



Maryland State InvestWrite Winner - Elementary School

Student: James S, Grade 5

Teacher: Amy Cargiulo

Waverly Elementary, Howard 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.

I joined my school's Stock Market Game Club because I wanted to learn how to invest correctly. In the classroom, we've been learning about what's happening in the world right now, and how it may cause a stock's price to rise or fall. We learned to pay attention to the news to see how companies are currently doing with their earnings report. Those key events impacted my decisions, as earnings reports would help me decide if the company had met their goal. If the stocks' earning report comes out with good results it will probably be a good investment. Keeping up with the news was a big factor as well when investing in stocks. I learned that these two factors as well as many more are critical to understanding how to invest properly.

My Stock Market Game group's portfolio is very balanced. We have built a balanced portfolio through investing in different types of stocks to prevent the risk of losing money. Our group decided on a balanced portfolio to get the most money in a couple weeks, as it is a mix of potential high growth stocks and sustainable bonds. We didn't plan to invest for long, which is why we have high growth stocks, but long-term investments also have a higher chance of making profit and it reduces higher risk. For example, if you have a stock but it's dropping, you might be thinking of selling it. However, later on, you may buy it for more money than it currently costs. So, even when a stock drops, you should think about the long term in order to prevent the potential loss you may have by selling it now.

Diversifying investments can contribute to long-term success because after a long period of time the market tends to go up. For example, currently the world's oil prices are going up because Israel and Iran are having a war. So, companies like Exxon Mobile and Sunoco's stock are going down, but Costco's gas is and has been cheaper than other gas companies. Therefore, they will get more profit because people like to spend less on gas. This would lead to Costco having a good earnings report and therefore it would be a good investment. Observing world events like the war lets me see if this is a successful investment.

In a \$10,000 portfolio, I would want it to be a diverse and balanced portfolio so if a stock goes down another might potentially go up. Right now, I would buy Costco, Exxon Mobil, Sunoco, Nvidia, Netflix, and Eli Lilly. Right now, oil prices are going up and while Exxon Mobil and

Sunoco's stocks are low, I plan on investing in them to sell them when they increase in value once oil prices go down. I would buy sustainable stocks, like Netflix, and Nvidia stocks with the increase in A.I. I would also buy Eli Lilly company's stock because people still have interest in losing weight and controlling their diabetes. It is the perfect time to invest with a lower stock price right now.

This portfolio can help me obtain investment success in 10 years because it's a balanced and diverse portfolio making sure I don't lose any of my investment money.

Some things I learned in the Stock Market Game were that it helped me gain an understanding of investing in the real world for the long term. First, I learned that your portfolio should be diverse so that if a stock decreases, another one may go up. Another thing I learned is that you should invest in sustainable bonds, so you don't lose a lot of money therefore gaining a positive long-term return. One last thing I learned is that you should try to avoid trying to predict market peaks and dips because the market usually rises over a long period of time.

A successful investment plan would mean that 10 years from now I would reach my goals quickly without a lot of losses. I would do this by first keeping up with the news to invest in potential high growth stocks. I would then invest in these stocks to grow my diverse and balanced portfolio. After all, I would make sure to check my stocks daily to keep up with the recent trends. If I am successful, I would keep investing and pay off any debt I have in the long term.

In conclusion, if I were to do long-term investing, I should look at potential high growth and sustainable stocks and bonds to build a balanced portfolio. Additionally, I think you should hold on to stocks for a long time because stocks tend to increase in value over a long period of time. Even with my 10-year investment plan, I believe that everyone should invest at their own risk.