



THE STOCK MARKET GAME™



Using the Stock Market Game in Twelve Easy Steps!

www.stockmarketgame.org

Game Dates

Fall -09 Take Stock in Kentucky	09/14/09 – 11/20/09
Fall -09 Stock Market Game	09/08/09 – 11/13/09
Year Long Stock Market Game	09/08/09 – 04/23/09
Spr-10 Take Stock in KY	01/26/10 – 04/01/10
Spr-10 Stock Market Game	02/16/10 – 04/23/10



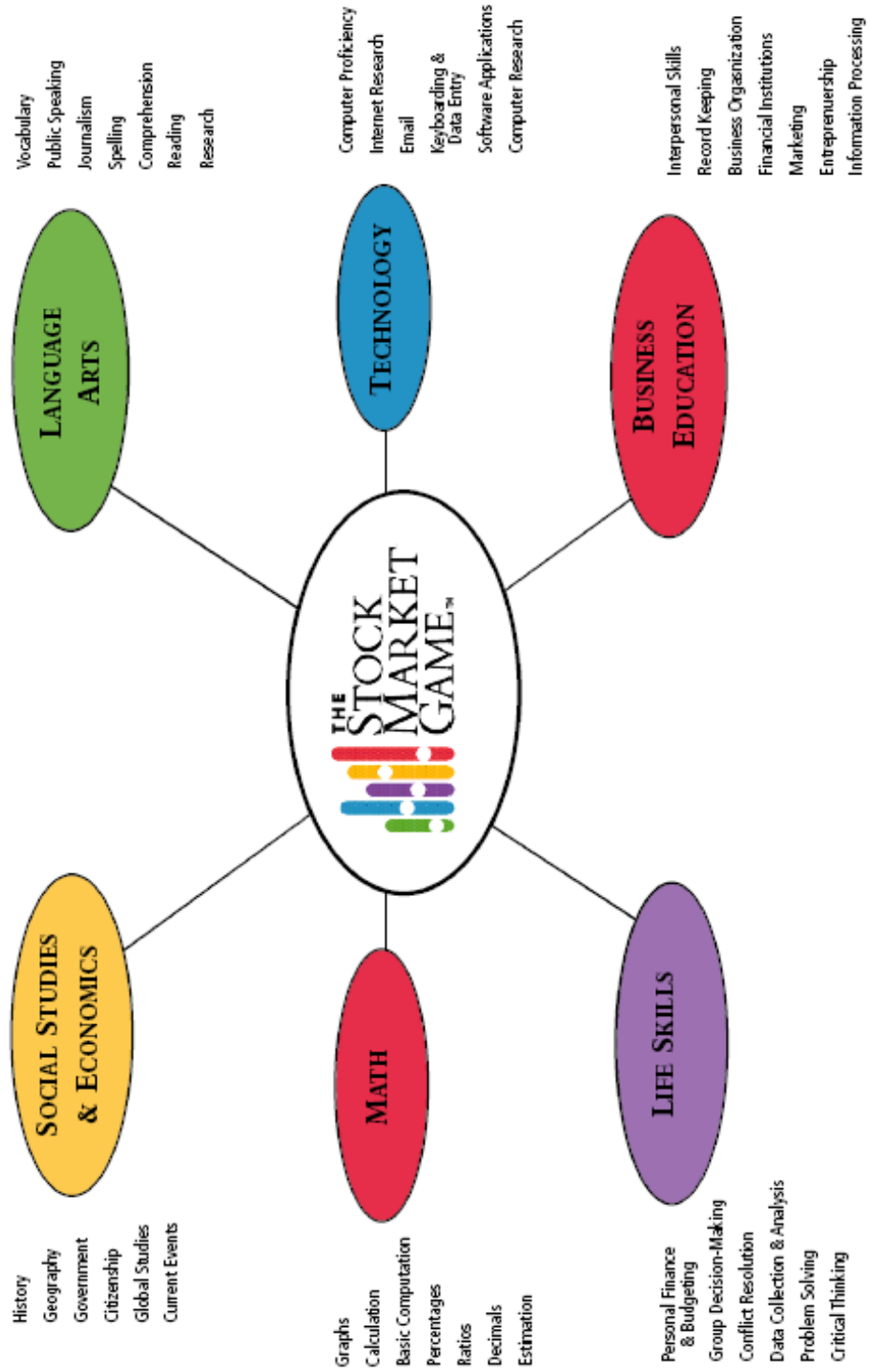
Kentucky Council on Economic Education

www.econ.org susan@econ.org 502-267-3570 800-I-DO-ECON

sponsored statewide by

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INTEGRATING SMG ACROSS THE CURRICULUM: HELPING STUDENTS MEET STANDARDS



Using the Stock Market Game in Twelve Easy Steps!!

