



Finewbie: Application Demonstration

- ▶CAPSTONE PROJECT, UNIVERSITY OF TORONTO
- ▶DECEMBER 2017
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The logo for finewbie features the word "finewbie" in a lowercase, sans-serif font. The "finewbie" part is in white, and the "ie" part is in yellow. To the right of the text is a teal speech bubble containing a white dollar sign (\$).

finewbie

Personal investment advisor for beginners

finewbie helps beginners create goals and achieve them through investment advice.

It's simple: register, create your goals and let finewbie suggest you how to invest your money.

Haven't tried finewbie?

[Sign Up Now!](#)

Already a registered user?

[Login](#)

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 First Name


First Name

 Age

Age


 Email address

Email

 Password

Password


 Sign up!

 First Name


Test Name

 Age

25

 Email address

test.email@gmail.com

 Password

.....|

 Sign up!

Welcome to finewbie, Test Name!

What would you like to do today?

[Create a Goal!](#)[View My Goals](#)[Learn More](#)

Welcome to finewbie, Test Name!

What would you like to do today?

[Create a Goal!](#)[View My Goals](#)[Learn More](#)

Goal Information

Starting to save up for a goal? That's great! Even small amounts regularly add up to a lot in few years.

We'll ask you some questions about the goal and personal comfort level with risk, so we can better choose your portfolios for you.

Name the goal!

Buy my own house! (down payment)

How much money would you like to save up for your goal? Please enter amount rounded up to the nearest dollar.

50000

How long do you wish to save up for this goal? Enter the number of years.

4

How important is it for you to achieve this goal on time?

- ☐ Not very important
- ☐ Not important
- ☐ Doesn't matter

How important is it for you to achieve this goal on time?

- ☐ Not very important
- ☐ Not important
- ☐ Doesn't matter
- ☐ Somewhat important
- ☒ Extremely important

Goal Contribution

We'd like to know how much you can regularly contribute towards your goal.

Feel like you won't have any income left for your other needs? Don't worry, we will take other bills and payments you have to make into account.

What is the initial contribution you would like to make towards this goal? Please enter amount rounded up to the nearest dollar.

Enter the value of your monthly current assets (All sources of income basically - salary, savings account balance, existing investments.)

Enter the value of your monthly current liabilities (All expenses including rent, insurance, credit card bills, utilities etc.)

Risk Profile

What is your comfortable level of risk? Find out here!

Risk Profile

What is your comfortable level of risk? Find out here!

Don't overthink the questions - just go with your instinct

You are on a TV game show and can choose only one of the following options. Which would you take?

- ☒ \$1,000 in cash
- ☐ 50% chance at \$5,000
- ☐ 25% chance at \$10,000
- ☐ 5% chance at \$100,000

Two weeks before you leave for your dream vacation, you lose your job. You would:

- ☐ Cancel your vacation
- ☐ Take a more modest vacation
- ☒ Proceed as scheduled
- ☐ Extend your vacation

When you think of the word 'risk', what first comes to mind?

- ☐ Threat
- ☐ Loss
- ☒ Uncertainty
- ☐ Opportunity

Given the best and worst case scenario, which of these investment choices do you prefer?

- ☐ \$250 gain, \$0 loss
- ☐ \$750 gain, \$200 loss
- ☒ \$2,800 gain, \$800 loss
- ☐ \$5,000 gain, \$2,500 loss

☐ 5% chance at \$100,000

Two weeks before you leave for your dream vacation, you lose your job. You would:

- ☐ Cancel your vacation
- ☐ Take a more modest vacation
- ☒ Proceed as scheduled
- ☐ Extend your vacation

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- ☒ \$2,800 gain, \$800 loss
- ☐ \$5,000 gain, \$2,500 loss

A good friend offers you an opportunity to invest in his new invention, which would double your investment if it passes a safety inspection. There's a 20% chance of success. How much would you invest?

- ☐ Nothing
- ☐ One month's salary
- ☒ Two month's salary
- ☐ Six month's salary

Create My Goal!

