

9.04 – Portfolio Values

Name _____

Use the following assignment to practice with how a stock portfolio changes in value over the four quarters of a year.



Remember: Calculate the Fair Market Value (FMV) of a stock by multiplying the quantity of shares owned by the share price at a given date. If Wilson owns 200 shares of Exxon stock on June 30th and the 6/30 price is \$85.45 per share, his
 FMV = 200 x \$85.45 = \$17,090. His position is worth \$17,090.

Share Price for Selected Stocks, 2014

Dates	12/31/13	3/31/14	6/30/14	9/30/14	12/31/14
Google	502.00	515.50	522.00	531.50	539.00
Intel	31.00	32.50	35.50	38.50	39.50
Netflix	450.50	455.75	229.00	226.25	223.50

At the end of 2013, Mr. Belfort owned the following quantities of the following stocks:

Google: 4,000 shares

Intel: 15,000 shares

Netflix: 2,000 shares

♣ On February 8th, Netflix paid a \$0.80 cash dividend.

♣ On March 29th, Intel paid a \$0.60 cash dividend.

♣ On March 30th, Google paid a \$0.05 cash dividend.

1. Track the change in the value of his portfolio during the first quarter of 2014.

Security	Quantity	FMV 12/31/13	FMV 3/31/14	Change	% Change
Google					
Intel					
Netflix					
Total					

What was Mr. Belfort’s gain/loss on Intel during the 1st quarter (Q1) of 2014?

How much FMV did Mr. Belfort’s portfolio gain/lose during Q1 2014?

What was Mr. Belfort’s dividend income in Q1 2014?

♣ On June 27th, Intel paid a \$0.50 cash dividend.

♣ On June 29th, Google paid a 0.05 cash dividend.

♣ On June 29th, Netflix declared a 2-1 (“two for one”) stock split.¹

2. Track the change in the value of his portfolio during the second quarter of 2014.

Security	Quantity	FMV 3/31/14	FMV 6/30/14	Change	% Change
Google					
Intel					
Netflix					
Total					

What was Mr. Belfort’s Q2 gain/loss on Netflix?

What was Mr. Belfort’s overall Q2 gain/loss?

¹ Remember: This means each single share Mr. Belfort owns is converted to two shares but the value of each share is cut in half. There’s no real change in value; having one \$100 bill is the same as having two \$50 bills. This is done for liquidity purposes; it’s easier to buy or sell something that only costs \$220 than something that costs \$440.

- ♣ On August 10th, Netflix paid a \$0.41 cash dividend.
- ♣ On September 29th, Intel paid a 10% stock dividend.

- ♣ On Sept. 30th, Google paid a \$0.055 cash dividend.

3. Track the change in the value of his portfolio during Q3 of 2014.

Security	Quantity	FMV 6/30/14	FMV 9/30/14	Change	% Change
Google					
Intel					
Netflix					
Total					

How much did Mr. Belfort's portfolio gain/lose in FMV during Q3 2014?

How much dividend income did Mr. Belfort earn as a result of the stock dividend?

What was Mr. Belfort's total dividend income in Q3 2014?

- ♣ On November 30th, Netflix paid a \$0.45 cash dividend.
- ♣ Google paid a \$0.06 cash dividend on December 29th.

- ♣ Intel paid a 20-1 stock dividend on December 30th. (For every 20 shares owned, you get 1 additional share.)

4. Track the Q4 2014 change in the value of his portfolio.

Security	Quantity	FMV 9/30/14	FMV 12/31/14	Change	% Change
Google					
Intel					
Netflix					
Total					

What was the monetary value of the Intel stock dividend during Q4 2014?

How much did Mr. Belfort's portfolio gain/lose in FMV during Q4 2014?

What was Mr. Belfort's total dividend income in Q4 2014?

5. Track the change in the value of his portfolio during 2014 overall.

Security	Quantity	FMV 12/31/13	FMV 12/31/14	Change	% Change
Google					
Intel					
Netflix					
Total					

What was the increase in Mr. Belfort's overall portfolio value during 2014?

What was Mr. Belfort's total dividend income in 2014 overall?

How much did Mr. Belfort make or earn in total during 2014?