The Stock Market Game (SMG) can be fun and educational, for students of all ages, grades 4 through high school. Teams of students use \$100,000 in virtual cash to invest in stocks and mutual funds in a real-world investment simulation. There are statewide and regional competitions with great prizes for the highest valued portfolio and an optional national InvestWrite essay competition.

Step 1. Go to www.stockmarketgame.org and find answers to some of your own questions in the “Teachers New to the SMG” section.



Step 2. Pre/Post (*This is optional.*) Administer the Stock Market Game pre-test before you start teaching. (Post-test students after the program is over.) You can find the pre-post test online at www.kcee.org/testing. You will receive an online report of student performance. This can help you evaluate what your students already know about investing and student learning from using the program. This is not a part of the SMG simulation, but an opportunity on the Kentucky Council on Economic Education website.

Step 3. Divide the class into teams. We recommend 3 or 4 students to a team. Each team will create an online “team portfolio” in the simulation. They will research and make stock selections as a team. Have them keep a **Team Folder** with their research, stock selections, essays, journals, charts, or any materials they may produce using the Stock Market Game.

Step 4. Complete the online registration form for the Stock Market Game™ program at www.stockmarketgame.org

(Follow the Register/Register Now links.)



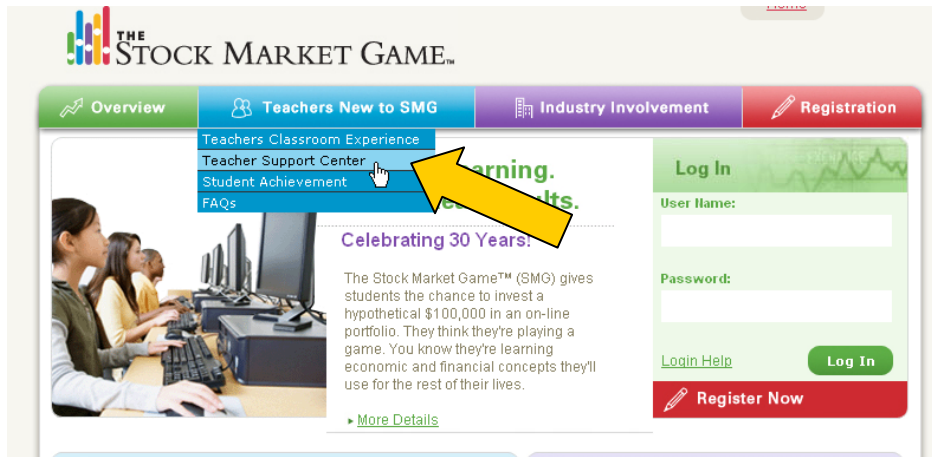
- Pay your team fees online at www.econ.org/smg or print the order form online at www.econ.org/smg and submit with your payment. You will need to provide a Purchase Order#, if your school or district is paying the fees. Payment must be received within 3 weeks of the first day of the competition. The fee is \$10 per team of students. For the year-long game, the fee is \$15/team of students.
- If you need more team accounts (or fewer), you can contact the SMG Coordinator (susan@econ.org) to make these adjustments within the first 3 weeks. You will be charged for all accounts you register – used or unused.
- After enrolling, you will receive an email with team Account IDs and passwords. You should receive these account IDs and passwords by email within 48 hours of enrolling. If you don't receive these in 2 or 3 days—be sure to contact Susan Sandage, SMG Coordinator, at 1-800-I-DO-ECON or susan@econ.org. (*Note: account generation does not start until 3 weeks prior to the competition if you register early.*)

Step 5. In the email with team IDs, you also received a Teacher ID and password to the **Teacher Support Center**. Check out the Teacher Support Center for resources, lessons, etc. to help your class get started. Introduce students to concepts like “What is a stock?” and “private and public companies”. Students can use the attached *Stock Data on the Internet* and *Stock Data Record* to learn to read and track stock selections.

