312-Mar-1312-Mar-13Stock NameBRC AsiaBonvestsKeppelStarHubDBSNobleOlamOversea - Chinese BankingSingapore PressSEMBCorpShare Price0. 191. 1211. 894. 1715. 471. 191. 6710. 354. 315. 19No. of Share52, 631, 5788, 928, 571841, 0422, 398, 081646, 4128, 403, 3615, 988, 023966, 1832, 320, 1851, 926, 782Total Cost10, 000, 00010, 000, 00010, 000, 00010, 000, 00010, 000, 00010, 000, 00010, 000, 00010, 000, 00010, 000, 00010, 000, 000100, 000, 000Price/Earning7. 1911. 339. 6220. 19. 9117. 3510. 649. 1718. 9912. 42Present Date8-Apr-138-Apr-138-Apr-138-Apr-138-Apr-138-Apr-138-Apr-138-Apr-138-Apr-138-Apr-13Stock Price0. 181. 1411. 164. 3715. 651. 171. 6510. 584. 65. 08Market Value9, 473, 684. 0410, 178, 570. 949, 386, 028. 7210, 479, 613. 9710, 116, 347. 809, 831, 932. 379, 880, 237. 9510, 222, 216. 1410, 672, 851. 009, 788, 052. 56100, 029, 535. 49Profit(Loss)-526, 315. 96178, 570. 94-613, 971. 28479, 613. 97116, 347. 80-168, 067. 63-119, 762. 05222, 216. 14672, 851. 00-211, 947. 4429, 535. 49

Table 1. The detail information of 10 stocks

The table 1 shows the performance of 10 stocks which were my initial chosen stocks from 12 March 2013 to 8 April 2013. Each of the stocks was

allocated $10, 000, 000. To the final result profit/loss, half of the stocks were loss. Especially the BRC Asia Limited and the Kepple Crop Ltd lost most, which lost $526, 315. 96 and $613, 971. 28 respectively. Fortunately, the half of the stocks left performed better than the lost part, especially two companies that StarHub and Singapore Press Holding performed strongly during one month time. Finally, this portfolio earned $29, 535. 49 at the end date. At the beginning of choosing stocks, I think, with the global real estate market recovery, the property industry in Singapore will be driven by this trend. And shipping & marine industry is also important for Singapore, which a large number of resources from outside to Singapore are depended on shipping & marine. It has enough reason to choose stocks in these two industries. But the performance of the most loss two companies that belong to property industry and shipping & marine industry were not well than the expectation. The stock price of BRC Asia Limited was from 0. 19 to 0. 18 and the stock price of Kepple Crop Ltd was from 11. 89 to 11. 16. It evidence that there are a lot of uncertainty in stock market. As we can know, Singapore is one of the finance centers in Asia. So the banking & finance industry can be a good investment goal. In fact, during this month the performance of finance industry is good, which I chose two stocks that DBS Group Holdings Ltd and Oversea-Chinese Banking Corp Ltd in this industry. The stock price of DBS Group Holdings Ltd was from15. 47 to 15. 65 and the stock price of Oversea-Chinese Banking Corp Ltd was from 10. 35 to 10. 58. These two stocks earned $116, 347. 80 and $222, 216. 14 respectively. The telecommunication industry and the publish industry performed strongly. The two most profit stocks belong to these two industries. The stock price of StarHub was from 4. 17 to 4. 37 and the stock price of Singapore Press

Holding was from 4. 31to 4. 6. The profits of them were $479, 613. 28 by StarHub and $672, 851. 00 by Singapore Press Holding. The left stocks in different industries performed differently. The stock price of Bonvests Holdings Limited in hotel industry was from 1. 12 to 1. 14, and the profit of this stock was $178, 570. 94. The stock price of Noble Group Ltd in diversified machinery industry was from 1. 19 to 1. 17, and the loss of this stock was $168, 067. 63. The stock price of Olam International Ltd in food industry was from 1. 67 to 1. 65, and the loss of this stock was $119, 762. 05. The stock price of SEMBCorp Industries Ltd in Diversified Utilities industry was from 5. 19 to 5. 08, and the loss of this stock was $221, 947. 44.

