REQUIRED MATERIALS:

- Directions*
- Exchange Tracking Sheet*
- Student Ledger Sheet*
- Deck of Animal “Stock” Cards
- Four Animal “Stock” Price Change Mini-Posters*
  - Post at front of room
- If not using Animal “Stock” Cards use any standard deck of cards
  - You will need to print Situation Sheet*
  - Also print Guide To Increase/Decrease In Stock Price Amounts*
- Calculator or scratch paper for students and teacher, not included
- Pens or pencils for students and teacher, not included

* Available in printable PDF format on website
GETTING STARTED

- Teacher Option: Refer to Teacher Resources at the end of the Conclusion section.
- Teacher Option: Students write an investment goal. Refer to Teacher Resources.
- Teacher Option: Discuss value of having a diverse portfolio of stocks—risky and conservative. Refer to Teacher Resources.
- Students decide what stocks (animals) to purchase with their virtual $300.
- Purchase prices for stocks (animals) are:
  - Low Risk Cow, Horse, Chicken = $25 each
  - Medium Risk Sheep, Donkey, Dog = $50 each
  - High Risk Duck, Rooster, Pig = $75 each
  - Wildcard Fox = $100
- The amount of increase/decrease per situation relates to the risk category.
- Increase and Decrease amounts for stocks (animals) are:
  - Low Risk Cow, Horse, Chicken $ 5 each
  - Medium Risk Sheep, Donkey, Dog $15 each
  - High Risk Duck, Rooster, Pig $25 each
  - Wildcard Fox $75
- Students are not required to invest the entire $300 on purchasing stocks. They may withhold an amount of their choice in cash. The less cash invested results in less market impact for students to experience.
- A student’s stock value cannot go below zero. If a student’s stock value computes to a negative number, the student records “0” for that stock’s value.
- Each student receives 3 Student Ledger Sheets (there are two ledgers per sheet).
  - This Adventure is designed to complete 5 Rounds (final ledger remains blank).
  - The teacher may modify that number as needed.
- Students label Round 1 thru Round 5 (or modification) on Student Ledger Sheets.
- Allow time for corrections as students compute and verify prices.

EXCHANGE TRACKING SHEET

- The teacher or designated student is the exchange representative. The exchange representative does not complete a Student Ledger Sheet.
- Starting prices for each stock are on the Exchange Tracking Sheet. They are also listed in the Getting Started section as Purchase prices.
- The exchange representative records price changes for all animal stocks for all situations for all Rounds.
- After Rounds 1-4, the exchange representative computes and records the New Starting Price. The exchange representative confirms the new starting price for student participants for each stock at the beginning of each new Round.
- After Round 5, the exchange representative computes the Ending Price.
- The Exchange Tracking Sheet is a master ledger for each Round. It is the key.

ROUND ONE

- Students complete name, class, date, and cash information on Student Ledger Sheet.
- In column B students record the Starting Price provided by the exchange representative for each stock.
- Students select (1) the animal stocks, and (2) the number of shares to purchase. The number of shares purchased remains the same for all 5 Rounds—no additional stock purchases are permitted and no selling of stock is permitted.
  - Students may purchase multiple shares of one or several stocks.
  - example: Student purchases 3 shares of the low risk Cow stock.
    - 3 shares x $25 each = $75 worth of stock in the Cow
In column D students record **Number Shares Purchased** for each animal stock purchased. The maximum amount students may invest is $300.00.

In column F **Starting Value of Stock Holdings** students record the product of multiplying column B **Starting Price** by column D **Number Shares Purchased**.

Students answer three questions to verify their portfolio and cash values under columns B thru F.

1. Students total purchased stock holdings only.
2. Students record amount of cash on hand (not invested). Cash on hand remains the same through all Rounds of the activity.
3. Students total (1) and (2) to determine portfolio value. Total must equal $300.

**Situation 1**: Teacher draws and reads first situation card.

In column G **Situation 1 Adjustment** students record the effect of increase or decrease for each animal stock owned. More than one stock may be affected per situation.

- If the low risk horse increases per situation, students record $5.00 or $5.
- If the medium risk donkey increases per situation, students record $15.00 or $15.
- If the high risk rooster decreases per situation, students record $-25.00 or $-25.
- If the wildcard fox decreases per situation, students record $-75.00 or $-75.
- If there is no change to an animal stock owned, students record n/a.