Goal Details

Name: Buy my own house! (down payment)

Time Horizon: 4.0 years

Time left till end of goal: 4.00 years

Goal amount: \$50000.0

[Optimize!](#)[Back to My Goals](#)

Goal Details

Name: Buy my own house! (down payment)

Time Horizon: 4.0 years

Time left till end of goal: 4.00 years

Goal amount: \$50000.0

[Optimize!](#)[Back to My Goals](#)

Portfolio Details - Buy my own house! (down payment)

🕒 As of this time, you saved up 10.00% of your goal (inflation taken into account).

\$ Translated to dollar value, your investment is now worth \$5000.0.

🐷 Don't worry! You still have 3.75 years to reach your goal.

[Back to Goal Summary](#)

Important Statistics

Holding Period Rate of Return: 0.00%

Time-Weighted Rate of Return: 0.00%

Variance of Portfolio Value: \$57.00

Investment Suggestion

finewbie suggests that you buy the following amounts of assets listed:

- -1.03 shares of SPY
- 16.37 shares of IWM
- 42.65 shares of VFI

Goal Details

Name: Buy my own house! (down payment)

Time Horizon: 4.0 years

Time left till end of goal: 3.75 years

Goal amount: \$50000.0

[Edit Your Goal](#)[Optimize!](#)

Goal Progress:

10.00% Goal

[Back to My Goals](#)

Portfolio Details - Buy my own house! (down payment)

🕒 As of this time, you saved up 19.94% of your goal (inflation taken into account).

\$ Translated to dollar value, your investment is now worth \$10017.76.

🐷 Don't worry! You still have 3.50 years to reach your goal.

[Back to Goal Summary](#)

Important Statistics

Holding Period Rate of Return: 11.60%


Time-Weighted Rate of Return: 11.60%

Variance of Portfolio Value: \$57.00

Investment Suggestion

finewbie suggests that you buy the following amounts of assets listed:

- 5.24 shares of SPY
- 34.59 shares of IWM
- -29.66 shares of VEU

 Don't worry! You still have 3.50 years to reach your goal.

[Back to Goal Summary](#)

Important Statistics

Holding Period Rate of Return: 11.60%

Time-Weighted Rate of Return: 11.60%

Variance of Portfolio Value: \$57.00

Investment Suggestion

finewbie suggests that you buy the following amounts of assets listed:

- 5.24 shares of SPY
- 34.59 shares of IWM
- -29.66 shares of VEU
- 2.32 shares of CSJ
- 0.39 shares of BLV
- \$220.13 added to your cash investments.

Asset Allocation within Portfolio

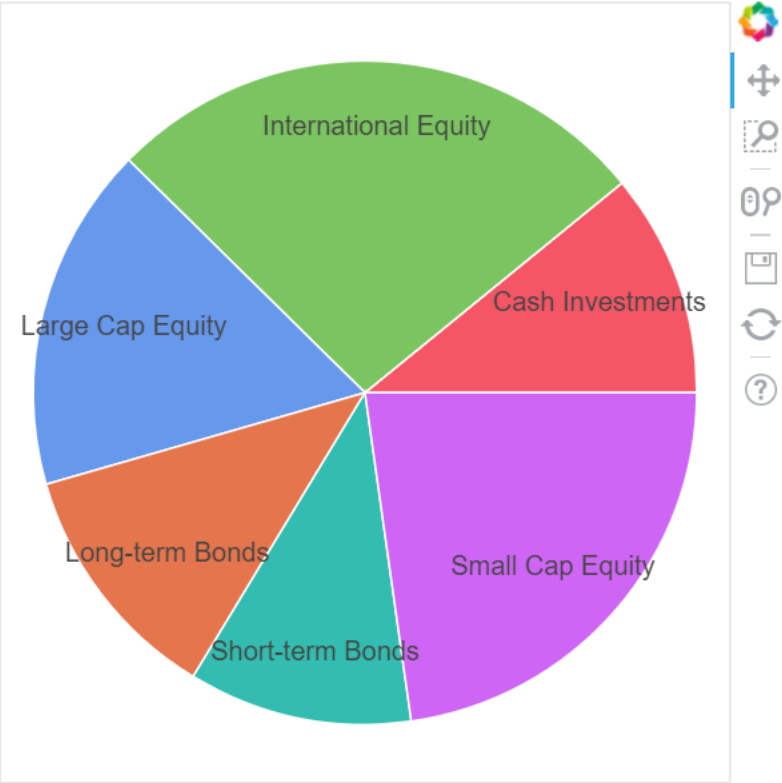
How is your investment split up into the different asset classes? This split keeps changing at every time period to be consistent with your risk profile, but adjusting for the returns of the assets.



