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If you had \$100,000 to invest, what would you invest in and why?

Corroborated studies have suggested that investing ability is inversely proportional to age; therefore while a teenager approaches legal maturity he or she is simultaneously approaching his or her investing skill pique. So as I find myself in just such a situation I am presented with a truly unique opportunity: I have a nearly one-hundred percent expendable income, my highest potential aptitude for making investments, and now ample funds, which allow for much less restricted ventures.

My plan would be to primarily focus on the stock market and more specifically "up and coming" technological companies. While it may be more prudent to invest in tried and true avenues, such as stocks comparable to General Electric or government savings bonds, both of which are considered fairly safe investments, such paths lead to essentially assured yet relatively minimal gains ranging from fractional percentages to low single digit percentages. Additionally, tech companies are no longer the highly unstable somewhat shady ventures that they once were.

Following this tech stock plan, the first company in my portfolio would be Google (GOOG), which is notable for running the world's foremost search engine, surpassing those of Yahoo and Ask.com. In recent months Google seems to have been a hot topic among casual investors and an even hotter stock. As it approaches \$500 per share, the experienced investor calls it a fad stock and advises avoiding it at all costs. Being well-aware of this fact, why do I persist in my intent to invest in Google? The reasons stem from a simple crossroads, at which, the company will soon find itself. As the stock price rises ever-higher it is more and more like to pique and subsequently plummet; the investor will recognize this and avoid it accordingly. Yet Google could split the stock two (perhaps even three) ways increasing the number of shares available to investors, while providing share-holders with monetarily equivalent numbers of shares as compared to pre-split trade rates. A third possible situation exists such that attempts to improve the stock are made, but to no avail.

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Obviously, my intent to invest evidences that I believe second scenario to be most likely, but why? Simply put, the diversification Google constantly involves itself in and its previous success in similar methods of diversification. Gmail, Froogle, and Google World are just three examples of how the company has constantly expanded into and improved in new fields. Not to mention the company's average weekly purchase of three previously existing companies. With a video search engine in beta testing and a new instant messenger service on the verge of taking its place amongst the best, Google shows few signs of slowing down. In nearly every aspect in which Google has provided a service it has been exemplary and cheap or free to the consumer. The secret is in Google's text-based ads, which have proven more effective than pop-ups (which computer users have been operant conditioned to close without even a second glance) and much less intrusive than multiple self-spawning Technicolor advertisements for unmentionables.

All of that aside, Google has one additional plan up its proverbial sleeve, which bolstered by the company's previous success, could alone coerce me into purchasing at least a limited amount of GOOG. This revolutionary idea is nationwide free wireless internet. This will provide an effective monopoly on the wireless internet providers' market, yet because Google won't directly profit from the move and will, in fact, almost certainly lose massive amounts of money initially it will not break any legal preventative measures against said monopolies. With a single move innumerable ISPs will either be forced to shut down or reduced so as to provide a purchase price ripe for Google's picking.

Thus with market conditions and company direction both contributing to a scenario favorable to GOOG splitting, the stock is likely to go up, because traders will see the significantly lower trade price as the perfect opportunity to invest in a so-called "hot" stock effectively securing remarkable profits for myself.

For the aforementioned reasons I would allocate \$35,000 minus brokerage fees to GOOG, approximately one hour prior to the close of the market, because at this time the stock typically takes a drop due to afternoon market stagnancy, which could save a vast amount of funds when making such a sizeable purchase.

Continuing with the idea of tech stocks, the next series of investments in my portfolio involves a number of companies each affiliated in one way or another with a new technology called Blu-ray. Blu-ray is a high-definition storage and display technology comparable to the increasingly popular HD DVD format of a similar technology, in actuality HD DVD and Blu-ray utilize similar concepts, but arrive at dramatically different results. By using a blue-violet laser (hence the name), which is of a shorter wavelength than the now popular red lasers used in DVD reader drives, Blu-ray is able to store in the same amount of physical space as an HD DVD (dual-layered) an additional 66% of information (in total about 50 gigabytes). The technology stands to replace HD DVD and since only a limited number of key companies have announced

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plans to use Blu-ray it would be advisable to invest in them before the respective companies receive gains (which stand to be significant) due to Blu-ray technology.

The question then becomes of the companies involved with Blu-ray, which are currently trading at prices favorable to buying and which companies will yield the greatest profit due to Blu-ray in the remainder of the current and upcoming fiscal years? The Blu-ray Disc Association (BDA), whose members combined their efforts in order to develop the superior high definition technology, numbers about 150, but the board of directors numbers only about fifteen. Of whom, Sony (SNE) and Apple (APPL) both appear to have the greatest combined buyer-favorable markets and potential for Blu-ray related and overall financial success. I would allot \$25,000 and \$15,000 to Sony and Apple respectively (minus brokerage fees).

