

FN 312 - Investment Challenge

Welcome to the Stock Market Challenge! Investing in stocks can be an emotional and financial roller coaster. Money is made through a series of transactions over a long period of time. There will be both wins and losses and you need the patience and intelligence to make good decisions over the long haul. Fortunately, we have some time until the end of this class, so let's see which team can make the most money before the end of the semester!

Basic Parameters of the Challenge:

- Each team will have \$100,000 deposited into their Virtual Stock Exchange (VSE) account. All teams must have their accounts created by Aug 25, 2021. Details on how to sign up will be posted on moodle.
- Spending Deadlines:
 - You must invest at least \$25,000 in the market by September 15, 2021.
 - You must invest at least \$50,000 in the market by October 20, 2021.
 - You must invest at least 90% of your money by November 10, 2021. This percentage must stay invested **until the game ends on Nov 17, 2021**. No "sitting on your cash"!
- Each team must purchase stock in at least ten different stocks/funds during the course of the challenge. You need to diversify a bit! Spread the money around.
- Students may execute as many "buys" and "sells" as they deem necessary. You are allowed to sell short ... we'll learn more about what that means later. Note that the commission for each trade is \$5.
- Each team is responsible for preparing an Investment Challenge progress presentation each week starting the week of **September 1st and ending November 17th**. Every team member should take turns presenting to receive credit. Each presentation should only be about 2-3 mins long and should give the class a quick and to-the-point rundown on investment strategies and the team's portfolio performance. For example, it could include a recap of what you bought and sold and what your rationale was, or discuss events taking place in the market that may affect upcoming trades. I would also like to hear your thoughts on how you're integrating new things into your strategy as we cover them in class. Presentations will account for 50% of your investment challenge grade.
- On the day of the final exam, you are expected to submit INDIVIDUAL write-ups that summarize your team's investment strategy and portfolio performance, as well as a section that outlines your contribution and a discussion of what you would have done differently from the team strategy. This report accounts for 50% of your investment challenge grade.