



Maryland State InvestWrite Winner – Middle School

Student: Caisee Murdock, Grade 8

Teacher: Natasha Outlaw

Deer Park Middle School, Baltimore County

Describe your Stock Market Game portfolio. Discuss how you could diversify your portfolio for success in 10 years. Explain what stocks, bonds, and/or mutual funds you would add or remove and why.

My classroom experience while participating in the Stock Market Game was amazing. We learned about sectors, risk tolerance, price, mutual funds, goals, and so much more! With every lesson, my knowledge about investing grew and I loved the fact of that. We all were put in groups, and me and my team had so much fun searching up our favorite companies and looking at their prices while putting our newly gained knowledge to use. When I was developing my Stock Market Game portfolio, I had to listen to my team as they had a variety of good ideas about what companies to trade with. We also had to discuss our risk tolerance and our gains and losses. Learning from our mistakes was important, as sometimes our trades didn't do good. But, as we learned, we did better than before with our resilience!

Some investments we made were Sony and Southwest Airlines Co. Sony was actually doing pretty well, and we chose that one because we love Sony, and also, it's a pretty successful company. We also chose Southwest Airlines because it was less risky and it was doing fantastic. However, out of all the investments we made, I'd have to say Walmart was my number one. You see, I chose this because Walmart has excellent resilience when the economy takes a downturn. The strategy "Everyday Low Prices" brings customers that highlight value. That's pretty smart now that I've realized.

Walmart also has been around for a LOOONG time, and you can find that store almost anywhere! Their track record is proven to be consistent, with over 50 consecutive years of increasing dividend and good financial stability. It also did very well when we bought some shares! (I do also love to go there to add to my orange juice addiction.) But enough about favorite investments, there is one that is my absolute least favorite. And that investment is in Keurig Dr. Pepper. I decided to invest some of our money into that company, and I thought it was going to help us, and it did...with telling me to make better decisions. (goodness me, why didn't you discuss it with your team first?) We lost \$25 and -8.93%. Also, it had many fluctuations, as its profit decreased greatly at one point. They're also struggling with competition against PepsiCo and Coca-Cola. Those two are very popular and have good marketing strategies, so Keurig Dr. Pepper is under intense pressure. I've seen how it did, and the price change just kept decreasing! That's a valuable lesson learned, of how companies can either be less volatile or highly volatile. It tastes good but won't make that mistake again.

Anyway, I also realized that when you're thinking about investing for the long term, you need to make sure you're ready. You first need to make sure your goal is valid, because it's kind of unnecessary if you're investing money in a bike that's \$30. For instance, I wanted to buy a new album from a group I loved. I decided to save, since it was only \$24. Now if you're trying to have enough money for college in the future

then you have every right to invest. Sure, you can earn more money in the same time span of saving, but investing is much riskier. You need to think about your risk too, as your investment may not grow. But you can reduce risk by diversifying your portfolio. Let's say you got \$100 for your birthday. You want to invest this money so you can pay for college. Instead of investing \$100 in just one company, you invest \$10 in one and \$10 in another. Over the course of five days, the first company goes bankrupt, so you lose the first \$10, but the second company is still going and you're gaining money while still having a decent amount left! That's diversifying your portfolio! You can also do this by researching the company to see if it's large, medium, or small-cap. Investing in companies of different sizes is also a form of diversification.

The Stock Market Game has taught me so much about long-term investing, such as risk, researching companies before we do anything, diversification, and more. It was so interesting, and I'll use this knowledge in the future by reducing my risks by not investing all my money in one stock and organizing my goals between saving and investing, and investing in large, medium, or small-cap companies.

If a successful investment plan were to happen, I would be absolutely thrilled! Our money would have lots of growth. Once it gets to a good point, we can buy a house! Then, I can decorate my room, my parents can help decorate my baby brother's room, and I'll also have a mini fridge with lots of orange juice and other delicious drinks! But the thing I find most important of all is our happiness. It'll be at its peak. We can be at peace, laughing and doing the things we love the most, with our finally found closure. I do hope that happens one day.

To finish it all off, my experience with the Stock Market Game taught me that succeeding in investing in long-term goals is to do careful research, lower risks by diversification and focus on valid goals, increasing my chance of financial investment success in the future.