

INDIVIDUAL TASKS

1. TOPICS FOR PRESENTATION. Choose the topic and get ready with Power Point presentation

1. The pros and cons of investing in the stock market.
2. Investment companies (e.g. mutual funds) versus brokerage companies (less risk, less return).
3. Stocks versus bonds
4. What is so attractive about such form of ownership as stocks?
5. What is the difference between common and preferred stocks?
6. What is the difference in trading different types of stocks (growth, cyclical, etc).
7. What are the possible dividend strategies and their consequences?
8. Is the information companies provide to public efficient for making an investment decision?
9. What is the portion of gambling in stock market investing?
10. There are certain restrictions for day trading. What are these restrictions and how do they affect day trading strategy using by public?
11. What is dangerous about selling short?
12. Can you bring an example of the situation when selling short is the only reasonable strategy (do not forget about the up-tick rule)?
13. What is the difference between preferred stocks and bonds?
14. What is the difference between a loan and buying bonds?
15. Explain how you understand the advantages and disadvantages of investing in mutual funds presented in the text.
16. Bring the examples of the mutual funds of each type.
17. Comment upon the advantages and disadvantages of using options that are brought in the text.

2. CHOOSE THE COMPANY, STUDY ITS PERFORMANCE ON THE MARKET. PREPARE THE REPORT USING THE FOLLOWING WORDS AND WORD COMBINATIONS.

Prepare the reports on the company activity on the market

- graph, pie chart, bar chart
- stocks are traded at...
- stocks perform...
- to show increase (decrease) averaging...
- to buy stocks based on...
- profit taking
- to fuel a major price movement...
- to report lower earnings
- to invest in a bull cycle
- key factors
- catalysts.

Prepare the report about the latest events important for the company's shareholders

- the company was rated
- holds a rating...
- reported earnings
- announcement is expected
- conference call
- reported slightly below
- the stocks slipped
- the stocks face sluggish period
- to yield stocks

Prepare the report on the dividend strategy of the company

- Corporation expects revenue for the second quarter to be between ... and...,
- ...as compared to the previous range of ... to \$....
- The company closed a state income tax audit...
- A number of factors could cause actual results to differ...
- ...is affected by business and economic conditions ...

- Revenue and the gross margin percentage are affected by competing....
- Expectations of impairment charges on investments...
- Results could also be affected by ...
- The gross margin percentage varies with revenue levels...

Describe the company using its financial reports, and make your conclusion about the investment perspectives

- to track company pre-announcements
- negative second-quarter earnings outlooks
- earnings are expected to rise by an average of ...
- to be at very positive level
- to expect second-quarter operating earnings to rise 24 percent from a year ago
- The data should cheer investors ...
- the rate increase should not have a significant short-term impact on ...
- to lose 29 percent of its value
- to miss fourth-quarter earnings estimates...
- to cut its first-quarter outlook
- to reflect lower-than-expected revenue.
- to downgrade the stock to "hold" from "buy"

Analyze the market performance of the company, find the best trading strategy for several most active companies (use the charts and reports of the most actives provided on the Internet)

- sending its shares surging by...
- to receive approval
- ...shares rose \$1.96, or 25.4%, to \$9.67 in unusually heavy trading.
- about five times the normal daily volume of ... shares had already changed hands
- to announces proposed offering of 4.5 mln shares of common stock.

- ... increase is based upon a continuing strong increase in demand for its portable storage products.
- the stock is approaching its ... highs in the ... range.
- the IPO priced at \$..., above the expected range of...,
- ... have risen close to their target prices.
- stock plunged as low as \$3.70 before recovering to \$4.31.
- At its weakest intraday level, the stock remained above a 52-week low of ...
- ... fell after the company warned that its second- and third-quarter earnings would fall short of expectations.
- ... rose after it raised earnings estimates for the second quarter and full year.
- surged close to ... percent
- ... traded up 1/32, yielding 4.71%.
- ... added 23.60 points, or 0.23%.
- ... was up 4.12 points, or 0.36%.
- ... gained 19.77 points, or 1%.

Choose the company suitable for selling short and prove your decision

- to be among yesterday's NYSE winners
- to be added to the index after
- to be acquired by
- to be expected to close on
- ...shares were recently trading up ...
- to downgrade the shares to sell from neutral
- to lower its price target to \$13 from \$18.50
- sluggish retail sales of the brand
- to lowered earnings expectations to \$1.13 a share from \$1.18 a share
- ... after the company warned that second-quarter earnings would fall short of expectations...
- to expect to earn 83 cents to 85 cents a share during the second quarter

Prepare the report on the latest events on the bond market

- the market had a huge blast ...
- ...taking yields to 2-month lows...
- ...giving prices their biggest boost...
- ...bullish / bearish sentiment was already predicted...
- ...is holding near the highs on...
- Treasuries spent much of the overnight trade ranging between...

Prepare the report on the latest events on the mutual funds market

- to open three new mutual funds of one's own
- funds closed to new investors
- to put smb. in direct competition with
- to run the assets for
- to include some smaller portfolios
- annual investment advisory fees for
- funds had inflows / outflows of ...
- to lack investment-grade ratings
- a weaker-than-expected employment report
- gradual approach to raising rates
- to smb.'s account