



“Take Stock in Your Future” Live Webinar - April 14, 2011

Discovery Education and the New York Stock Exchange

Post-webinar Classroom Guide

Overview

The purpose of this document is to provide teachers with several follow-up activity ideas from which they may choose to help students extend their learning, following the webinar experience. The contents of this guide are intended for grade levels 6-12 and may be modified to address the specific needs of each audience.

Activities

► Webinar Reflections

Following the webinar, discuss general reactions by asking questions such as the following:

- What did you learn about finances in general?
- How do you better understand the stock market and how it works?
- How are you more motivated to give attention to your finances as you enter adulthood?
- What would you like to learn more about?
- What types of financial careers interest you? How did this experience change your thoughts on how you will handle your money?

► Personal Financial Health

Have a discussion with students about strategies for long-term financial health at different stages of life. Create a chart for the class, such as the one below.

Age	Important Life Events	Strategies for Financial Health
0-17		
18-25		
26-45		
46-65		
66-85		

For each stage in life, discuss some events that typically occur (i.e., college, first job, home ownership, family, retirement) and how those events may guide people to make certain financial decisions (i.e., choosing different investment vehicles with varying levels of risk). Ask students to explore some financial strategies for each stage, discuss the ideas, and record them in the chart.

► Diversification Circle Graph

During the webinar, several presenters discussed *diversification*. Discuss with students what it means to diversify their investments and have them research different investment vehicles from which people can choose. Then have students create a circle graph, using percentages to show a mock-diversified portfolio.

► Stock Tracking Project

Have students conduct research on several companies that interest them. Remind students to consider factors like the company's size, earning and stock value history, and relevance in the marketplace. Have students choose two companies and pretend to "purchase" 100 shares of stock in each company, recording the price per share and total purchase price for each. Ask students to keep a daily log of the value of those two stocks over the next four weeks. Then have students create a double line graph showing the daily change in price over that time.

Now have students pretend to "sell" all 100 shares of both stocks at the end of four weeks. Have students calculate the return on those short-term investments and explain their calculations. Have students answer the following questions:

- What conclusions can you draw about your stock picks for this relatively short period of time?
- How could selling at a different time during these 4 weeks have resulted in a higher return?
- Do you think holding on to these particular stocks for a longer period of time would result in better returns? Why or why not?

► Animals in the Market

The terms *bull market* and *bear market* are terms often used to describe the trends of the stock market and economy in general. Discuss the meaning of these terms and the major influences in our economy that guide these trends.

Also discuss the different types of investors with students. Some invest conservatively, not willing to take risks, perhaps not investing in stocks at all. Others are more aggressive and take big risks, hoping to make quick money. Pose the following questions to students:

- Which type of investor do you think you'd be most like?
- What are some advantages and disadvantages of each style?

► Quotation Interpretation

During the webinar, several speakers in various lines of finance-related work shared their thoughts about the stock market, investing, and education/career choices. Have students choose one of the following quotes, consider its implications, conduct research if needed, and write a paragraph interpreting its meaning and significance.

- In the introduction, the New York Stock Exchange was referred to as the “*world’s largest marketplace.*”
- On the day of the webinar, the Latin American McDonald’s, Arcos Dorados, was celebrating its Initial Public Offering (IPO) on the floor of the NYSE. We were told that we were witnessing “*the birth of a company.*”
- Advice for establishing a sound financial future included starting early, so that you could “*make money work for you.*”
- Another speaker advocated for planning in advance, saying that “*financial responsibility [provides] financial freedom.*”
- When discussing educational and career opportunities, one speaker shared his philosophy: “*the harder you work, the luckier you are.*”

► NYSE Timeline

Have students research the history of the New York Stock Exchange and create a timeline of important events associated with the NYSE, including Buttonwood Agreement, establishment of building on Wall Street, Stock Market Crash, mergers, and other critical points in the history of the NYSE.

► Venn Diagram

Have students compare and contrast how, what, where, when, and why stock trades were executed in the early 1800’s and the early 2000’s on the NYSE. Have students create a Venn diagram highlighting the similarities and differences of buying and selling stock during the two centuries.

► Technology Report

Have students research how technology has affected the way the NYSE works. Their reports should describe the most significant technological changes over time and how they have impacted the daily function of the NYSE.

► Stock Games

- Pit: This is a fast-paced fun game in which players make trades and try to corner a market. The game gives the feel of being on the stock market floor! The following link explains the game in greater detail: [http://en.wikipedia.org/wiki/Pit_\(game\)](http://en.wikipedia.org/wiki/Pit_(game))
- Online Stock Market Games: Online stock market games can be an effective way to engage students. Participants usually start with a given value to invest. They then buy, sell, and track their stock picks over time, trying to increase the value of their portfolios. Some sites offer the option of registering a single classroom, so students can monitor and compare their progress with their peers only: Stock Market Game: <http://www.smgww.org/>

Resources

► The New York Stock Exchange Website:

http://www.nyse.com/about/history/timeline_chronology_index.html

This link contains much of the official history associated with the NYSE that could be useful for a few of the activities suggested above.

► EduStock: <http://library.thinkquest.org/3088/>

Created by students for students, this is an excellent resource for an uncomplicated presentation of many concepts associated with stock investment. This site includes stock exchange history, sample company profiles, stock tracking tutorial, and an extensive glossary.