

# Buying and Selling Shares

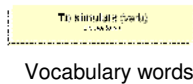
- Lesson Objective:** To increase the students' familiarity with the stock market and related vocabulary. In addition, to raise their awareness of profit-making by means of selling something for more than the amount originally paid.
- Skill Level:** Pre-intermediate and up
- Preparation Time:** About 40 minutes (assuming you have a laser printer and an office guillotine).
- Lesson Duration:** 1 hour

## Preparation advice

- Print out one copy of the handouts for each group. Be sure to read the rules (page 3) for the stock market simulation before you do the class.
- Print out one copy of the answers for each student, plus one copy for you to use in class.
  - To save paper, print the answers double-sided, two pages per side. It should be possible to do this in *File* → *Print* → *Properties*.
- Print out the vocabulary words and cut out each word individually. You'll need sticky tack (or tape) to stick these to the walls.
- Stock market simulation:
  - Print out the money. Ideally in colour and double-sided (although this isn't essential). You'll need at least 30 notes per group playing. Cut the notes out individually, ideally with an office guillotine if you have one.
  - Print out the shares. Ideally in colour (although this isn't essential). You'll need about 12 of each kind of share per group playing. Cut the notes out using an office guillotine if you have one.
  - The simulation is basically a PowerPoint presentation, so you'll need a computer and (preferably) a projector to display it. If you don't have these, print out (in colour) one copy of the simulation for each group.
- Print out one copy of the extension activity of each group.



Handouts



Vocabulary words



Shares



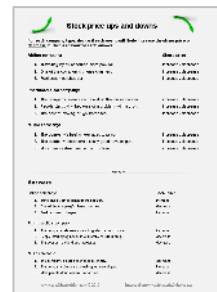
Dollars



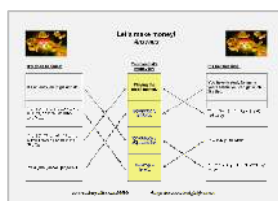
Computer with simulation



Projector



Extension activity



Answers

## Teaching procedure

**Note:** If there is more than one student, put the students into pairs or groups.

Page 1: The middle column shows 4 different ways of making money. Get the students to match the pros (on the left) and cons (on the right) with each money-making method. The students should match by drawing a line from one box to another.

While the students are matching, make preparations for page 2. Use your sticky tack to stick the vocabulary words to the walls in various locations in or out of the classroom.

After about 4 minutes, go over the answers with the students.

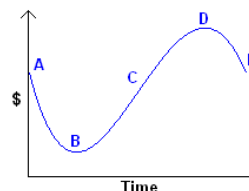
Page 2: In their groups, the students have to find the vocabulary words. When they find a word, they must look at the meanings on their sheet and find the meaning for that word. They should then write the word next to its meaning and once that is done, find another word. Note that the students must not touch or take any words that they find.

After about 8 minutes, review the answers.

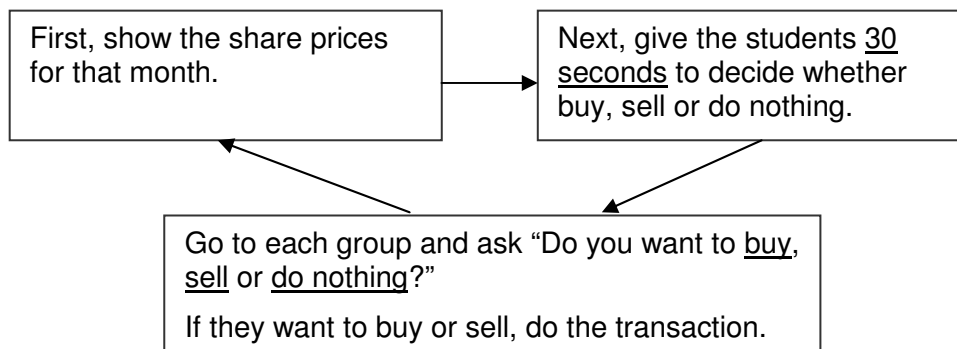
Pages 3 and 4: First, have the students read the questions on page 4, to be sure they understand the questions. Next, have the students use page 3 (the rules) to answer the questions on page 4. If there is any confusion while they do this, be sure to clarify.

When all the groups have finished, review the answers.

Pre-simulation: Draw the graph (on the right) on this board and ask the students "When is the best time to buy shares?" They should say "B" (when the price is lowest). Next, ask them "When is the best time to sell?" They should say "D" (when the price is highest).



Stock market simulation: Full details of the simulation can be found on page 3 of the handouts. You start the simulation in January and then follow this cycle each month.



Try to keep the pace up so that you get through the whole year. In the final month, have the groups calculate their profit. An example of how to do this is at the bottom of page 3 of the handouts. Help them if necessary and when this is done announce the winning team.

Extension activity: If there is time at the end of the class have the students do this extension activity. The students have to look at scenarios for 3 different types of company and decide if each event will likely increase or decrease the share price. Ensure that you fold the sheet before you give it to them to hide the answers.

Once they're done, review the answers.