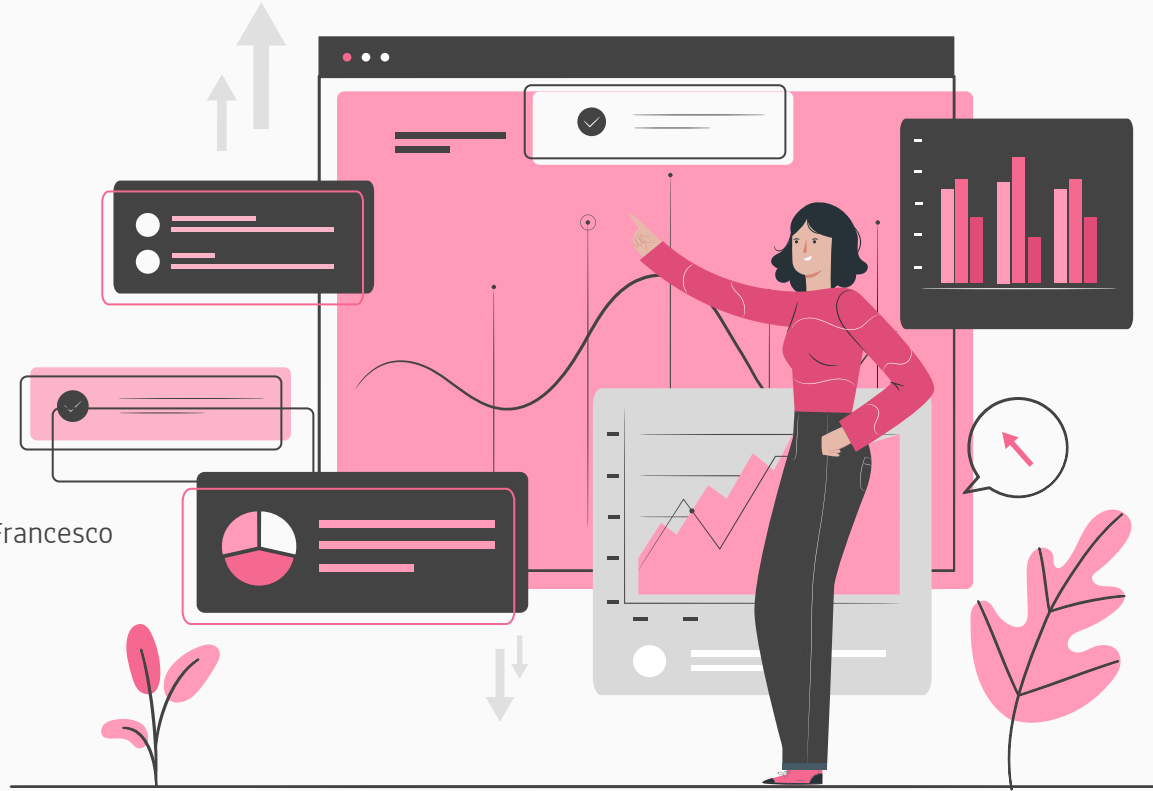


STOCK PORTFOLIO ANALYSIS

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MSBA 5511



AGENDA

1. US MACRO ECONOMICS
2. INVESTMENT STRATEGY
3. SELECTION
4. FINANCIAL INTRODUCTIONS OF STOCK PORTFOLIO
5. RETURN
6. WEEKLY RETURN
7. PERFORMANCE MEASURES
8. INVESTMENT RECOMMENDATION

“The economy is unwell, and it could get worse before it gets better” -Gregory Daco, EY

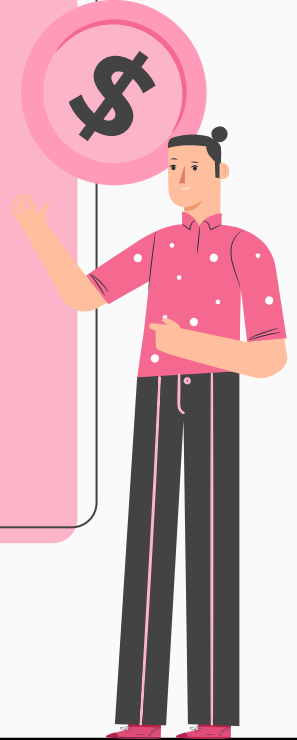
Symptoms:

- elevated prices
- high interest rates
- tightening credit conditions
- homes sales plunging 30% over the past year and construction activity following the downfall with a lag
- business investment activity is softening
- the backbone of the economy remains the US consumer
- reduced hiring, strategic resizing decisions and wage growth compression

INVESTMENT STRATEGY

We want to compare banks that are unlikely of failing with banks that have a higher chance of failing. We plan to invest 70% of our money in the safer banks and 30% in the riskier ones. We want to see how changes in the federal interest rates affect these banks with different levels of risk. This is because the government has been taking steps to make sure the banking system stays strong.

We expect the government will have a big impact on whether our investments will do well or not.



