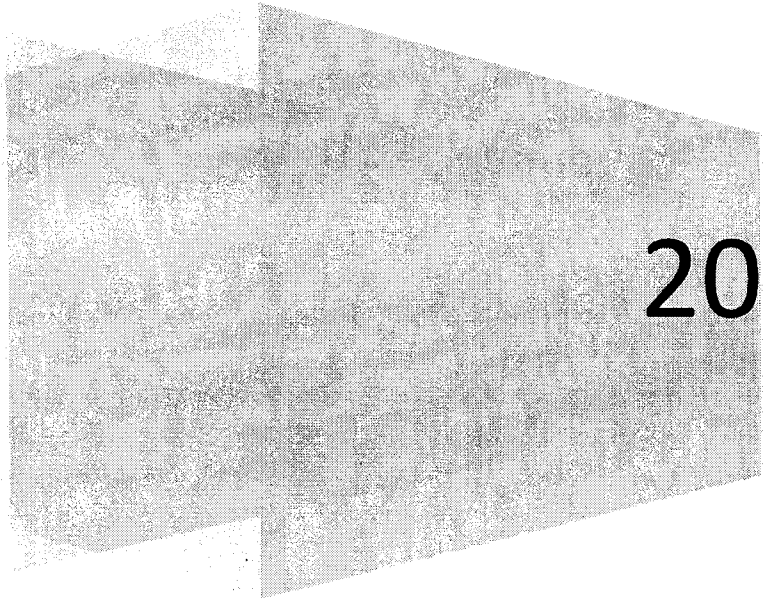


Monta Vista DECA

# **Guide to the Stock Market Game and Virtual Business Challenge Events**

SMG and VBC

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## The Stock Market Game Overview

The Stock Market Game is a stock market simulation competitive event. Starting in the fall, teams of up to three (3) invest a virtual \$100,000 in real stocks. The goal is to beat the S&P 500 index by the largest percentage possible before the end of the game. The top 25 teams from the Western Region will move on to ICDC to present their strategy, results, and findings in the Stock Market Game to judges.

## SMG Rules

Here are some of the most important rules of the game:

- The game begins on September 6, 2011. However, the percentage by which you are ahead of the S&P500 index depends on the starting value of the index when your account is initialized and you first login to receive your virtual \$100k.
- You must purchase at least 3 different stocks by October 28, 2011. All transactions and other information are on the SMG website (see [Resources](#)).
- You must end the game with at least 3 different stocks (December 16, 2011).
- You must download your stock portfolio by February 1, 2011, if you want it.
- All transactions have a 2% transaction fee.
- Transactions require a minimum of 100 shares of stock.
- You are also allowed to buy various mutual funds that are not stocks.
- Transactions are executed with the end of the day market price, and if the market has closed already (4 p.m. Eastern), then the transactions will be executed the next day.
- The last day you may make transactions is December 15, 2011.

## SMG Strategies

- You should definitely participate in SMG because it does not count against your two-event limit at States or NorCal.
- Research, decide and buy early if you want to make the most of the time period the game is running.
- Because of the incredibly large transaction fee, have few, but larger transactions.
- Remember that the stock market runs on Eastern Time.
- High risk leads to high reward. Since there are a lot of teams competing, this is one of the best ways to win.
- You can spend more than \$100k on stocks. There will be interest charged, but if you play your cards right, the return will be greater than the interest.
- The website doesn't have the best layout, so use other tools like Google Finance to log your portfolio and compare its performance to the S&P 500 in real time. The spreadsheet on Google Docs even has the ability to access Google Finance with special commands, so you can even do your own analysis of your portfolio.

## **SMG at ICDC**

If you qualify for the Stock Market Game at Internationals, you will be required to give a presentation and submit a written entry about your stock portfolio and performance to the judges. Most of the points revolve around you demonstrating your deep understanding about stocks, investing, the business plan and strategies of the companies you invest in, and your logic and organization. See the [Resources](#) section for more details.

## **Virtual Business Challenge Overview**

The three VBC events are also events that do not count toward your two-event limit at NorCal or States. In the Retail track, you will manage all aspects of your own virtual retail convenience store, including pricing, promotion, and purchasing. In the Sports track, you will manage your own football franchise, doing things like ticket pricing and media sponsorships. In the Personal Finance track, you will guide a virtual person through three years of life, which includes career path choices, taxes, and maintaining their health.

All of these events are done with software from Knowledge Matters, Inc. You may compete in teams of up to three (3).

## **VBC Rules**

- Qualification to ICDC varies per event, but generally, there are two qualification rounds. In each round, you must rank 1<sup>st</sup> (or 2<sup>nd</sup> in some events) in your region or chapter to qualify for ICDC. You may not qualify a second time if you already have made it in the first round.
- At the end of the simulation for a qualification round, the software will prompt a team to upload their score to the Knowledge Matters website. The winner of a round is determined by the total amount of money they have earned.
- Save file sharing is prohibited.
- Winners are asked to confirm a legitimate win by emailing their end of round save files to Knowledge Matters, so don't delete your save files.
- Each round will have certain features activated and deactivated in the software.
- The file for each competitive round will be uploaded to the website at the beginning.
- The website has a real-time ranking system so you can see your position at the national, region, and state levels.

## **VBC Strategies**

- You can try, try again. In order to get the best possible outcome, you are allowed to repeatedly run the simulation, and even save your progress in the middle. This is the only way to ensure victory. This way, you can manipulate random events like your football team winning to your advantage.

- Although the online rankings don't show the numerical score values of your competitors, there is a way to find them by looking at the website HTML code. Ask me (Prem) on how to do this.
- There are many, many small efficiencies that add up to make a big difference. If you are on a team, split up and each try to discover them. Winning margins seem to always be less than a percent. Winning at states is easy, but not in the region.
- Each round is about a month. You have a lot of time to finish.
- There's nothing better than practice.

## VBC at ICDC

At ICDC, competition will be in a different format. Competitors will play head to head intense live, short sessions of their software competition. Memorizing key stroke combinations to access commands quickly is essential to success. There is no room for error. A lot of practice is needed (see [Resources](#)). Many of the players there have been going to ICDC for their event for multiple years.

## Resources

### SMG

- National DECA Website rules and guidelines:  
[http://www.deca.org/docs/conferences-competitions/DECA\\_SMG\\_Guidelines.pdf](http://www.deca.org/docs/conferences-competitions/DECA_SMG_Guidelines.pdf)
- Official SMG Website (where all the trading is done)  
<http://deca.smgww.org/cgi-bin/haillogin>

### VBC

- National DECA Website rules and guidelines (Personal Finance track is missing):  
[http://www.deca.org/docs/conferences-competitions/DECA\\_VBC\\_Guidelines.pdf](http://www.deca.org/docs/conferences-competitions/DECA_VBC_Guidelines.pdf)
- Knowledge Matters VBC Website:  
<http://vbc.knowledgematters.com/vbc/>
- VBC demo software for practice: Ask me (Prem), he'll hook you up...