

Stock Market Report

Overall, my performance over this past year (2020-2021) has been less than spectacular. In the three investopedia games that were played, only in one was I able to gain money in the end, it would not be enough to make a career out of it (I'll get back to this later). This year provided a more volatile market due to the ongoing covid-19 pandemic. The quarantine in particular led to significant growth in many industries. On the other side many industries have suffered such as transportation and hospitality.

My first significant purchase was of Jetblue Airways Corporation. Due to the travel restrictions the stock price had seen a sharp decline like all transportation companies. This meant the stock was at a low price of \$13.50 per share (See point A of graph 1 below).



Graph 1

This leads to my first strategy, following the news. Midway through September, the United States government adjusted its COVID-19 protocol, loosening restrictions and enabling airlines to fly more passengers per plane, thus increasing profits and catching the eye of investors. After buying the stock on the 12th of November at \$13.50, the stock price continued to grow due to the newfound market confidence. I decided to sell my shares on the 25th of November (See point B of graph 1 above). I did this because the stock price had risen to \$15.90, meaning other investors may also want to cash out. Also because of new strands of the Coronavirus it is possible the restrictions could tighten again. This strategy of selling quickly allowed me to lower the risk of this trade.

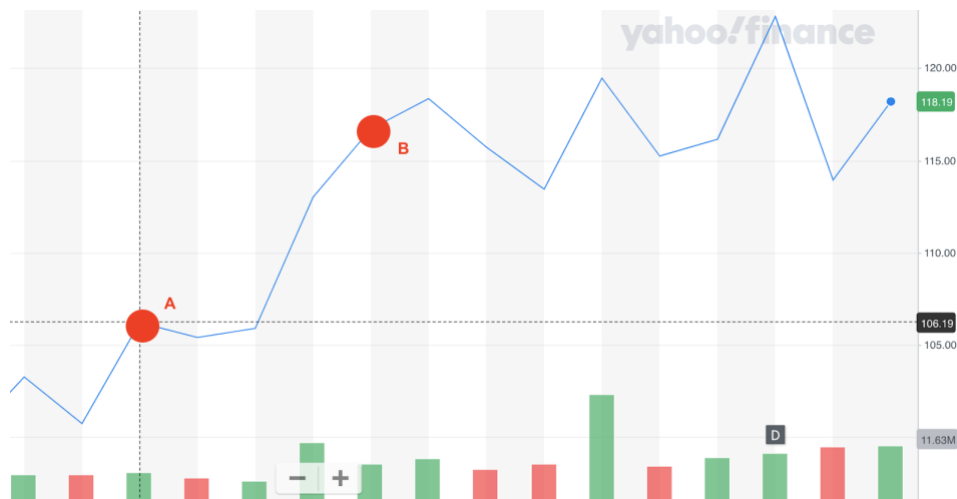
The next stock I would like to talk about is Workhorse Group Incorporated. This company works in the electric vehicles (EV) industry. On November 9th 2020, The workhorse group hosted a conference call discussing the third quarter results. In addition to strong sales, they also revealed a 500 vehicle order from Pritchard Auto Company (See appendix B). I bought the stock on the 11th of November at \$18.20 per share (See point A of graph 2 below). Days later on the 19th, Jim Cramer (an american tv personality) stated on CNBC that "the stock is a buy ... Go ahead, buy workhorse" (See appendix C).



Graph 2

This effectively meant I “beat the news” to the stock. By buying it before investors flocked to the stock and before the news. I sold the stock on the 23rd when price reached a record high of \$28.69 (See point B on graph 2 above). This netted me a large profit and paid off as shortly after the stock fell back down, putting an end to the artificial growth of the company.

The final trade I would like to talk about is Applied Materials Incorporated. Due to the quarantine, businesses have had to move their offices online. This means a huge surge in demand for laptops and PCs. An important aspect of that is the silicon that goes into creating the electrical chips (semiconductors). The world was not ready and so a semiconductor shortage occurred. In order to keep up with demand, supply output would have to increase. Applied Materials makes the machines used to make these semiconductors and so their business would start to boom (See Appendix D). I purchased stock of Applied Materials Incorporated on the 8th of February, 2021 (See point A of graph 3 below).



The stock continued to climb as it had throughout the year. I decided to sell on the 16th because I did not want to risk a sell off as the stock hit a new high. With the markets being extremely volatile, I wanted to lessen the potential risk.

Through the example above one can see that there were definitely good purchases in my account. However, when 2021 marked a year that coronavirus had been affecting our lives the market started to trend down. Stocks that I presumed to be safe such as AAPL and MSFT started to eat away at my account value. For this reason I would not become a stock

broker or investor. Despite it being a fake game for this course I still felt the pressure and an urge to check my stocks each day. This job inherently has a lot of stress involved. While there is more strategy in it than gambling, at the end of the day no one knows where the stock price will go and if you do, that's insider trading.