Step 6. Let students begin thinking and researching about stocks they may want to invest in. Read/watch TV and discuss current events about companies, stock market performance, and the economy. Have them visit websites focused on stock research:
<http://moneycentral.msn.com/investor/home.asp>
<http://finance.yahoo.com>
<http://thestreet.com>

Tip: For older students, have different teams research a website and share with the class information they found. For younger students, try using the Yahoo website (probably easiest to navigate.) I also recommend TheStreet.com, a website which is built into the Stock Market Game simulation.

Step 7. Make students familiar with the simulation by having them (or helping them) read through **Understanding Portfolios**. Visit www.stockmarketgame.org and select the blue tab. See the two steps below.



Step 8. Log-in! Assign a student team ID and password to each team and have them login to their team portfolio at www.stockmarketgame.org. (You received these IDs/passwords by email.) Students can log in before the program begins—but they cannot make a trade until the first day. It is not required for students to begin making trades on the first day of the competition—many classes begin around week 3 or 4, as teachers may be using the first few weeks to introduce concepts, how to use the simulation, etc.

Step 9. Review the Rules. See short version in this booklet. Students can read longer version from their homepage of their online portfolio. Remind students that this is a *team* competition; and that trades should be made based only on a *team* decision.

Step 10. Let students meet to discuss their stock buying ideas and make their first purchases. You may want to have them journal each meeting (*see Journal Template in this booklet*). After they've made their first buys, allow time each week for them to review their portfolios, rankings, and discuss more buys or sells. Students can buy/sell as often (or as little) as you want, whatever best fits your class time. Portfolios are updated every evening, as well as the **Rankings**, which students can access from their own portfolios.

(Real short on classroom time? Have students buy at least 5 stocks in their first meeting. Then allow them to watch their stocks, sell, and/or re-invest as a team on their own time.)

Step 11. Try to focus on at least one lesson a week from the Teacher Resource Center to teach students about investing concepts; i.e., stocks, risk, markets, diversification, etc. When questions arise about topics, like stock splits, dividends, etc., teachers use these “teachable moments” to introduce and explain these terms and concepts. Be sure to reinforce that fact that investing for the long-term (retirement) would be a different strategy than the short-term SMG. *(Teachers can learn about these and find lessons in the Teacher Resource Center!)*

Step 12. – *(Optional)* Take part in **InvestWrite**, the national essay competition. <http://investwrite.info> This is an individual essay competition for Stock Market Game students only, grades 4-12. Each semester a new scenario is introduced. Students write a 700 word maximum essay. Teachers can submit their 5 best essays from each class to be judged. Great national prizes for elementary, middle and high school levels! Teachers, students, and parents can win a trip to Disney World or to the NYSE!! Top 10 essays in each grade level category win prizes.

Teacher Resources

Teacher Resource Center - Using your Teacher ID and password, (you received in email with your student IDs), logon to the Teacher Resource Center at www.stockmarketgame.org for a multitude of resources—like tutorials, curriculum for elementary, middle or high school level, printable lessons, assessments, rubrics, and more! Sections include:

- **Understanding SMG** – includes a Teacher Guide, Reading Portfolios Guide, and Rules.
- **Manage Student Portfolios** – allows you to view student portfolios, daily rankings, a troubleshooting guide, and print certificates for all of your students.
- **In the Classroom** – includes grade specific curriculum, lessons, activities, projects, publications, assessments, rubrics, and an alignment of lessons to Kentucky standards in economics, language arts, social studies, math, and business.

Visit the **Kentucky Council website** at www.econ.org/smg for more information and resources.

Competitions and Prizes!

Winning students will be recognized at the Fall or Spring Stock Market Game Awards Banquet (See Awards announcement in this booklet.)



Stock Market Game Rules (short version!)