- \$220.13 added to your cash investments.

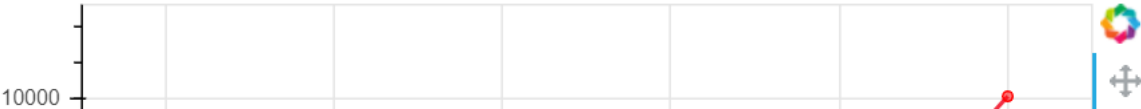
Asset Allocation within Portfolio

How is your investment split up into the different asset classes? This split keeps changing at every time period to be consistent with your risk profile, but adjusting for the returns of the assets.



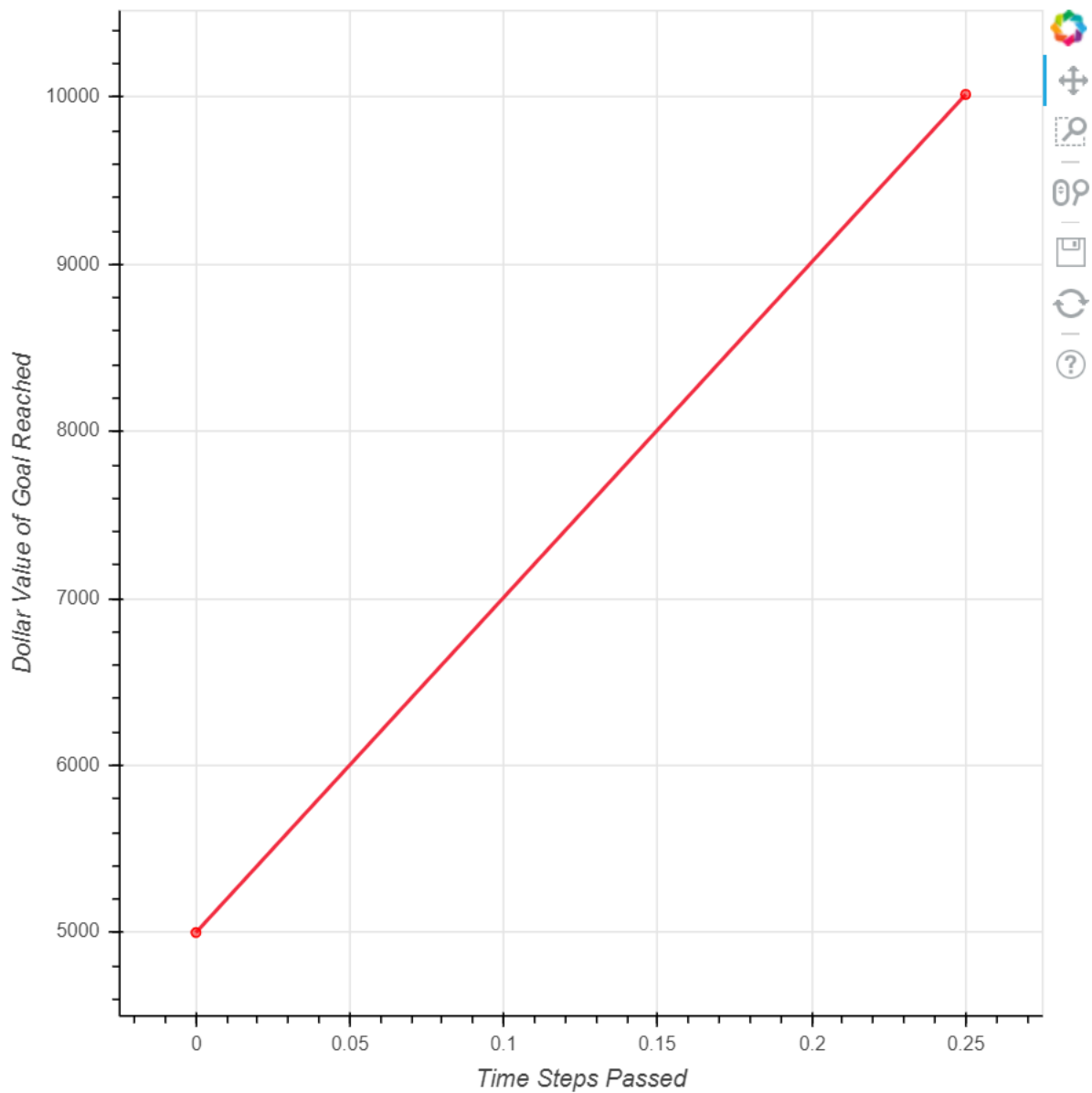
Market Value of Portfolio

This is how much your investment (initial contribution + added cash) is worth in the market today.



Market Value of Portfolio

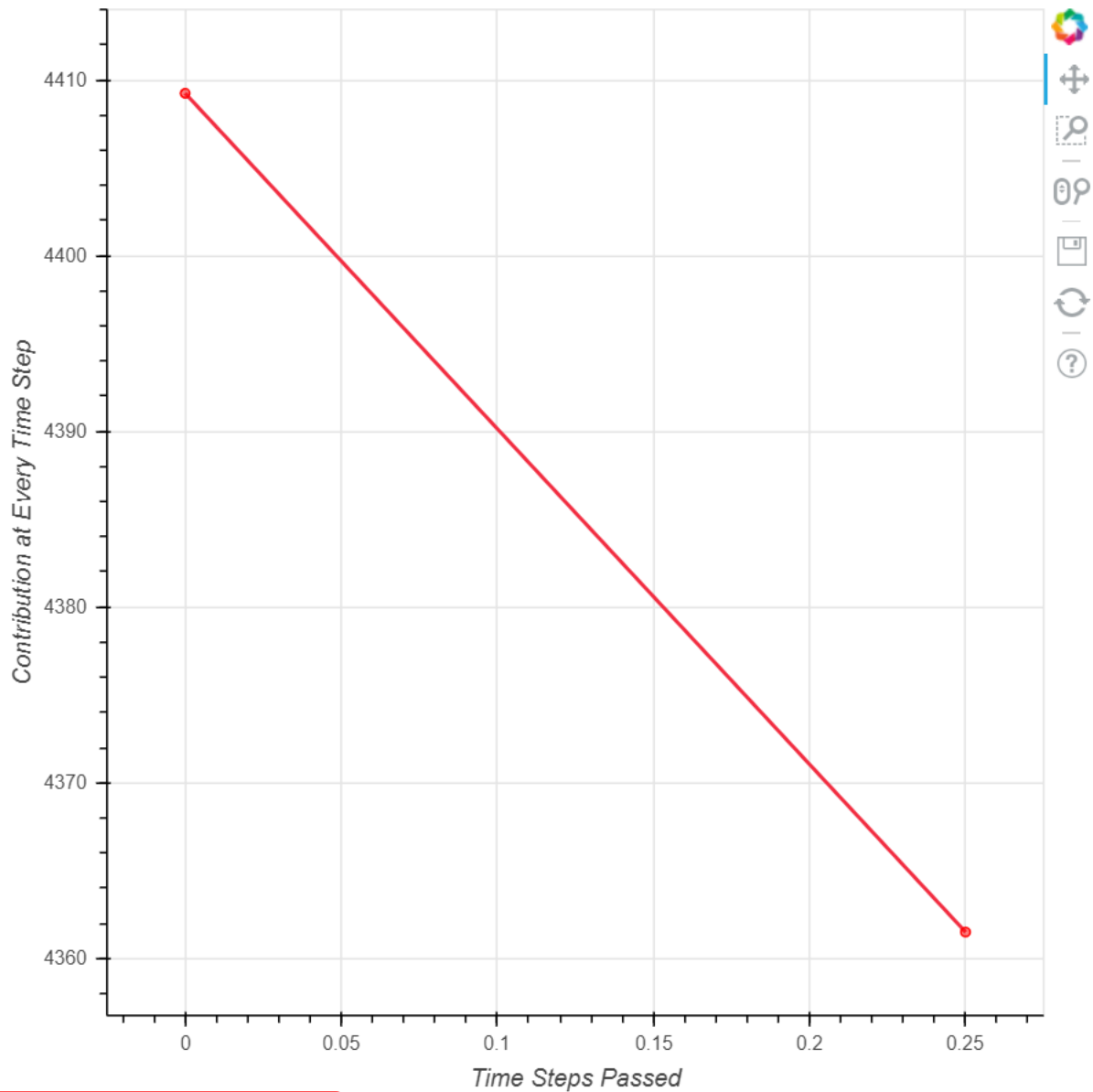
This is how much your investment (initial contribution + added cash) is worth in the market today.



