



Building an Understanding of Stocks, Bonds and Mutual Funds:  
An Experience for Life!

# The Stock Market Game in Ten Easy Steps! ...and additional information

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[www.economicsarkansas.org](http://www.economicsarkansas.org)

and

[www.stockmarketgame.org](http://www.stockmarketgame.org)



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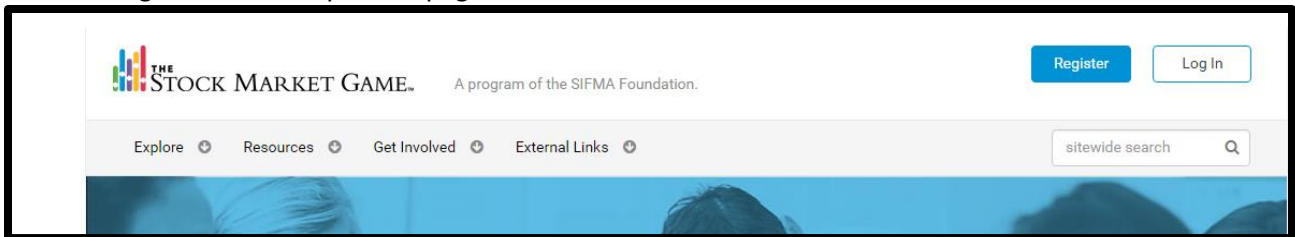
501-682-4350

# The Stock Market Game™ in Ten Easy Steps!

**The Stock Market Game™** (SMG) is a fun, educational experience for students of all ages, grades 4 through high school. Teams of 1-5 students use \$100,000 in virtual cash to invest in stocks, bonds and mutual funds in a real-world investment simulation. There are statewide and regional competitions with prizes for the highest valued portfolio and an optional **InvestWrite** ([www.investwrite.org](http://www.investwrite.org)) essay competition. You will also be able to register with **Invest It Forward** (<https://investitforward.sifma.org>) so you can arrange for an industry expert to visit your class.

## STEP #1: GET THE INFORMATION YOU NEED

- 1 Attend a free Economics Arkansas workshop or webinar. Visit the [Economics Arkansas](http://Economics Arkansas) website for dates and times.
- 2 Go to [www.stockmarketgame.org](http://www.stockmarketgame.org). “Explore,” take a brief look at our “Resources,” and then click on “Register” at the top of the page.



- 3 Once you have registered, you will receive an advisor Id and password that will allow you to access the Teacher Resource Center. A pop-up page will appear with important information like dates/deadlines and other helpful information.
- 4 Scroll down to the bottom of the page to “Just getting started?”



This is the best starting point for those who are new to the SMG. You will be able to access the Teacher’s Guide. Note that there is also an “Afterschool Guide.”

“Understanding Portfolios” takes you through the functionality of the portfolio dropdown menu and the process for trading stocks.

## STEP #2: GROUP YOUR STUDENTS INTO TEAMS

- Divide your students into teams of 1 to 5 members. Many teachers believe 3 is an ideal number as all are actively involved and there is a built in tie-breaker. It is up to you.
- Each team will create an online team portfolio throughout the simulation.
- Suggestion: Have the teams keep a folder with their research, stock selections, journals, charts, or any other materials they may produce using the Stock Market Game.

## STEP #3: REGISTER YOUR TEAMS FOR THE FALL, YEAR-LONG OR SPRING GAME(S)

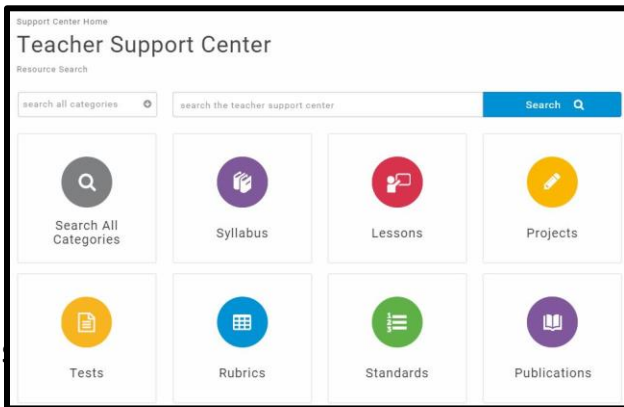
- If you registered for a promotional game, you will need to register again for the actual game. Complete the online registration form for the Stock Market Game™ Program at [www.stockmarketgame.org](http://www.stockmarketgame.org). If you want to participate in the teacher simulation as your students are participating, please select both buttons at the bottom of the registration page (teach students/others and participate by myself). If you only want your students to participate, only select “teach students/others.”
- After enrolling, within a few minutes you will receive an email with an Advisor ID and password. The

following day you will receive another email with the team IDs and passwords. If you do not receive the second email message in 2 or 3 days—be sure to contact Marsha at [marsha@economicsarkansas.org](mailto:marsha@economicsarkansas.org). (Note: team Id/password generation starts 3 weeks prior to the competition. You will not receive any team information before that time.)

