

## Investment Portfolio Wrap-Up

This handout is going to conclude the Investing Project that was started back in October. At this point you should have a spreadsheet showing how your ten stocks have been performing at several different points of the year.

### Here are some questions to consider:

You have discussed how your stocks have been performing at several different times of the year with your teacher. Did any of your stocks perform extremely well, or extremely poorly over the different stages of this project, and are you tempted to stick with these holdings or sell them? Did anything happen to these stocks that could increase or decrease their performance such as a change in the value of the dollar, a dividend cut, a change in management, ... ? Would you still like to own this stock and why? Are there any stocks you have seen that you would have liked to add to your portfolio since we started, what are they and why?

Your Stock Project Spreadsheet should look something like the table below. You will now complete all of the columns listed.

Name	Symbol	Oct 15 Value	Dec Value	Feb Value	April Value	Increased Value	Percent Increase	Yield Percent	Total Percentage Increase
	BDX	252.94			260.52	7.58	3.00%	1.25%	4.25%
	MMM	162.18			144.42	-17.76	-10.95%	3.63%	-7.32%

### Portfolio Performance:

How did your investments turn out through this 6 month experiment? (information/calculation)

- Increase value (April 30<sup>th</sup> value – Oct 15<sup>th</sup> value)
- Percentage increase (Increase Value divided by Oct 15<sup>th</sup> value)
- Total Percentage Increase (Percentage Increase + Yield %). Average this column.
- Which of your stocks performed the best and Why?
- Which of your stocks performed the worst and Why?
- If you owned 100 shares of each stock, how much did it cost to buy and how much are they worth now? (Add up all the Oct 15<sup>th</sup> values and multiply by 100, then add up all the April 30<sup>th</sup> values and multiply by 100)
- If you distributed \$1000 to each company, how did your results change? (Take \$10000 and multiply by the Average Total Percentage Increase)
- Which would be better for you; 100 shares or \$1000?

This has been an unusual year in the Stock Market and beyond. This has been an event that happens only a couple times during a lifetime. Mr. Grant has been buying when the stocks are so low in value. This is an opportunity to get in and get huge returns in the long run. The biggest gains in history were made after the 2009 recession. The 2020 recession will be a boon for those who can take advantage of these discount prices. He loves to buy "Quality at a Discount". Meanwhile, Ms. Tsang is cautious, buying some but mostly waiting out the volatility and the possibility of a long recession. However, they both agree that When prices fall in the stock market, everything is on sale, so you can pick and choose the best companies at great prices.

What would you do? If you had the cash available, would you be buying stocks now? What types of stocks would you be buying? What do you have to consider when deciding when and whether to enter the market or not?

**How would you build an initial investment portfolio? (future investing)**

- Savings plan (how would you put money away: weekly/monthly/yearly... lump sum)
- Initial purchases (would you keep any of your stocks from the list?)
- What brokerage would you use to trade? (moneysense.ca)

Everyone is an investor: (future planning: what would you use the money for?)

- Education
- Home
- Savings account
- RRSP, TFSA, RESP
- Purchasing: electronics/computers/car/...

What investments are going to be the most important for you in the next 5 years? Where will you start?

Most people like to have the possibility of a gold plated pension plan. This is known as a Defined Benefit Pension Plan and it is what government employees (like teachers) have. Most employers that are not government do not offer this type of pension plan, and that is why learning about investing is important for your future. There is one defined benefit pension plan that is open for any Canadian citizen to join, and it is known as the Saskatchewan Pension Plan.

We are going to investigate this plan more closely: <https://www.saskpension.com/>

- When can you start contributing to the SPP?
- What is the minimum payment to the SPP?
- How many years until you are going to retire?
- What is the Average Return as a percentage? (on first page)

Now let's play with the wealth calculator: <https://www.saskpension.com/resources/wealth-calculator/>

- Using the BASIC calculator set the "Annual Addition" to \$1200 (\$100/month)
- Set the "Years to Retirement" to 47
- Set the "Annual Growth Rate" to the Average Return percentage
- Hit the "Calculate" button
- Now to play with the calculator, set "Annual addition to \$2400 (\$100/paycheque)
- How did everything change? Why?
- Now you can change any of the numbers and see what happens (I use a 10% return)

Explain how the Saskatchewan Pension Plan would be advantageous for someone who does not want to invest on their own. Are there any limitations to joining this Plan? Is this something that you would be interested in joining?