STOCK PORTFOLIO SELECTION

STOCK	CASH	SHARES	PRICE	%
JP MORGAN - JPM	30K	230 shares	\$130.55	30%
BANK OF AMERICA - BAC	30K	1040 shares	\$28.59	30%
CITIGROUP - C	10K	220 shares	\$45.07	10%
FIRST REPUBLIC BANK - FRC	10K	635 shares	\$15.77	10%
WELLS FARGO - WFC	10K	260 shares	\$38.48	10%
GOLDMAN SACHS GROUP - GS	10K	32 shares	\$317.27	10%

FINANCIAL INTRODUCTIONS TO OUR STOCK PORTFOLIO



JPMORGAN CHASE & CO - JPM

Market capitalization: \$467.4 billion
Price-to-earnings (P/E) ratio: 12.44
Dividend yield: 2.48%
1-year stock price performance: +30.5%
Net income for 2020: \$29.1 billion



BANK OF AMERICA CORPORATION - BAC

Market capitalization: \$325.8 billion
Price-to-earnings (P/E) ratio: 12.97
Dividend yield: 2.01%
1-year stock price performance: +47.5%
Net income for 2020: \$17.9 billion

FINANCIAL INTRODUCTIONS TO OUR STOCK PORTFOLIO



CITIGROUP INC. - C

Market capitalization: \$142.6 billion

Price-to-earnings (P/E) ratio: 9.51

Dividend yield: 2.75%

1-year stock price performance: +31.6%

Net income for 2020: \$11.4 billion



FIRST REPUBLIC BANK - FRC

Market capitalization: \$33.8 billion

Price-to-earnings (P/E) ratio: 27.51

Dividend yield: 0.52%

1-year stock price performance: +50.8%

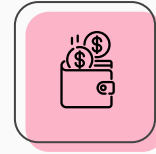
Net income for 2020: \$1.4 billion

FINANCIAL INTRODUCTIONS TO OUR STOCK PORTFOLIO



WELLS FARGO & COMPANY - WFC

Market capitalization: \$190.5 billion
Price-to-earnings (P/E) ratio: 11.95
Dividend yield: 1.64%
1-year stock price performance: +71.1%
Net income for 2020: -\$22.2 billion (due to significant loan loss provisions related to COVID-19)



THE GOLDMAN SACHS GROUP INC. - GS

Market capitalization: \$135.2 billion
Price-to-earnings (P/E) ratio: 7.69
Dividend yield: 1.43%
1-year stock price performance: +52.9%
Net income for 2020: \$9.5 billion

STOCK PORTFOLIO RETURN

	Portfolio	S&P500
Start on the week of Friday 3/17	\$97,379.91	S&P500 Index: \$ 389.99
Weekly return (%): 3/20-3/24	-3.36%	1.25%
Weekly return (%): 3/27-3/31	0.13%	3.12%
Weekly return (%): 4/3-4/7	-2.88%	0.08%
Weekly return (%): 4/10-4/14	4.92%	1.42%
Weekly return (%): 4/17-4/21	0.25%	-0.04%
End on Friday 4/21	\$102,589.77	S&P500 Index:\$ 412.20
Holding period return (%) 3/17-4/21	5.35%	4.60%

STOCK PORTFOLIO WEEKLY RETURN

	Weekly return (%): 3/20-3/24	Weekly return (%): 3/27-3/31	Weekly return (%): 4/3-4/7	Weekly return (%): 4/10-4/14	Weekly return (%): 4/17-4/21
JPMorgan Chase & Co.	-1.64%	0.76%	-1.32%	8.50%	0.51%
Bank Of America Corp.	-4.09%	-3.30%	-6.12%	5.68%	-1.69%
Citigroup Inc	-2.21%	4.86%	-1.81%	6.63%	-1.33%
First Republic Bank	-11.70%	1.36%	-4.07%	-7.41%	8.54%
Wells Fargo & Co.	-2.68%	-0.25%	0.48%	2.66%	-0.15%
Goldman Sachs Group, Inc.	-0.64%	2.78%	-1.26%	3.71%	0.59%

STOCK PORTFOLIO WEEKLY RETURN



STOCK PORTFOLIO PERFORMANCE MEASURES

Risk Free Ratio: 0.02

	SPY	JPM	BAC	C	FRC	GS	WFC
Mean	0.0101	0.0084	0.0251	0.0358	0.032	0.0037	0.016
STD	0.0168	0.0135	0.0404	0.0565	0.0834	0.045	0.0307
COV	165.27	150.14	160.71	157.77	261.10	1210.26	192.31
Sharpe	-0.5883	0.2663	0.1266	0.2797	0.1433	-0.3614	-0.1314
SF	0.6002	0.6644	0.6202	0.6324	0.382	0.0808	0.5173
Beta	1	1.0758	1.5578	2.6467	3.1426	1.3155	0.3262

Investment Recommendation:



1. Wells Fargo
2. JP Morgan
3. Goldman Sachs
4. Bank of America
5. Citigroup
6. First Republic Bank

The background is a solid dark red color. Scattered around the edges are numerous coins of various denominations and types. On the left side, there is a large Bitcoin logo (a yellow circle with a black 'B' and two vertical lines) and several Ukrainian hryvnia coins, including a 1 hryvnia coin and a 50 kopiyka coin. On the right side, there are more Ukrainian hryvnia coins, including a 1 hryvnia coin and a 50 kopiyka coin. The coins are arranged in a way that they appear to be falling or scattered across the surface.

THANK YOU!