

## FE-511 – Project – Part I

Please follow the instructions for FE511 Project – Part I.

- 1) Create teams with up to 4 students. Designate a team leader.
- 2) Join TD Ameritrade paper trading account following the instructions provided you in Canvas. The team leader should join the trading drill and invite the other members to TD Ameritrade team. All students will have access to the same portfolio and they will be able to execute trades in the common paper trading account.

NOTE: If you do not complete 1) and 2) by Monday, October 17, there will be a penalty.

- 3) You have initial amount of \$1,000,000 cash in your team account. You are required to make trades and hold a portfolio of one or more securities from the constituents of Dow Jones Industrial Average:

Company	Exchange	Symbol
Apple	NASDAQ	AAPL
American Express	NYSE	AXP
Boeing	NYSE	BA
Caterpillar	NYSE	CAT
Cisco Systems	NASDAQ	CSCO
Chevron	NYSE	CVX
Du Pont	NYSE	DD
Walt Disney	NYSE	DIS
General Electric	NYSE	GE
Goldman Sachs	NYSE	GS
The Home Depot	NYSE	HD
IBM	NYSE	IBM
Intel	NASDAQ	INTC
Johnson & Johnson	NYSE	JNJ
JPMorgan Chase	NYSE	JPM
Coca-Cola	NYSE	KO
McDonald's	NYSE	MCD
3M	NYSE	MMM
Merck	NYSE	MRK
Microsoft	NASDAQ	MSFT
Nike	NYSE	NKE
Pfizer	NYSE	PFE
Procter & Gamble	NYSE	PG
Travelers	NYSE	TRV
UnitedHealth Group	NYSE	UNH

United Technologies	NYSE	UTX
Visa	NYSE	V
Verizon	NYSE	VZ
Wal-Mart	NYSE	WMT
ExxonMobil	NYSE	XOM

There are several requirements for your portfolio:

- a) You can take long or short positions in any of the stocks from the list provided
  - b) You have to make at least 10 trades during the trading period assigned for Project – Part I: October 17 – November 25. You can make as many trades as you consider necessary to rebalance your portfolio.
  - c) Total position taken in a particular stock (long and short) must be between 5% - 20% of your total portfolio value (cash & securities).
  - d) On or before November 25 you need to close all positions.
  - e) You are allowed to use options on the underlying stocks in the list provided. There is no specific requirement in terms of position size, but you really need to make sure that you know what you do.
  - f) Report each week your positions, realized P&L, and unrealized P&L.
- 4) Your report for FE511 Project – Part I should document the reasons you entered the trades, performance evaluations, and a week-by-week account of your positions, realized P&L, and unrealized P&L in a tabular format. You should use resources available on Bloomberg Terminal and TD Ameritrade thinkorswim trading platform for fundamental analysis, analyst estimates, earnings calls, corporate filings and news, technical indicators, back-testing, and so on.
  - 5) Your overall team performance will be graded relative to the performance of other teams as well as on your ability to use the information available on Bloomberg and TD Ameritrade and integrate it with your decision making.