- The fee for the fall or the spring game is \$15 per team and \$30 per team for the yearlong game.
- You may add teams at any time prior to the cut-off date. Contact Marsha and she will handle the change; **do not register again.**

#### STEP #4: SELECT YOUR LESSONS

Enter the Teacher Support Center on the SMG web site (use your teacher ID and password...**REMEMBER: THE INFORMATION IS CASE SENSITIVE!**) Check out the resources, lessons, etc. to help your class get started.



- Use the robust search engine to look for lessons by subject, grade level, content topic, etc.
- Find a specific lesson sequence for your particular grade level or display a complete outline of all lessons.
- Introduce students to concepts like:
  - ✓ What is a company?
  - ✓ What is a stock? a bond? a mutual fund?
  - ✓ What is risk?

#### STEP #5: TEST



Tests

Please consider pre and post-testing your students. It is all online at [https://www.economicsarkansas.org/for\\_teachers/stock\\_market\\_game.html](https://www.economicsarkansas.org/for_teachers/stock_market_game.html). (Scroll to the bottom of the page for the test offerings.)

#### STEP #6: EXPLORE STOCKS

- ❑ Have students start brainstorming companies and researching stocks they may want to trade as you introduce the basic concepts to them.
- ❑ Have them read/watch TV and discuss current events about companies, stock market performance, and the economy.
- ❑ Visit websites focused on stock research: <https://www.google.com/finance>, <http://finance.yahoo.com>, <http://thestreet.com>, <http://www.finviz.com> and the multiple resources on the student portfolio pages.

Tip: For older students, have different teams research a financial website and share information they found with the class. For younger students, try using the Yahoo website (probably easiest to navigate.)

#### STEP #7: TEACH STUDENTS HOW TO PARTICIPATE

- ❑ Do the core lesson “Understanding the SMG” from the Teacher Support Center (In the Classroom/Lesson Sequence).
- ❑ Go over the information included in “Understanding Portfolios” in the Teacher Support Center.
- ❑ Allow students to explore their team portfolio pages. *Remember: students can access their portfolios—but not make trades—prior to the official start of the game. You need to assign the team Ids/passwords before they can access the website.*
- ❑ Review the rules on the Economics Arkansas website at [https://www.economicsarkansas.org/for\\_teachers/stock\\_market\\_game.html](https://www.economicsarkansas.org/for_teachers/stock_market_game.html).

## STEP #8: TEAM LOG-IN INFORMATION

- **Log-in!** Assign a student team ID and password to each team and have them login to their team portfolio at [www.stockmarketgame.org](http://www.stockmarketgame.org). (You received these IDs/passwords by email.)
- Students can log in before the program begins but they cannot trade until the first day of the simulation.
- Students may begin making trades any time after the competition begins.
- Team Ids (log ins) cannot be changed, but you may allow your teams to create their own team nicknames for classroom use. This is completely optional!
- You will need to enter the nicknames by going to “View Rankings and Portfolios” in the Teacher Support Center (purple section). If you have more than one class participating, you will need to click on each class name to see the following:

View/Set Team Nicknames		
Official Team Name	Current Nickname	New Nickname
VA_60_ZZ13	VA_60_ZZ13	<input type="text"/>
VA_60_ZZ14	VA_60_ZZ14	<input type="text"/>
VA_60_ZZ15	VA_60_ZZ15	<input type="text"/>

[Update Nicknames](#)

- Enter the nickname in the box next to the correct team Id and click “update nicknames” when you are finished. NOTE: You may not use apostrophes in nicknames.
- Students may change their passwords, but be sure they remember them! You also have access to see them by logging in to your teacher account, scrolling to the purple section of the Teacher Support Center and visiting the “VIEW RANKINGS AND PORTFOLIO” tab.

