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Portfolio Holdings - Week 2

**Our Strategy**

Our initial investment strategy is to be fairly conservative - taking what we consider to be a risk on only 20% of our purchases - and to hold onto some of our money in cash. Most of our stocks are from well established companies with long and fairly stable histories. These are meant to keep us from losing too much of our money, though they may not net us a lot of profit. The 20% of risk is from a stock with a very short history because it recently IPO'd. For our initial buy we chose Lyft because we believe both the industry and company have a lot of potential to do well and soon. Leaving cash available gives us some flexibility in being able to quickly buy more of any stock we notice is doing particularly well.

**Stocks**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Stock** | **Symbol** | **Number of Shares** | **Purchase Price Per Share** | **Dollar Amount** | **%Weight of Position** |
| ADOBE SYSTEMS INCOME | ADBE | 78 | $271.91 | $21,208.98 | 26.94% |
| SALESFORCE.COM INC. | CRM | 116 | $160.44 | $18,611.04 | 23.64% |
| JPMORGAN CHASE & CO. | JPM | 81 | $110.82 | $8,976.42 | 11.40% |
| LYFT INC | LYFT | 288 | $57.24 | $16,485.12 | 20.94% |
| STARBUCKS CORPORATION | SBUX | 176 | $76.33 | $13,434.08 | 17.07% |

**Brief financial data for the Companies:**

*Adobe (ADBE)*

Adobe is one of the largest diversified software company in the world. The company mostly focused on creating multimedia software products. Adobe is now expanding towards digital marketing media software.

Financial highlights of 2019 Q1:

* Digital Media revenue of $1.78 billion.
* Net new Digital Media ARR of $357 million.
* Digital Experience revenue of $743 million.
* First quarter earnings of $1.71 per share
* Cash flow from operations of $1.01 billion.
* Adobe repurchased approximately 2.1 million shares during the quarter
* Approximately 91% of revenue in Q1 was from recurring sources.[[1]](#footnote-1)

*Salesforce (CRM)*

Salesforce.com is an American cloud-based software company.

* It has its Gross profit of $ 2657 million in 2019.
* Full year operating cash flow of $3.40 Billion, up 24% Year-Over-Year.
* Fourth Quarter Revenue of $3.60 Billion, up 26% Year-Over-Year, 27% in Constant Currency.
* Full Year Revenue of $13.28 Billion, up 26% Year-Over-Year, 26% in Constant Currency.[[2]](#footnote-2)

*JP Morgan (JPM)*

J.P. Morgan Chase & Co. is an investment bank and financial services company. S&P named it as the 6th largest bank by total assets in the world in 2018.

* Sector: Financial Services
* 2019 Q1 net income: $9.2B
* 2019 Q1 EPS: $2.65
* 2018 total net revenue: $109B
* 2018 net income per basic share: $9.04[[3]](#footnote-3)

*Lyft (LYFT)*

Lyft provides on demand peer to peer transportation platform. The company was founded in 2012 and filed for IPO on March 2019. It’s revenue doubled from 2017- 2018 and is projected to continue to increase steadily.

Sector: Transportation

* 2018 Gross Revenue: $2.16B[[4]](#footnote-4)

*Starbucks (SBUX)*

Starbucks is a producer, marketer and retailer of coffee. This company operates in North America/Latin America, China/Asia Pacific, and Europe/Middle East/Africa.

* Sector: Consumer Services
* 2019 Q1 net income: $6.6B
* 2019 Q1 EPS: $0.61[[5]](#footnote-5)
* 2018 Fiscal Year total net revenue: $24.7B
* 2018 Fiscal Year EPS: $3.27[[6]](#footnote-6)

1. <https://www.adobe.com/content/dam/acom/en/investor-relations/pdfs/41309102/bmU2piaQz50n.pdf> [↑](#footnote-ref-1)
2. <https://investor.salesforce.com/press-releases/press-release-details/2019/Salesforce-Announces-Record-Fourth-Quarter-and-Full-Year-Fiscal-2019-Results/default.aspx> [↑](#footnote-ref-2)
3. <https://www.jpmorganchase.com/corporate/investor-relations/document/financial-highlights-2018.pdf> [↑](#footnote-ref-3)
4. <https://www.marketwatch.com/investing/stock/lyft/charts> [↑](#footnote-ref-4)
5. <https://s22.q4cdn.com/869488222/files/doc_financials/quarterly/2019/q1/Q1-FY19-Earnings-Release-FINAL.pdf> [↑](#footnote-ref-5)
6. <https://s22.q4cdn.com/869488222/files/doc_financials/quarterly/2018/q4/Starbucks-Q4-FY18-Earnings-Release.pdf> [↑](#footnote-ref-6)