

# SAVINGS & INVESTMENT CHALLENGE CONTEST

## CONTEST CHAIR

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Contest entry is due on or before the Contest submission date (refer to the Contest Timeline Chart page). Entries must be sponsored by a current member of OBEA and must include a typed OBEA Identification Form and Media Release Form.

**Only five (5) submissions per school are accepted.** Contest entry is due on or before the Contest submission date (refer to the Contest Timeline Chart page). Entries must be sponsored by a current member of OBEA and must include a typed OBEA Identification Form. **All student entries must be submitted directly to the Contest Chair in digital(PDF) formats.**

## CURRICULUM CONNECTION

The Challenge meets the overall expectation from the Ontario Curriculum 2006 Business Studies course (p. 32), BBI Introduction to Business; Finance strand, “demonstrate an understanding of effective investment practice”.

## CHALLENGE OVERVIEW

In this Challenge, students will learn about saving and investing money. They will **research and follow three, different stocks from three different sectors in the Canadian Stock Market** (i.e. banks/insurance companies, retail companies, oil companies, automotive companies, agricultural companies, or mining/forestry companies) for a one-month period. On a daily basis, students will **record and track** the stocks and **chart** the results. At the end of the month, students will **summarize** their findings, **reflect** on the stocks’ performance by **answering** the questions below, and understand the concept of “diversification.” Students will also **compare** their investment decisions to saving money in a bank account. **Please note that entries are to be completed individually.**

## CHALLENGE COMPONENTS:

Prepare a summary of your findings to include the following points:

- a. **Comparison of the three stocks**—You must include the names of each of the three stocks that were followed for one month. You must also chart the **high, low, and closing value** for *each* of the three different stocks for *each* business day. In other words, you are charting the results on a daily basis. You must **chart** and **print** your findings using any spreadsheet software. In addition, use a **stock graph** to plot your daily findings.
- b. **Comparison of Investing in Stocks vs. in a Savings Account**--Compare your results to the amount of money you would earn in a typical savings account at any bank during the same period, if you had \$3,000 in the account. **Print** your comparison.
- c. **Reflection Questions**—(i) Based on your tracking of three stocks for one month, describe at least three key items that you discovered about investing from doing this Challenge. (ii) After the one-month period ends, assume you had invested \$1,000 in each of the three stocks. How much money would you have gained or lost for each stock and in total? (iii)

What did the choice of your three stocks teach you about the concept of “diversification”? (iv) What news or current events caused your stocks to either increase or decrease by the end of the month? (v) Briefly explain why either saving or investing was the better technique for earning money during this one-month period. (vi) Briefly describe how the Canadian government and banks determine interest rates for savings and loans. (vii) How will this Challenge impact your financial behaviour?

**EVALUATION SCORING:**

| <b>CRITERIA</b>   |                           |
|---|---------------------------|
| <p><b>Summary Comparison of three stocks includes:</b></p> <ul style="list-style-type: none"> <li>• Includes three, different stocks from three different sectors;</li> <li>• Includes a spreadsheet of the high, low, and closing value for each business day of each of the three different stocks;</li> <li>• Includes a stock graph to plot daily findings.</li> </ul>  | <b>/30 Marks</b>          |
| <p><b>Comparison of Investing in Stocks vs. in a Savings Account:</b></p> <ul style="list-style-type: none"> <li>• Includes a comparison. This analysis compares the amount of money earned in a typical savings account (from any bank) during the same period to the investing results during the same period.</li> </ul>   | <b>/10 Marks</b>          |
| <p><b>Reflection Questions:</b></p> <ul style="list-style-type: none"> <li>• Describe at least three key items that were discovered about saving and investing from doing this Challenge. <b>(3 Marks)</b></li> <li>• After the one-month period ends, assume you had invested \$1,000 in <b>each</b> of the three stocks. How much money would you have gained or lost for each stock and in total? <b>(6 Marks)</b></li> <li>• What did the choice of your three stocks teach you about the concept of “diversification”? <b>(2 Marks)</b></li> <li>• What news or current events caused your stocks to either increase or decrease by the end of the month? <b>(2 Marks)</b></li> <li>• Briefly explain why either saving or investing was the better technique for earning money during this one-month period. <b>(4 Marks)</b></li> <li>• Briefly describe how the Canadian government and banks determine interest rates for savings and loans. <b>(1 Mark)</b></li> <li>• How will this Challenge impact your financial behaviour? <b>(2 Marks)</b></li> </ul> | <b>/20 Marks in total</b> |
| <p><b>Proofreading:</b><br/>Ensure your Challenge is free from English-usage errors.</p>  | <b>/5 Marks</b>           |
| <p><b>Overall Impression:</b><br/>Challenge is well-prepared (i.e. organized, easy-to-follow, and creatively formatted).</p>  | <b>/5 Marks</b>           |
| <p><b>GRAND TOTAL</b></p>   | <b>/70 Marks</b>          |

## OBEA CONTEST IDENTIFICATION FORM 2019-2020

Each Contest entry must include this completed, typed Identification Form, one per student, to be eligible. The form is completed using Adobe Reader or Acrobat. Click the yellow 'Print This Form' button after completing the information required. Saving a filled form is possible only when using Acrobat, or Reader 9 or later. To be eligible, please ensure that:

- Your entry is received on time, following the instructions for the Contest you are entering.
- All information on this form is required and it must be typed for submission. Form is signed.
- For ongoing contests, a *maximum of 5 entries per Contest per school, unless otherwise indicated.*
- Accounting students are not required to submit this form unless requested by the contest chair.

| CONTEST INFORMATION   |             |
|---|-------------|
| Select a Contest:<br>Choose an item.  |             |
| For Website Contests: URL   |             |
| STUDENT INFORMATION   |             |
| Name  |             |
| Home Address  |             |
| City  | Postal Code |
| Email   | Home Phone  |
| TEACHER AND SCHOOL INFORMATION  |             |
| Course Title  | Course Code |
| Teacher Name  |             |
| Full School Name  |             |
| Full School Address   |             |
| City  | Postal Code |
| Email   | Pbone       |
| OBEA Membership Number (if applicable)  |             |
| Name of School Board  |             |
| OBEA SPONSOR INFORMATION <small>Sponsor must be a current OBEA Member. Leave blank if the Teacher and Sponsor is the same person.</small> |             |
| Sponsor Name  |             |
| Email   | Phone       |
| OBEA Membership Number  |             |

### RELEASE PERMISSION

This signature grants OBEA permission to publicly display the Contest entry and winner's name. Contest entries become the property of OBEA.

Signature of Student (18 or over)

Signature of Parent/Guardian (if student is under 18)

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