Additional Cash Inflow from Investor

Additional Cash Inflow from Investor

This is the money you put in to the portfolio as contribution towards the goal, at every time step.



[Back to Goal Summary](#)

Goal Details

Name: Buy my own house! (down payment)

Time Horizon: 4.0 years

Time left till end of goal: 3.50 years

Goal amount: \$50000.0

[Edit Your Goal](#)[Optimize!](#)

Goal Progress:

19.94% Goal Achieved

[Back to My Goals](#)

Edit your goal - Buy my own house! (down payment)

Enter values in the following form to make changes to your goal.

How much money would you like to save up for your goal?

Please enter amount rounded up to the nearest dollar



How long do you wish to save up for this goal?

Enter the number of years

Enter the value of your current assets.

Salary, other income, any existing investments etc

Enter the value of your current liabilities.

Monthly expenses including rent, insurance, credit card bills, utilities etc

Edit My Goal

Edit your goal - Buy my own house! (down payment)

Enter values in the following form to make changes to your goal.

How much money would you like to save up for your goal?

How long do you wish to save up for this goal?

Enter the value of your current assets.

Enter the value of your current liabilities.

Edit My Goal

Goal Details

Name: Buy my own house! (down payment)

Time Horizon: 6.0 years

Time left till end of goal: 5.50 years

Goal amount: \$100000.0

[Edit Your Goal](#)[Optimize!](#)

Goal Progress:

19.94% Goal Achieved

[Back to My Goals](#)

Portfolio Details - Buy my own house! (down payment)

🕒 As of this time, you saved up 14.22% of your goal (inflation taken into account).

\$ Translated to dollar value, your investment is now worth \$14362.45.

🐷 Don't worry! You still have 5.00 years to reach your goal.

[Back to Goal Summary](#)

Important Statistics

Holding Period Rate of Return: -50.30%

Time-Weighted Rate of Return: -44.50%

Variance of Portfolio Value: \$57.00

Investment Suggestion

finewbie suggests that you buy the following amounts of assets listed:

- 9.82 shares of SPY
- 7.26 shares of IWM
- 82.25 shares of VFI

Important Statistics

Holding Period Rate of Return: -50.30%

Time-Weighted Rate of Return: -44.50%

Variance of Portfolio Value: \$57.00

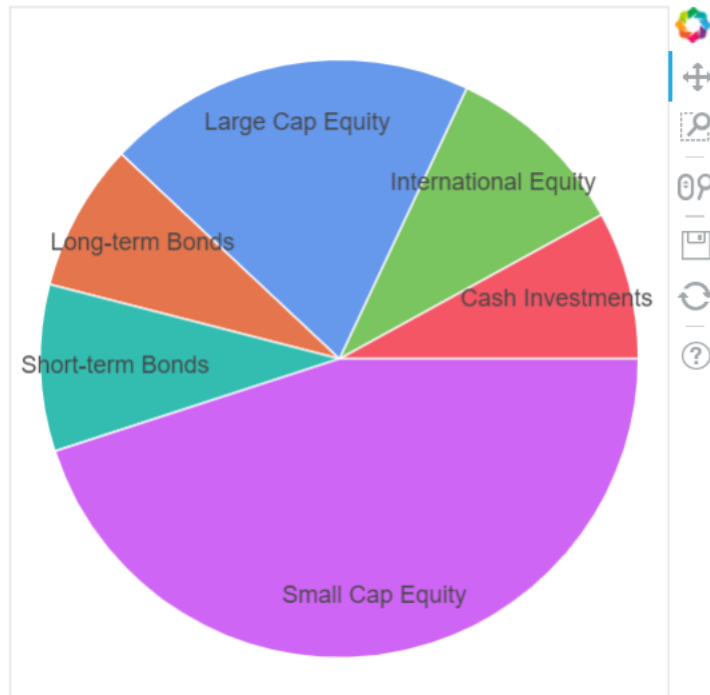
Investment Suggestion

finewbie suggests that you buy the following amounts of assets listed:

- 9.82 shares of SPY
- 7.26 shares of IWM
- 82.25 shares of VEU
- 18.78 shares of CSJ
- 35.14 shares of BLV
- \$2042.82 added to your cash investments.

