



FOUNDATION



InvestWrite is a highly successful extension of the Stock Market Game program designed to help students sharpen critical thinking skills as they compose essays on investment related topics. The program builds a bridge between classroom learning and potential real-world investments decisions. Students are provided a topic and an investment scenario, which requires them to assess, research, and then formulate possible solutions based on their own findings, logic and ideas.



“Outstanding program! I have been teaching the Stock Market Game for 17 years. InvestWrite is a great way to tie all the learning together. Thank you for the chance to participate.”
InvestWrite Teacher (Pennsylvania)

Do You InvestWrite?

InvestWrite is an innovative national writing competition, produced by The Stock Market game program that adds another critical thinking component to help reinforce the concepts learned in the classroom.

InvestWrite provides students in The Stock Market Game program with a way to demonstrate what they are learning in the classroom by asking them to respond in a thoughtful way to a specified “real life” investing situation.



“InvestWrite is a great opportunity for students to articulate the knowledge they have gathered about the stock market and the importance of saving and investing for long-term goals. Great program!”
InvestWrite Judge (Missouri)

For more information visit www.investwrite.info

InvestWrite Topic For Grades 6-8, Fall 2008

TEACHER BACKGROUND

The essay question corresponds to the following resources found in the **Teacher Support Center** on The Stock Market Game's web site (use of these **Lessons** and **Publications** is not required for participation):

Lessons (Middle School):

What is a Stock?

What is a Bond?

What is a Mutual Fund?

What is Diversification?

How to InvestWrite

Publications:

Bond Lessons Suite

Stocktalk, "In and Out of Bonds"

Stocktalk, "Fund Seeker"

In The News!, "Stockpot"

In The News!, "Return of the Fund"

The essay should demonstrate that the student:

- Can communicate the importance of saving and investing
- Can identify the asset classes: stocks, bonds and mutual funds
- Can explain the importance of diversification

STUDENT BACKGROUND

Many adults like to give advice—lots of advice! They often say things like, "A penny saved is a penny earned," or "Time is money." Another piece of advice is "Don't put all of your eggs in one basket"—and they are not talking about breakfast! Investing all of your money in one thing is like having just one basket of eggs, if the basket drops, all of your eggs will break. If you invest your money, you have different ways to save for the future. You can choose from the following asset classes: stocks, bonds and mutual funds. You also have many choices within each of these asset classes.

QUESTION

Why is "putting all of your eggs in one basket" a bad idea when you are saving and investing for your future? In other words, why is it a bad idea to invest your portfolio in only one asset class? How will you use the "eggs in a basket" advice as you plan ahead for your own financial future? Choose an investment in two of these three asset classes: stocks, bonds and mutual funds. (For example, choose a stock and a mutual fund, a stock and a bond, or a bond and a mutual fund). Explain why you would choose each one. Also, talk about why it's important to invest in more than one.