Comparison of selection between individual portfolio and group's portfolio

According to the table 1 above and the data of group's portfolio, group's original portfolio did better than my portfolio. The profit of group's portfolio was $2, 873, 511. 9, while the profit of my portfolio was just $29, 535. 49. Compare the Annualised Return between individual and group: Individual 1-month Return: (100, 029, 535. 49-100, 000, 000)/100, 000, 000= 0. 00029= 0. 029%Individual Annualised Return: (1+0. 029%)13 - 1= 0. 00377= 0. 377%Group 1-month Return: (102, 873, 511. 9-100, 000, 000)/100, 000, 000= 0. 0287= 2. 87%Group Annualised Return: (1+2. 87%)13 - 1= 0. 4446= 44. 46%The Group Annualised Return was better than individual Annualised Return, which the Group Annualised Return was 44. 46% while the individual Annualised Return just 0. 377%.

Learning point/outcome

From the study and research in Singapore stocks I have learned some about the investment management, learning how to choose the stock and how to invest in stocks. A stock is a proportional ownership interest in a company. Or, in simplest terms, a stock is a portion of the value of a company. When you buy stock in a company, you are actually purchasing a piece of that company. Companies, like almost anything else, are available for purchase and sale. Your daily newspaper certainly covers the more noteworthy purchases. Even professional practices such as a dentistry or professional massage parlor are usually sold when the proprietor retires or leaves the profession. As these businesses vary, so does the accompanying stock. There are different kinds of stock, and they are differentiated by some very fine print. Here is a list of stock categories: Blue Chip Stock: A share of one of the most established and financially secure companies in the country. Secondary Stock: A share of a company with substantial backing that is not quite considered blue chip. Income Stock: A stock that is usually characterized by its issuing company's focus in providing higher dividends. Growth Stock: The stock of a company that is still small but is believed by its shareholders to have great growth potential. Penny Stock: A highly speculative stock in a company with little or no real value other than its uncertain growth potential. Stocks are financial instruments, and financial instruments are measured numerically. At some point, your stock selection is going to have to include math if it is to be a sound investment choice. Most financial documents regarding stock are packed with ratios and equations. The Price/Earnings Ratio is a measurement of how much income the investor can expect from the initial investment. It is measured by dividing the price of

the stock by the amount of money the stock issued in dividends over a 12-month periodEarnings per share, or EPS, is a fancy financial way of saying 'divided amounts'. The total amount of company's net earnings divided by the number of outstanding common shares is the earnings per share. The EPS determines the stock's dividends in dollars and cents. The current or dividend yield indicates the percentage represented by the annual dividend payments relative to price of the stock. If this type of measurement is sounding vaguely familiar, that is because the current yield is the exact opposite of the P/E ratio. The current ratio and the debt ratio differ from the previous measurements in that their focus is more on the company's constitution rather than its health. This means that the current and debt ratios measure the internal infrastructure of the company, including its level of leverage and its solvency potential, rather than its external dealings. A stock's book value attempts to determine the worth of a company. Once the book value is known, analysts can subtract the company's liabilities and divide the remainder by the total number of shareholders to determine how much each investor would receive in the case of the company going out of business.

Reflection on the group's acceptance of your stock suggestions

There were four stocks I recommend in group. They are Bonvests Holdings Limited, Noble Group Ltd, Singapore Press Holdings Limited, and SEMBCorp Industries Ltd. In my individual performance of these four stocks, there were half of them profit. Bonvests Holdings Limited was invested 20, 000, 000, which was the most investment at the beginning in group. The stock price of

Bonvests Holdings Limited in hotel industry was from 1. 12 to 1. 14 in a month time. Another one of the profit stocks was Singapore Press Holdings Limited. The stock price of Singapore Press Holding was from 4. 31to 4. 6, which the amount of increase was biggest. The left two stocks were loss. The stock price of Noble Group Ltd was from 1. 19 to 1. 17, and the loss of this stock was $168, 067. 63. The stock price of SEMBCorp Industries Ltd was from 5. 19 to 5. 08, and the loss of this stock was $221, 947. 44. According to the data above, my stock suggestions are good but not perfect. The stock of the Bonvests Holdings Limited and the Singapore Press Holdings Limited was profit, especially the change rate of the Singapore Press Holdings Limited was +6. 97%. However, there were also two of the stocks I recommend reducing the stock price.