Apple's success with iPod, iTunes, and as a graphics design operating system has pushed it for the first time into a position of mainstream competition with Microsoft (MSFT), where Apple remains relatively equal or better in strength. The reason why my portfolio would not include MSFT despite Microsoft's Xbox 360, which was predicted to significantly boost Microsoft's stock, has sold significantly less units and games than expected, and actually has left the company in the red as far as that specific venture goes. This is due in great part to poor customer relations in Japan, where the system is yet to even approach selling out, despite artificial shortages clearly created by the company in order to cause a frenzy. Apple on the other hand has experienced success after success with iTunes and iPod, which now support videos of movies and popular television shows. As more video content becomes available it will become more popular and thus provide an opportunity for Apple users to conserve space on their video iPods, by saving up to 50 gigs of video information on Blu-ray high-definition discs. Additionally since Apple bought into Blu-ray technology prior to its popularization it got those services at a much lower price than if it were to purchase the right to use Blu-ray in a year. In addition to technological leadership in its field, Apple has reported an expected increase of about \$30 per share by the end of the year, which is relative to APPL selling at \$80 per share.

Sony's reputation as an electronics company leading the industry lends itself to great potential for marketing growth. Within the current fiscal year Sony plans to release its next generation video gaming console, the Playstation 3 (PS3). The console is the next installment in the Playstation line and appears as if it will surpass its main competitors both technologically and economically. By utilizing Blu-ray technology the PS3 discs, which store the gaming data read by the system, will have almost unimaginable potential for revolutionizing the gaming experience. This commitment to quality includes the innovation of high-definition games through Blu-ray. In this respect, the PS3 has a great advantage over its competitor the Nintendo Revolution next generation console, which will take advantage of neither Blu-Ray nor HD DVD

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high-definition formats. Blu-ray's technological superiority over HD-DVD gives Playstation 3 an edge over Microsoft's Xbox 360, which uses the inferior technology and sells at about \$50 more than the announced price of PS3.

Sony has yet another advantage over Microsoft. Its basis in Japan gives it strong ties to one of three major video-gaming markets (Asia, North America, Europe). Microsoft has long neglected Japan and is now suffering for it. Case in point, it projected Xbox 360 sales at 3 million units by this time, currently it's sold about 1.3 million. Technologically inferior gaming systems are selling equally as well if not better than the Xbox, simply because Microsoft has failed to market games and services which appeal to a Japanese market.

In order to understand Sony's final advantage it is first necessary to understand that when consoles and video games are produced (a process not unique to Sony) they are made in a format unique to one of three regions. The two greatest video game markets are Japan and the United States, each of which is located in different formatting region. Sony has announced plans to place the United States and Japan in the same formatting region, thus making the advantageous move of uniting the ever-intertwined markets of the two countries. Previously a complicated and often expensive system of modifications was required to play foreign media. Sony is cashing in on the popular media exchange between the two countries, most notably marked by an influx of anime (Japanese animation) into America.

Diverging from the previous trend of tech stocks, the next investment in my portfolio would concern real estate. The unique advantage to real estate is that it's an ever-decreasing commodity. Statistics show that despite small drops in value, real estate as a whole is consistently increasing in value. However, with such limited supplies one must choose the ones realty investments wisely.

With a favorable exchange rate and recent economic developments, China presents a location where investments in land could potentially yield extremely profitable returns. Chinese land cannot actually be bought; instead the rights to the use of the land are purchased for a period of seventy years. My specific investment would be in the amount of \$15,000 with the intent to resell within the next fifteen years. I would invest in an area immediately outside Beijing suitable for suburban development in the near future.

Foreign land investments are typically considered risky, however with China's successful bid for the 2012 Olympics fast approaching I believe the world will see a brand new China; one that has emerged from being a mere manufacturer into an innovator. Recently the nation replaced its dirt roads with eight lane superhighways. In addition to that it's revoked its notorious one child per household rule. Every day it comes closer to being a contender with its capitalist counterparts. With

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these developments have come government campaigns to bring in foreign investors, so the situation is currently favorable to a non-domestic financier who has prospects for suburban development.

The final \$10,000 in contrast to the previous “dangerous” investments would be placed in U.S. Government savings bonds. The money is guaranteed back at no less than what was originally invested and should mature, if secured for 10 years, at a rate between 5% and 7% annually. While the potential yields are not as great as those of tech stocks or real estate investments they do amount to multiple thousands and are as guaranteed an investment as is possible.

Each of the investments was given considerable thought and picked so that if nothing else, money would not be lost as it likely would on junk bonds and the like. The Chinese real estate could always be sold back at or near cost if no profit was made; the U.S. savings bond is guaranteed; while Google, Apple, and Sony are already stable companies with prospective developments guaranteed to revolutionize their respective markets. My portfolio would utilize a number of investing techniques ranging from value investing to buy and hold. The idea behind the mixed investments and techniques is to provide the greatest potential yield with a relative level of security.