

# Reflection of stock market project

Business



REFLECTION OF STOCK MARKET PROJECT I made the decision to invest in four company shares in the stock market. The shares I bought were from the Cognizant Technology Solutions Corp, O'Reilly Automotive Inc., Apple Inc., and MSFT. My decision was advised by greed since most of the shares I bought had a stable background. The events and prices in the stock market get influenced by several factors that include the company events, world events, business fundamentals and the human psychology. Since the O'Reilly Automotive Inc. shares prices had an increasing stable trend, I bought them. Over time, the share prices dropped, and I got disappointed but in the long-run the prices exceeded the original share price by \$ 40 (Becket 58-70). Mostly in the stock market, human psychology gets reflected by either greed or fear. During the period when the share prices of the MSFT was considerably decreasing, fear lead me to sell the shares immediately the prices reached the original price. The Cognizant Technology Solutions Corp shares prices decreased, but for the past four days the prices have exceed the \$47 price margin I had anticipated selling the shares. Greed to profit from the increasing prices led more people to buy these shares by the close of the stock market on 10th December 2014(Graham 189-98). I sold least Apple Inc. shares because the company intends to launch its new iPhone models in 2015. The entry of the new iPhones will increase the earnings of the company considerably, and the shares will as well increase. Therefore, in anticipation of the increase, I will keep the shares and sell them when the new iPhones premiers in the market. From the experience in the stock market, I learned to rely mostly on the more scientific and economic factors. Human psychology slightly affects the stock as compared to the scientifically and economically conscious factors (Graham 347-58).

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### Works Cited

Becket, Michael. How the Stock Market Works: A Beginners Guide to Investment. London: Kogan Page. 2012. Print.

Graham, Benjamin., Zweig, Jason., & Buffett, Warren E. The Intelligent Investor: The Definitive Book on Value Investing. A Book of Practical Counsel. New York: HarperBusiness. 2006. Print.