



Assignment Instructions





A finance app that is available in the iTunes, googlePlay or web-based.

Version

Access all the Billionaires' Portfolios

Your Portfolio with Real Time quotes

Compare your portfolio against the Billionaires

Create Strategies by Mixing Billionaires Portfolios

Access popular stocks, recently bought & sold

Real-Time Smart Alerts (via Email & Push Notifications)

Real Time Alerts with Personalized stock prices

Real Time Alerts when a stock in your portfolio moves out of range

Real Time Alerts when a Billionaire Buys or Sells a stock

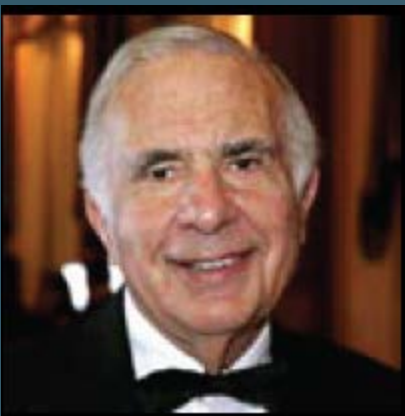
Real Time Alerts when a stock trades below the purchase price of a Billionaire

▶ 1. Background Information

- Billionaires' investment styles and strategies.
- Through understanding of the financial products such as Exchange-Traded Funds (ETFs), and Mortgage Back Securities (MBS) etc.

▶ 2. Cases Analysis

- Billionaires' past successful stories.
- Recent transactions, which include increased, reduced, and new or sold out positions.



Carl Icahn

Carl Icahn

Net Worth (\$14.8 Billion)

Portfolio Q2 - 2013 [Recent Transactions](#)

Symbol	Company	% of Fund	Avg. Cost	Price	Gain %
IEP	Icahn Enterprises Lp	33.56%	\$ 64.51	\$79.80	23.71%
CVI	Cvr Energy Inc	15.69%	\$ 24.30	\$39.49	62.50%
DELL	Dell Inc	9.46%	\$ 12.33	\$13.86	12.49%
FRX	Forest Labs Inc	5.84%	\$ 35.94	\$44.41	23.58%
CHK	Chesapeake Energy Corp	5.65%	\$ 18.47	\$26.90	45.65%
NFLX	Netflix Inc	5.44%	\$ 69.39	\$305.50	340.29%
RIG	Transocean Ltd	4.79%	\$ 47.18	\$45.87	-2.78%
FDML	Federal Mogul Corp	3.64%	\$ 13.75	\$17.08	24.26%
HLF	Herbalife Ltd	3.56%	\$ 39.20	\$73.46	87.42%
NUAN	Nuance Communications Inc	2.69%	\$ 21.43	\$19.40	-9.47%

Showing 1 to 10 of 19 entries

Observations

- ▶ What are the major holdings of the portfolio?
- ▶ Are they consistent with Icahn's reputation as a corporate raider?

Questions for Cases Analysis:

- ▶ What is Carl Icahn's investment style/strategies?
- ▶ Do a through research & demonstrate how Mr. Icahn implemented his investment strategies and profited from the deal.
- ▶ Think about the timing of his purchase of the company shares. What made him to do so?
- ▶ What are the reasons/rationales for his recent transactions, if there are any? What are the expected outcome?

Carl Icahn's Investment Strategies

- ▶ Known as a shareholder activist, Carl Icahn's typical approaches are to buy a large portion of a company's stock.
- ▶ As a big shareholder, he pushes for changes to the management team, exerts influences on how the firm distributes its cash, or uses other strategies he believes will boost stock prices.
- ▶ Carl Icahn chooses the companies that show good potentials (undervalued companies) to exercise the shareholder rights.

Case Analysis: Dell Inc.

- ▶ Dell accounted only for 0.59% (7 million shares) of his portfolio in the first quarter of 2013, and then increased dramatically to 9.46% (152 million shares) in the second quarter of 2013.
- ▶ Carl Icahn bought the shares aggressively when Dell is in the process of going private. His pressing has already forced the buy-out group to raise its initial offer by over \$350 million.
- ▶ It is estimated he will make about \$70 Million Profit on Dell Investment.

Case Analysis: Dell Inc.