- Each team begins with \$100,000 in cash
(see rule 1 for further explanation)
- Interest is earned on money not yet invested at an annual rate of 2.00% and posted weekly. *(see rule 1 for further explanation)*
- Teams may borrow additional funds to invest (going on margin). Cost is 7% per annum and is posted weekly. *(see rule 1 for further explanation)*
- 5 stock minimum rule! Teams must invest in at least 5 different stocks (companies) during the course of the Game. *(see rule 4 for further explanation)*
- Maximum equity rule! Teams can invest no more than 30% (x2 to account for margin) of their total equity in any one stock. *(see rule 3 for further explanation)*
- All buy orders must be a minimum of 100 shares. *(see rule 6 for further explanation)*
- Cannot trades stocks below \$5.00/share value. *(see rule 7 for further explanation)*
- A 2% broker's fee is charged for all transactions. *(see rule 9 for further explanation)*
- Trades are valued at "end of market day" values. *(see rules 5 & 11 for further explanation)*

The full (long) version of the Stock Market Game rules can be found at www.stockmarketgame.org.

Stock Data Found on the Internet

Try sites like, <http://moneycentral.msn.com/investor/home.asp>, <http://finance.yahoo.com> or <http://thestreet.com> Students will need to look up ticker symbols for making trades.

YUM BRANDS INC (NYSE:YUM)			Edit
Last Trade:	34.80	Day's Range:	34.29 - 34.92
Trade Time:	11:24AM ET	52wk Range:	22.11 - 34.90
Change:	↑ 0.67 (1.96%)	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%)

New! Try our new Charts in Beta

YUM 23-Jul 11:22am (C)Yahoo!

[1d](#) [5d](#) [3m](#) [6m](#) [1y](#) [2y](#) [5y](#) [max](#)

[Annual Report for YUM](#)

***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 your stock

Ask price is the price you will pay to buy a stock

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

***52-Week Range** – high and low prices over the past 365 days

***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 Team Journal Template

Date _____

Team Name: Team Members: Class:	
Purpose of Mtg.	
Portfolio Value	
Initial Observations	
Related News Events	
Questions	
Research Gathered	
Decision Made and Reasons	
Final Reflections	



National Essay Contest

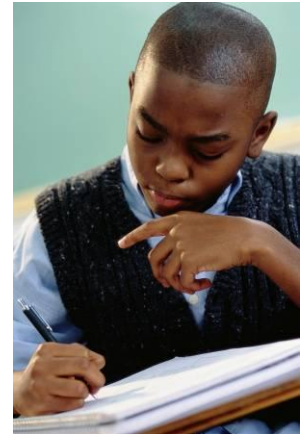
www.investWrite.info

InvestWrite is a highly successful extension of The Stock Market Game program designed to help students sharpen critical thinking and writing skills as they compose essays on investment related topics. The program builds a bridge between classroom learning and potential real-world investment decision.

Students are provided a topic and an investment scenario, which requires them to assess, research, and then formulate possible solutions based on their own finds, logic, and ideas.

How much additional time will I need to learn the InvestWrite curriculum?

Everything you need to know is on the website. Other than discussing the topics with your students and giving them a little direction, you're done. InvestWrite is designed to enhance The Stock Market Game program without adding planning time to your current curriculum demands. Incorporate into your writing assessment



Do my students work in teams or individually?

Individually. Here's a chance for students to take what they have learned as a member of their team and apply their critical thinking and writing skills individually.

How many essays can I submit?

You can submit five teacher-judged entries per qualified classroom and only one essay per student.

How long does it take to submit InvestWrite entries?

Just a few minutes. All you have to do is sign in for each submission, fill in a few information boxes (i.e. your contact info, student's name, etc.) and cut and paste or type in the InvestWrite entry into our online submission box.

Is the contest free to enter?

Absolutely! The only requirement is that you and your students must be participating in The Stock Market Game or Take Stock in Kentucky program and your class must have a valid team login ID and password.

With whom do my students compete?

Students compete nationally for prizes in their own divisions: 4-5, 6-8, or 9-12. See InvestWrite website for national prizes...which range from all-expense paid trips to NYSE, DisneyWorld, laptops, and gift cards for teachers, parents and students!

Win Great Prizes—National!
students, teachers, and parents!