Appendix A

As the COVID-19 pandemic continues, the United States Government (USG) is innovating and taking a new approach to help keep international air passengers healthy. The new, more effective strategy focuses on the continuum of travel and the individual passenger, including pre-departure and post-arrival education, efforts to develop a potential testing framework with international partners, and illness response. This strategy is consistent with the current phase of the pandemic and more effectively protects the health of the American public.

Beginning September 14, 2020, the USG will remove requirements for directing all flights carrying airline passengers arriving from, or recently had a presence in, certain countries to land at one of 15 designated airports and halt enhanced entry health screening for these passengers. Currently, enhanced entry health screening is conducted for those arriving from, or with recent presence in, China (excluding the Special Administrative Regions of Hong Kong and Macau), Iran, the Schengen region of Europe, the United Kingdom (excluding overseas territories outside of Europe), Ireland, and Brazil.

CDC. "Federal Government Adjusts COVID-19 Entry Strategy for International Air Passengers." *Centers for Disease Control and Prevention*. CDC, 9 Sept. 2020. Web. 17 May 2021. <<https://www.cdc.gov/media/releases/2020/s-0909-covid-19-entry-strategy-air-passengers.html>>.

Appendix B



WORKHORSE

Release Updates and Highlights

- Sets 2021 production volume target at 1,800 vehicles.
- Received a purchase order for 500 C-1000 trucks from Pritchard Auto Company for its National Fleet Program, which is being financed by Hitachi Capital America ("HCA").
- Through various financings, the Company improved its current cash position to over \$260 million .
- Workhorse strategic partner Lordstown Motor Corporation ("LMC") completed its merger with DiamondPeak Holdings Corp. LMC's Class A shares now trade on the Nasdaq Global Select market under the ticker symbol "RIDE." Workhorse has maintained its 10% ownership stake in the merged company. That stake is estimated at nearly \$285 million based on the November 6th closing price.
- Partnered with Hitachi and Hitachi Capital America to optimize the Company's manufacturing, operational and supply chain capabilities as well as to develop a national dealer network to support Workhorse's sales with vehicle financing options for both dealers and customers.
- Recorded additional new vehicle sales orders from Fluid Systems and eTrucks LLC.

Stockhouse. "Workhorse Group Reports Third Quarter 2020 Results | 2020-11-09 | Press Releases | Stockhouse." *Stockhouse*. N.p., 9 Nov. 2020. Web. 17 May 2021. <<https://stockhouse.com/news/press-releases/2020/11/09/workhorse-group-reports-third-quarter-2020-results>>.

Appendix C

What happened

Shares of Ohio electric-van maker **Workhorse Group** ([NASDAQ:WKHS](#)) were trading higher on Friday after CNBC personality and host of *Mad Money* Jim Cramer offered somewhat bullish comments on the stock.

As of 2:30 p.m. EST, Workhorse's shares were up about 10.6% from Thursday's closing price.

So what

When a listener asked about Workhorse during his "Lightning Round" segment on Thursday evening, Cramer -- surprisingly -- offered a somewhat bullish take:

Workhorse has got that momentum that I see periodically ... I think Workhorse is really a show horse, but Workhorse is connected with Lordstown." [Workhorse owns 10% of electric-pickup start-up **Lordstown Motors** ([NASDAQ:RIDE](#)).] Look, it is basically a technology company that builds high-performance electric vehicles, and people love that so much...I'm not going to get in their way anymore. I'm too jaded. Go ahead, buy Workhorse. There, I said it.

Rosevear, John. "Why Workhorse Group Stock Is Up Today." *The Motley Fool*. Web Financial group, 20 Nov. 2020. Web. 18 May 2021. <<https://www.fool.com/investing/2020/11/20/why-workhorse-group-stock-is-up-today/>>.

Appendix D

Applied Materials' ([NASDAQ:AMAT](#)) stock price has soared more than 70% over the past 12 months as the semiconductor equipment and services company impressed investors with its accelerating growth.

Robust demand for chips across multiple industries has boosted demand for its products, software, and services -- and that growth cycle won't end anytime soon. But how much of that growth is already baked into the stock?

Let's dig deeper into Applied Materials' business and see if it's still worth buying.

How does Applied Materials make money?

Applied Materials generated 66% of its 2020 revenue from its semiconductor systems business, which manufactures equipment for chipmakers.



Sun, Leo. "Is Applied Materials Stock a Buy?" *The Motley Fool*. Web Financial Group, 12 Feb. 2021. Web. 20 May 2021. <<https://www.fool.com/investing/2021/02/12/is-applied-materials-stock-a-buy/>>.