# ASC Soc 370 Stock Market Investment Challenge

**Assignment description:**

On the second day of class students will pick a home country. (Anywhere around the world but there will be no repeats across class members.) Then, over the first few weeks of the semester students make a pseudo-investment in the stock market. Each student will invest $100,000 (in U.S. dollars) in the market via an online stock market simulator (http://www.howthemarketworks.com). Students will receive an invitation to the contest on the 23rd of August (The password is **winitall**). Students' initial task will be to set up an account and make an initial investment by 9/03. Students may sell their initial investments and reinvest their money at any point in the semester (keep in mind that each trade will be charged a $20 commission). Our mock stock market will close on Friday, November 15th at 4:00pm EST. The winner –determined by final amount in U.S. dollars– will not have to take the final exam. Keep in mind, however, that I too will be playing and thus, if I win, everyone will take the exam!

**Tasks:**

*Economic Report Card (5% of final grade):*
On the 5th of September students are required to turn in an economic report card for their country. To begin this task, please read the following article: http://www.guardian.co.uk/news/datablog/2010/apr/30/credit-ratings-country-fitch-moodys-standard. Once you have read the article reflect on your home country's rating. What accounts for your country's rating? (I.e., what types of events influence the rating? What makes it go up or down?) Why might this rating matter? (I.e., what types of decisions are made based on this rating?) After reading the aforementioned article and reflecting on your country's credit rating, research your country's recent history. (The CIA Factbook may facilitate this task: https://www.cia.gov/library/publications/the-world-factbook/) Finally, taking into consideration your country's credit rating and its recent history, write up a brief economic report card for your country. Imagine that major international investors will come to depend on your report card for insight regarding their future investments in your country. Your task is to provide them with a brief, transparent and concise report of your country's economic wellbeing. (2-3 pages double spaced.)

*Reflection (5% of final grade):*
After the market closes on the 15th of November students are expected to reflect on the role of the stock market (and global investing in general) in reproducing/ameliorating global inequalities. To begin, complete the following tasks:

- Read back through the country report card that you drafted at the beginning of the semester.
- Print off a copy of your final portfolio (i.e., your investment history and your final balance).
- Convert your final stock balance (the money you have left) to your country's currency.
- Research the cost of goods and services in your country (milk, eggs, gas, bread, internet service, cars, computers, education, etc.) and compare these

costs to the value of similar products in the U.S. (Note: This may take some time, so be patient.)

- Take a moment and put yourself in an investor's shoes. If your livelihood depended on the earnings accumulated from your recent investment in the stock market, where would you want to put your money? (In the U.S. or in the country you choose?) Would you invest it back into the market? Would you leave it in the bank? And why?
- Finally, using your home country as a case study, write a 3-page reflection on the relationship between global inequalities and investment trends in the world economy. (I.e., how are inequalities between countries related to investment trends?) Due in class on the 19th of November.

| | |
|---|---|
| 08/19-09/03 | Research stock market and currencies. |
| 09/03 | Make an initial investment. |
| 09/05 | Turn in a two page (double space) economic report card for your home country. (5% of final grade.) |
| 09/03-11/15 | Trade at your discretion. |
| 11/15 | Trading closes. |
| 11/19 | Turn in a three page (double space) final reflection. (5% of final grade.) |