TAKE STOCK IN KENTUCKY

Stock Market Game

www.econ.org/kystock



Fall Game Dates	Spring Game Dates
09/14/09 – 11/20/09	01/26/10 – 04/01/10
KY Stock List_with hotlinks http://www.econ.org/kystock	

In the Take Stock in Kentucky competition, students use the same Internet simulation as the Stock Market Game, but will invest only in Kentucky companies. Teams of students will build a portfolio of Kentucky investments starting with \$100,000 in imaginary funds over a period of 10 weeks. The companies they will research and invest in are headquartered in Kentucky, companies that have state offices or subsidiaries, or companies that are of special interest to the economy of Kentucky. Use with your curriculum unit on Kentucky!!

We have kept the list to around 200 stocks - in order for students to be able to focus on a relatively small group of companies on which to base their research. This is a great opportunity for students to learn about business in their local community and Kentucky economics.

Take Stock in Kentucky was designed to for grades 4-12 to help students learn about Kentucky business and to make the program easier, because there are

- 1) fewer stocks to choose from,
- 2) ticker symbols are provided, and
- 3) there is a hotlink to each stock's profile and stock data from the KCEE website.

Visit Take Stock in Kentucky rules at <http://econ.org/kystock/tsikrules.htm>

Teachers registering for the Take Stock in Kentucky program will receive in the mail a copy of the "Take Stock in Kentucky" curriculum with 16 easy to use lessons focused on research of the Kentucky economy and business and on Kentucky Economics Core Content for grades 4-12, covering concepts like opportunity cost, producers, consumers, scarcity, interdependence, markets, profit, and more!

Take Stock in Kentucky is a separate competition from the Stock Market Game, with the same prizes!!

Register online at www.stockmarketgame.org and select the dates for Take Stock in Kentucky competition.

SMG Culminating Activity Ideas

Research/Writing Skills

- A.** Use the **InvestWrite** topic for critical thinking and essay writing (70 word maximum) 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
- B.** Use the last lesson in the online curriculum (*How Successful Was My Investment Strategy?*)
- C.** Research a company on the list back to its inception.
- D.** Write to a company on the list and tell about what you learned through Take Stock in Kentucky.

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 didn't perform well.
 - Explain how the economy has had an affect on 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.



Creative Skills

- A.** Write a skit about a broker making stock recommendations to a client.
- B.** Create a rap or song about a topic, or the Stock Market Game experience.

Rubrics can be found in the Teacher Resource Center under “assessments” for all types of skills enhancements and presentations.

Stock Market Game and Take Stock in Kentucky Awards

Fall 2009 and Spring 2010

New! Cash awards have been dropped this year except for first and second place in the state. We will be recognizing state and first place regional winners for all competitions at our Awards Banquet hosted by Hilliard Lyons, our statewide sponsor.

Kentucky Awards Banquet Recognitions

For all Competitions (Stock Market Game, Take Stock in Kentucky and Year-Long SMG):

First Place in State Team winners and teacher of each competition will be recognized at the Awards Banquet and will receive \$300 cash for team, t-shirts, team member certificates and school trophy.

Second Place in State Team winners and teacher of each competition will be recognized at the Awards Banquet and team members will receive \$100 cash for team, t-shirts, team member certificates, and school trophy.

First Place in Region Winners and teacher in each competition will receive t-shirts and certificate to be awarded at Banquet.

Awards Banquets will be held in early December and early May.



National Essay Competition

www.investwrite.info

Win National Prizes!


Elementary (4-5), Middle School (6-8), High School (9-12) Divisions


National awards (1st through 10th) included prizes for student, teacher, and parents! (includes trips to Disneyworld, NYSE, laptops, gift cards, and more!) www.investwrite.info/awards.aspx

SMG Teacher Support Center

(log in with Teacher Id and password)

 Understanding SMG

 Manage Student Portfolios

 In the Classroom

Welcome, Ms. Susan Sandage!

To get the most from your visit to the Teacher Support Center, click the tabs above or the section headings below for detailed descriptions of the features and functions available to you.

