

Handout C.2

Stock market simulation – Step 2

Directions: One month has gone by and it is now April 2, 2012. Please evaluate your choices.

Part 1

1. Fill in the **first four columns** of the table below using the information from your chart in Step 1.
2. Use the stock chart provided to find the new price per share of your stock on April 2. Fill in the **Price per Share on April 2** column with this information.
3. Multiply the **Price per Share on April 2** column by the **Quantity of Shares Bought** column to find the total value of the stock on April 2. Record this amount in the **Value of Stock on April 2** column. You would receive this dollar amount if you sold your shares today.
4. Subtract the **Total Amount Spent on Stock on March 1** column from the **Value of Stock on April 2** column to find the gain or loss for each company. This is the total dollar amount that you would lose or gain if you sold your stock today. Record this number with a “+” for gain or a “-” for loss in the **Gain or Loss column**.
5. Now you will decide if you want to keep or sell any of your stocks. If you sell, you can use the money to buy more shares of another stock that you already have or you can invest in a new company. Record your choice for each stock in the **Keep or Sell** column.

Company symbol	Price per share on March 1	Quantity of shares bought	Total amount spent on stock	Price per share on April 2	Value of stock on April 2	Gain or loss	Keep or sell
1							
2							
3							



Part 2: If you decide to sell your stock and buy new stock, follow the steps below. If you are not selling any stocks, continue to Part 3.

1. You can calculate the total amount you have to spend on your new stock(s) by adding the dollar amount in the **Value of Stock on April 2** column(s) for each stock you choose to sell. For example, if you decide to sell two stocks valued at \$3,000 and \$4,000, you'll have \$7,000 to spend.
2. Record the total amount of money you have to purchase new stocks here: _____
3. Choose your new company (or companies) and record this in the **Company** column. If you are buying more shares of a stock that you already own, record this company in the table below as well. Remember: you must limit your total stock to three companies. You do not have to fill in all three companies in the table below if you are not buying three new stocks.
4. Write down the price per share of the company's stock in the **Price per Share on April 2** column. Use the stock chart provided as your guide.
5. Now decide how you want to spend the total amount of money that you have to purchase new stocks. Record this number in the **Maximum Amount to Spend on Stock** column. If you are only buying one new stock, this amount will be the entire amount of money that you have to purchase new stocks.
6. The quantity of stocks you buy for each company will depend on the price of each stock. Divide the **Maximum Amount to Spend on Stock** column by the **Price per Share on April 2** column. Round down to the nearest whole number and record this number in the **Quantity of Shares Bought** column.
7. Multiply the **Quantity of Shares Bought** column by the **Price per Share on March 1** column to find the amount spent on that stock. Record this in the **Total Amount Spent on Stock** column. If you have enough money left over to purchase another share, do so now and readjust your calculations.

Company	Price per share on April 2	Maximum amount to spend on stock	Quantity of shares bought (rounded down to the nearest whole #)	Total amount spent on stock
1				
2				
3				

Part 3

1. Use the tables above to fill in the first three columns of the chart below and summarize the stock that you now own.
2. Multiply the **Price per Share on April 2** column by the **Quantity of Shares Owned** column to calculate the **Value of Stock on April 2** column.
3. Once you have calculated the **Value of Stock on April 2** column, add these values together. Record your sum in the **Total Value of Stocks on April 2** row.

April 2nd Summary Table

Company symbol	Price per share on April 2	Quantity of shares owned	Value of stock on April 2
1			
2			
3			
Total Value of Stocks on April 2:			

Company	Symbol	Price on March 1, 2012	Price on April 2, 2012
3M	MMM	88.72	88.79
Alcoa	AA	10.25	9.93
Altria Group	MO	30.17	30.74
American Express	AXP	53.03	57.90
American International Group	AIG	29.39	30.85
AT&T	T	30.54	31.28
Boeing	BA	74.92	74.00
Caterpillar	CAT	114.67	105.99
Citigroup	C	33.52	36.40
Coca-Cola	KO	69.87	73.83
DuPont	DD	50.89	52.68
Exxon Mobil	XOM	86.47	56.60
General Electric	GE	19.15	20.03
General Motors	GM	26.19	26.03
Hewlett-Packard	HPQ	25.35	23.88
Home Depot	HD	47.53	50.10
Honeywell	HON	59.35	60.57
IBM	IBM	197.23	208.96
Intel	INTC	27.06	28.04
Johnson & Johnson	JNJ	65.11	66.04
JPMorgan Chase	JPM	39.51	45.75
McDonald's	MCD	99.28	97.82
Merck	MRK	38.15	38.30
Microsoft	MSFT	31.93	32.22
Pfizer	PFE	21.07	22.54
Procter & Gamble	PG	67.44	67.43
United Technologies	UTX	83.86	82.50
Verizon Communications	VZ	38.12	38.29
Wal-Mart	WMT	59.36	61.08
Walt Disney	DIS	42.13	43.59

Source:

<http://finance.yahoo.com/>