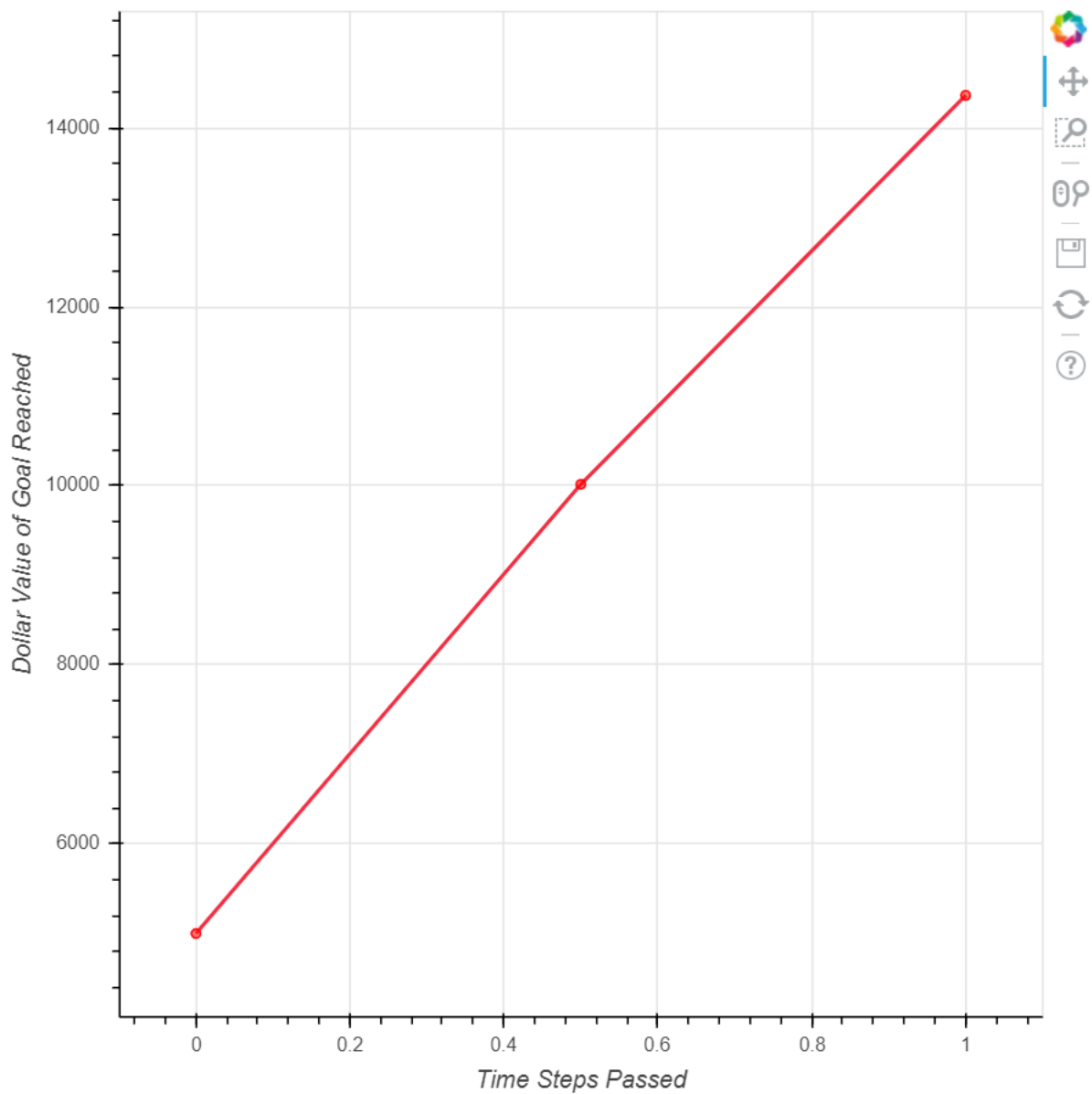
Asset Allocation within Portfolio

How is your investment split up into the different asset classes? This split keeps changing at every time period to be consistent with your risk profile, but adjusting for the returns of the assets.



Market Value of Portfolio

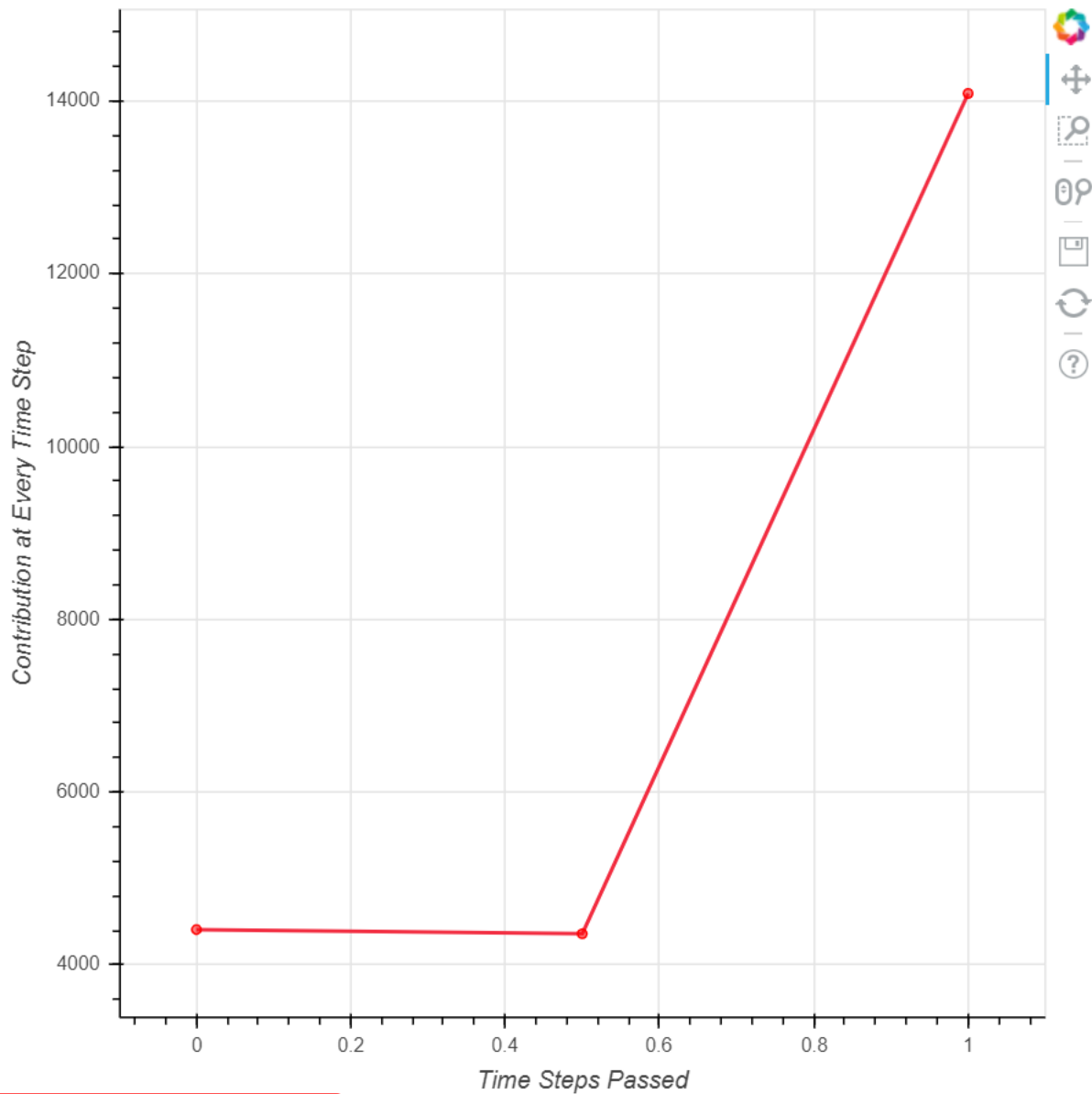
This is how much your investment (initial contribution + added cash) is worth in the market today.



