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FIN301

Honors Project

MarketWatch Stock Game

 I entered the stock game for the incentive of not taking a final exam in FIN301. However, I have learned a lot from this game. I have learned how the stock market operates and have learned about the different kinds of stocks. I made some bad mistakes in this game but have since learned from my mistakes and moved to the number one position where I have stayed for the remainder of the game.

 In the beginning of the game, I made bad decisions. I invested all $2 million into stocks I thought would be profitable like GoPro and some airlines, including Delta and JetBlue. I did not know how to predict the future performance of a stock and, therefore, lost a lot of money. I decided to delete my account and restart the game entirely.

 After rebooting my account, I decided to invest in new stocks. It was just after Hurricane Harvey and Irma so I invested in Walmart and some major companies like Home Depot and Lowes. I thought I could make a lot of money if I invested in those companies since cities in Texas and Florida were trying to rebuild. However, my investment did not go as planned and I quickly dropped to over -$76,000. I knew I could not delete my account and re-enter the game again so I looked for other stocks to invest in.

 Deciding to take another approach, I looked for the highest priced stocks on the market. I came across Seaboard Corporation (ticker symbol SEB), which was valued at over $4,000. SEB has no typical stock trading patterns but looked to be cyclical on a day to day basis.Since I was desperate to make my way to the top of the stock game and I had little knowledge of stock trading, I put all my money into SEB.I invested when it looked to be at a low point in the day, and the stock price quickly increased to a higher price. This obviously resulted in me making quite a bit of money. I continued with this strategy and in just over a week, I was out of debt and my portfolio was valued at around $100k.

Putting all my money into SEB when it was at low points was working well and I was making upwards of $40k in a single day. While I was on the top-ranking position, I still wanted to increase my earnings as much as possible so I did not have a chance at losing one of the top spots. I began to buy and short. I bought SEB when it was low and then sold and shorted when it was high. SEB sometimes did not follow the cyclical pattern it usually does on a daily basis and I lost money, but I always gained it back the next day.

I also put some money in BRK.A, valued at over $200k. Unfortunately, I found that the stock did not give me the earnings I had expected and hoped for. I sold it for a profit but decided to not invest again.

In the last few weeks of the semester, I stopped playing the game. I reached almost $800k in returns and maintained the #1 spot for a while. I decided that even in someone passed me in returns, I was happy with my performance and knew I would remain in the top 7 for the remainder of the game.

Overall, this stock game has been very interesting and I have learned a lot about day trading and the stock market as a whole. While unconventional, I believe that my trading only one high priced stock has maximized my earnings and allowed me to stay at the top of the game.