## STEP #9: MAKE DECISIONS AND TRADE

- ☐ Let students meet to discuss their trading ideas and make their first purchases.
- ☐ You may want to have them journal each meeting.
- ☐ After they’ve made their first buys, allow time each week for them to review their portfolios, rankings, and discuss more buys or sells.
- ☐ If you are short on classroom time: Have teams buy 1 or 2 stocks in their first meeting. Then allow them to watch their stocks, sell, and/or re-invest as a team on their own time.
- ☐ Portfolios are updated every evening.
- ☐ Teams may view both their state and regional rankings from their portfolio.
- ☐ Teachers may access portfolios and rankings through the Teacher Support Center

## STEP #10: LEARN AS YOU GO

- ☐ Each week you will receive an email titled: **SMG Snippets**. This email is designed to highlight two or three things you might want to consider doing for the upcoming week.
- ☐ When questions arise about topics such as stock splits, dividends, etc., use these teachable moments to introduce and explain these terms and concepts.
- ☐ **Be sure to reinforce the fact that investing for the long-term (retirement) would be a different strategy than the short-term SMG.**

## Stock Data Found on the Internet

Try sites like: <https://www.google.com/finance>, <http://finance.yahoo.com>, [www.finviz.com](http://www.finviz.com) or <http://www.thestreet.com/>. Students will need to look up ticker symbols for making trades. This may be done directly from their portfolio site.

Last Trade:	<b>34.80</b>	Day's Range:	34.29 - 34.92	<p><b>New!</b> <a href="#">Try our new Charts in Beta</a></p> <p>YUM 23-Jul 11:22am (C)Yahoo!</p>  <p>1d 5d 3m 6m 1y 2y 5y max</p> <p><a href="#">Annual Report for YUM</a></p>
Trade Time:	11:24AM ET	52wk Range:	22.11 - 34.90	
Change:	<b>↑ 0.67 (1.96%)</b>	Volume:	1,060,500	
Prev Close:	34.13	Avg Vol (3m):	2,937,850	
Open:	34.37	Market Cap:	18.13B	
Bid:	N/A	P/E (ttm):	22.19	
Ask:	N/A	EPS (ttm):	1.57	
1y Target Est:	36.32	Div & Yield:	0.60 (1.70%)	

**\*Last Trade** is the time and price of the last trade made for the stock (current price).

**\*Change** is the change in price for the day. This is the difference between the last trade and the previous day's closing price (Prev Close).

**\*Prev Close** is the closing price for the trading day prior to the last trade reported.

**Open** is the first price paid after trading starts, usually when the stock exchange "opens its trading doors", usually in the morning.

**Bid price** is the price you will get if you sell

**Ask price** is the price you will pay to buy

**\*1y Target Est** - This value is an estimated stock value in 1 year provided by analysts following this stock.

**\*52-Week Range** – range for the past year

**\*Volume** is the volume of trading (number of shares)

**Avg Vol** is the average daily volume which is the monthly average of the cumulative trading volume during the last 3 months divided by 22 days.

**Market Cap** - way of measuring the size of a company and is calculated by multiplying the current stock price by the number of outstanding shares

**\*P/E** is Price to Earnings Ratio. This number is the previous closing stock price divided by the earnings per share, and reflects the value the market has placed on a stock. In general, a high P/E, compared to like companies, means high projected earnings in the future.

**EPS** is Earnings per Share – stated for the most recent 12 months. EPS is calculated by dividing earnings by the average number of shares of common stock outstanding during the period. Analysts typically look for steadily increasing EPS.

**Div** is the Dividend per Share. Annual dividend per share of stock, as reported by the company. **Yield** is the annual dividend per share divided by the previous closing stock price, as a percentage (multiplied by 100).

**\*Students do not necessarily use all of this information in making stock selections, but some of the data can be helpful in making decisions. Fields marked with \* are most commonly used.**

## SMG Culminating Activity Ideas

### Research/Writing Skills

- A. Use the **InvestWrite** topic for critical thinking and essay writing to research a topic and relate it to a real-life experience. (InvestWrite provides new topics each semester with scenarios and a question.)  
[www.investwrite.info](http://www.investwrite.info)
- B. Use the core lesson: How Successful Was My Investment Strategy? found in the Teacher Support Center.
- C. Use the journal prompts in the Teacher Support Center.

### Oral/Presentation and Technology Skills

- A. Make oral presentations:
  - Why did my investment strategy not work? What would I do different next time?
  - How to diversify a portfolio (using industry/sectors and or bonds, mutual funds, etc.)
  - How my investment strategy would be different for long-term investing.
  - Research a company in portfolio and tell why it did/or did not perform well.
  - Explain how the economy has affected your portfolio.
  - How to use an investment website to research stocks
- B. Enhance oral presentations and use technology skills to create a presentation with:
  - Spreadsheet and charting
  - Graphic organizers
  - PowerPoint/Infographic



## Rubrics

Rubrics are located in the Teacher Support Center for all types of skills enhancements and presentations.

Special thanks to the Virginia Council on Economic Education for sharing this great template.