To print a frame click on it.
Then for Windows: use ctrl-p, OS9/OSX: use cmd-p

Understanding SMG

 New users start here:

- ▶ [Teachers Guide](#)
- ▶ [Understanding Portfolios](#)
- ▶ [Rules of the Game](#)
- ▶ [Promotional Materials](#)
- ▶ [Related Links](#)

Manage Student Portfolios


 View & manage team portfolios:

- ▶ [View Rankings & Portfolios](#)
- ▶ [Change Password](#)
- ▶ [Troubleshooting](#)
- ▶ [Help Desk](#)
- ▶ [Participation Certificates](#)



- Lesson Sequence
- Lessons & Activities
- Projects
- Assessments
- Standards
- Publications
- Investor Background
- Our Philosophy

In the Classroom

 Lessons, standards correlations, and additional classroom teaching resources. Visit the [Our Philosophy](#) section for an explanation of the SMG program's approach to teaching.

- ▶ [Lesson Sequence](#)
Organize your SMG experience with a prepared sequence of lessons.
- ▶ [Projects](#)
Engage your students with SMG projects.
- ▶ [Lessons & Activities](#)
Reinforce core skills and teach important investment concepts.
- ▶ [Assessments](#)
Measure your students' understanding of SMG concepts.

Program News

Welcome to the Kentucky Council on Economic Education Stock Market Game (SMG) that Kentucky teachers have used for the last 23 years.

The SMG website has a brand new look! When you register your class, check out the New Teacher Admin site with some great new teaching strategies, lessons, activities, assessments, and more!

Account Summary for Team ID: SIA_72_A5 Date: 07/20/2008

Start S&P500 Value: 1361.7600

As of 07/19/2008	
Cash Balance:	\$66,404.05
Value of Long Stocks:	\$8,917.00
Value of Mutual Funds:	\$4,196.00
Value of Treasury Bonds:	\$11,266.74
Value of Municipal Bonds:	\$3,038.67
Value of Corporate Bonds:	\$5,599.15
TOTAL Value of Longs:	\$33,017.56
TOTAL EQUITY:	\$99,421.61
Value of Shorts:	\$0.00
Buy Margin Req.:	\$8,710.82
Available Equity:	\$90,710.79
	x2
BUYING POWER:	\$181,421.57
Min. Maintenance:	\$9,905.27
Interest and Dividends:	\$1,109.66
Fees and Commissions:	(\$671.03)
Realized Gains/Loss:	\$0.00
Net Equity Gain:	(\$678.39)
Percent Return:	-0.58 %

If you would like to view the Account Summary for a different day, enter the date here:

 - -

Update Table

Reset Date

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Trading
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[Enter A Trade](#) [America's Indices](#) [Investor Research](#) [Transaction History](#) [News Update](#)
[HELP](#)
Mutual Funds
 Toggle Print Mode Currently: complex

Account Holdings for Team ID: KY_2_A1 Date: 11/20/2008 Cash Balance: \$66,521.86

TICKER	Position	Shares or \$Value	Last Trade Date	Net Cost per Share or \$100	Net Cost	Current Price per Share or \$100	Current Value	Unrealized Gains Losses	% Unrealized Gains Losses	Option
I	Long	201.00	2008-09-30	\$31.0179	\$6,234.60	\$26.2300	\$5,071.23	-\$1,163.37	-18.860	Trade
SNS	Long	100.00	2008-09-30	\$8.8128	\$881.28	\$3.0200	\$302.00	-\$579.28	-65.732	Trade
VMIT	Long	100.00	2008-09-12	\$63.9642	\$6,396.42	\$51.0000	\$5,100.00	-\$1,296.42	-20.268	Trade
ANF	Long	100.00	2008-09-03	\$56.2530	\$5,625.30	\$14.5500	\$1,455.00	-\$4,170.30	-74.136	Trade
KO	Long	200.00	2008-09-03	\$52.6932	\$10,538.64	\$42.2700	\$8,454.00	-\$2,084.64	-19.781	Trade
GCCIX	Long	100.00	2008-09-03	\$13.4436	\$1,344.36	\$6.8600	\$686.00	-\$658.36	-48.972	Trade
MSFT	Long	100.00	2008-09-03	\$27.4380	\$2,743.80	\$18.2900	\$1,829.00	-\$914.80	-33.341	Trade
TOTAL								-\$10,987.17	-32.185%	

Current values are calculated using the previous trading day's closing prices.