Additional Cash Inflow from Investor

Additional Cash Inflow from Investor

This is the money you put in to the portfolio as contribution towards the goal, at every time step.



[Back to Goal Summary](#)

Goal Details

Name: Buy my own house! (down payment)

Time Horizon: 6.0 years

Time left till end of goal: 5.00 years

Goal amount: \$100000.0

[Edit Your Goal](#)[Optimize!](#)

Goal Progress:

14.22% Goal Achieved

[Back to My Goals](#)

My Goals

Click on the links below to see more details about each portfolio.

[Buy my own house! \(down payment\)](#)

[FAQs](#)[Asset Classes](#)[News](#)

My Goals

Click on the links below to see more details about each portfolio.

[Buy my own house! \(down payment\)](#)

Ask us questions

finewbie has compiled all of your common questions here. If you still have questions, don't hesitate to send us an email.

1. What is a stock? Bond? ETF? Portfolio?

Stock: a type of investment which signifies your ownership of a company. Bond: a type of investment where you lend money to the government for a defined amount of time at a fixed interest rate. Typically has lower return than stocks, but are generally considered safer. ETF: stands for "exchange-traded fund". It is a type of fund which tracks an index (a measure of performance of the market), a commodity, bonds, or a basket of assets, rather than a single stock or bond. It trades like stocks and you own the shares of the underlying assets. Portfolio: a portfolio is a grouping of assets -- stocks, bonds, and/or ETF's.

2. What is meant by "current assets"?

By "current assets" in the risk profile questionnaire, it is asking for your monthly income -- salary if applicable plus other income sources.

3. What is meant by "current liabilities"?

By "current liabilities" in the risk profiles questionnaire, it is asking for your expenses that are due immediately within a month.

4. Why am I investing in multiple assets?

Investing in multiple assets is a practice of diversification to avoid putting all your eggs in one basket. By diversifying your portfolio with assets of different classes, from different industries, with varying maturities, etc., you can minimize the risk associated with your portfolio.

5. What is the risk in investing?

Risk is understood as the possibility that your portfolio may lose value over time. Diversification is a means by which this risk is minimized.

6. How do I know how well my portfolio performs?

Performance of your portfolio is most simply measured by its rate of return. Rate of return is the growth of your portfolio overtime. On finewbie, there are two different types of rates of returns: Holding period rate of return (HPRR): rate of return on portfolio over a single time period. Time weighted rate of return (TWRR): rate of return on portfolio since the very beginning until now.

7. Why do I need a financial advisor?

There is an enormous array of financial options available and selecting the one that will best meet your needs is vital part to your long-term investment success. A

My Info

Name: Test Name

Age: 25

Email: test.email@gmail.com

Use the form below to change your password.

Change Password

My Info

Name: Test Name

Age: 25

Email: test.email@gmail.com

Use the form below to change your password.

Change Password

Welcome to finewbie, Test Name!

What would you like to do today?

[Create a Goal!](#)[View My Goals](#)[Learn More](#)

Thank you for using finewbie!

Credits:

Jangwon Park, Sowmya Tata, Kai Zhang

EngSci 1T7 + PEY - EMSF, Fall 2017

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Haven't tried finewbie?

[Sign Up Now!](#)

Already a registered user?

[Login](#)

 Email Address

test.email@gmail.com

 Password

.....|

 Log In!

Your password was wrong!