**Situations 2-5**: Follow the same process for Situation 1 above using columns H–K to record adjustments or n/a for each stock owned.

In column L **Sum of Adjustments** students record the impact of adjustments of situations 1-5 by computing the combined increases and decreases recorded in columns G thru K.

In column M students calculate the **New Stock Price** of each animal stock owned. Column B **Starting Price** + or - column L **Sum of Adjustments** = column M **New Stock Price** for all stocks owned.

To verify accuracy of students’ computations, the exchange representative confirms column M **New Stock Price** for each animal stock.

In column Q **Ending Value of Stock Holdings** students record the product of multiplying column M **New Stock Price** by column O **Number Shares Purchased**.

Students answer three questions to verify their portfolio and cash values under columns M thru Q.

4. Students total **Ending Value of Stock Holdings** purchased for each stock owned.
5. Students record amount of cash on hand (not invested).
6. Students total (4) and (5) to determine portfolio net worth at the end of Round 1.

**ROUNDS 2-5**

- Students move to the next consecutive Student Ledger Sheet and appropriately label it Round 2, 3, 4, or 5. Students complete the name, class, date, and cash on hand.
- Students record the new Starting Price for each animal stock owned in column B. This amount is transferred from column M **New Stock Price** from previous Student Ledger Sheet as verified by the exchange representative.
- In Column D **Number Shares Purchased** students record the number from column D on previous ledger sheet. Students have the same stocks and the same number of shares for all five Rounds.
- In column F **Starting Value of Stock Holdings** students record the product of multiplying column D **Number Shares Purchased**.
- Students answer three questions to verify their portfolio and cash values under columns B thru F.
  1. Students total purchased stock holdings only.
  2. Students record amount of cash on hand (not invested). Cash on hand remains the same through all Rounds of the activity.
  3. Students total (1) and (2) to determine portfolio value.
Situation 1: Teacher draws and reads first situation card.
- In column G Situation Adjustment students record the effect of increase or decrease for each animal stock owned. More than one stock may be affected per situation.  
  ▪ If the low risk horse increases per situation, students record + 5.00 or ↑5.
  ▪ If the medium risk donkey increases per situation, students record + 15.00 or ↑15.
  ▪ If the high risk rooster decreases per situation, students record -25.00 or ↓25.
  ▪ If the wildcard fox decreases per situation, students record -75.00 or ↓75.
  ▪ If there is no change to an animal stock owned, students record n/a.
- Situations 2-5: Follow the same process for Situation 1 above using columns H–K to record adjustments or n/a for each stock owned.
- In column L Sum of Adjustments students record the impact of adjustments of situations 1-5 by computing the combined increases and decreases recorded in columns G thru K.
- In column M students calculate the New Stock Price of each animal stock owned.
  Column B Starting Price + or - column L Sum of Adjustments = column M New Stock Price for all stocks owned.
- To verify accuracy of students’ computations, the exchange representative confirms column M New Stock Price for each animal stock.
- In column Q Ending Value of Stock Holdings students record the product of multiplying column M New Stock Price by column O Number Shares Purchased.
- Students answer three questions to verify their portfolio and cash values under columns M thru Q.
  (4) Students total Ending Value of Stock Holdings purchased for each stock owned.
  (5) Students record amount of cash on hand (not invested).
  (6) Students total (4) and (5) to determine portfolio net worth at end of each Round.

CONCLUSION
TEACHER OPTIONS
- Students complete the Total Percentage activity at the right of column Q.
- At the end of the final Round, teachers may choose to have:  
  ▪ class discussion or
  ▪ student writing assignment.
- Possible topics for optional class discussion or student writing assignment include:
  ▪ goals,
  ▪ needs vs. wants,
  ▪ risk,
  ▪ diversification,
  ▪ opportunity cost,
  ▪ budgeting,
  ▪ profit vs. loss,
  ▪ Adventure’s impact on student,
  ▪ how to use profits,
  ▪ how to protect students’ money from securities fraud, or
  ▪ related topic of teacher’s choice.

TEACHER RESOURCES
  ▪ prepared and made available by Investor Protection Trust
  ▪ Four units address most of the suggested topics above.
- [http://www.nasaa.org/investor_education](http://www.nasaa.org/investor_education)
  ▪ Click on FSI: Fraud Scene Investigator for an optional securities fraud activity.