

# The Stock Market Game™



## Little Known Facts about The SMG Program in Illinois (*details, details, details!*)

- ◆ To receive dividends, teams must own the stock on the “ex-dividend” date. The dividend gets credited to the portfolio on the “payout” date. Teams must have an active portfolio that spans both those dates, but they need not still own the stock on the payout date. Some stocks pay dividends more frequently than others, so teams have a better chance of receiving dividends if they buy those stocks. Dividends are noted on the *Transaction History* report within two days of their distribution.
- ◆ In the intraday pricing system (real time pricing), trades submitted during market hours receive the price at which the stock was trading when the order was submitted. (And move quickly from the *Pending Transaction* report to the *Transaction Notes* report.) Trades entered after the close of the market or on market holidays remain in *Pending Transactions* until about 10:00 the next morning – or later if the opening trade of the day for that stock has not yet occurred. At the same time, trades are priced with the first trade of the day and moved from *Pending Transactions* into *Transaction Notes*. The actual trade is reported to *Transaction History* and *Account Holdings* during that day’s processing (which is done overnight.)
- ◆ Teams may not make two transactions on a particular stock within five minutes, regardless of the number of shares.
- ◆ Trades cannot be canceled, because Illinois implements the intraday pricing system – real time pricing.
- ◆ Teams in intraday trading regions may trade until the markets close on the final Friday of the session (unless that day is a market holiday.)
- ◆ Trades entered while the markets are closed, either on market holidays or after hours, will be executed during the next trading period and processed that night.
- ◆ Interest for each week is not reported until the following Tuesday; therefore, interest is not paid or charged for the final week of a session. Interest is calculated daily, however, by using the cash balance (or amount owed on margin loans) times the interest rate divided by 365. The daily interest amounts are added to total the figure that is posted weekly.
- ◆ When **INF** appears in the “% Unrealized Gains/Losses” column on the *Account Holdings* page, this means that a corporate action has taken place that added shares to a portfolio at no extra cost, so the percent gain or loss is infinitesimal.

- ◆ The *Transaction Notes* and *Gains/Losses* portfolio pages are simply logs of activity. Updates and corrections made to portfolios will appear only on *Transaction History*, *Account Summary* and *Account Holdings* reports.
- ◆ Mark-to-market calculations on pending short positions are performed daily but do not appear in *Transaction History* because to do so would require so much space that it would become difficult to read the entire report. Mark-to-market is the daily change in value on short positions, which is necessary in order to update **equity** and **buying power**.
- ◆ A team receiving a **margin call** has seven days in which to respond by selling stocks, after which time the system will begin liquidating positions. The system will begin with the lowest price securities in the portfolio and continue until the maintenance requirement has been met.