Risk
Risk is the chance that an investment will not pay off the way you thought it would or that it lose money. All saving and investing decisions involves different risks and returns.

When a risky investment pays off, you may make more money, but it doesn't always pay off. Investors who are not comfortable with high risk investments are called “risk averse.”
VIDEO: Market Risk

Invistopedia Presents
Vocabulary

Financial Statements
Financial statements are written records of a business.

They are used by governments, accountants, lawyers, and investors to judge how a company is doing.

Lots of things count as financial statements, such as balance sheets income statements and cash flow statements.
Balance Sheets
Balance sheets are financial statements that provide an overview of what a company has, what it's worth, and its debt.

Income Statements
Income statements are financial statements that focus on a company's earnings and expenses during a particular period of time. Expenses subtracted from earnings show a company's net income.

Cash Flow Statements
Cash flow statements are financial statements that show how well a company makes money to pay its debt, pay its workers, and fund future improvements.
VIDEO: Financial Risk and Reward
Activity: Risk, Reward, and Money

Goal: Make the most money in 10 rolls of the dice.

How to Play:
1. You must decide if you want to bet one FinDollar on what number will be rolled on the dice! (1-6)
2. To make a bet, place a FinDollar on your playing board with that number.
3. If your bet is correct, you earn two more FinDollars!
4. If your bet is not correct, you lose your investment.
5. Once we have rolled the dice 10 times, count your FinDollars!

Who had the most return on their bets? Who lost the most FinDollars? Was the risk worth the reward?
A good investor will keep track of their investments by keeping tabs on their stocks. That means reading the stock ticker. But what is a "tick" and where did it come from?

A tick is any up or down movement of a stock price. In the 1800s a machine would record those ticks on a thin strip of paper (tape). But investors had to wait for someone to bring them the printouts to know what their stock was worth. That created tons of paper records.

When the old paper ticker tape was no longer used it could be sliced up into small pieces and thrown from skyscraper windows to create confetti from above during parades. That's why some parades are now called ticker tape parades.

In 1996, electronic tickers were created to offer up-to-the-second price information.
## Stock Ticker Details: What You Can Learn

![Stock Ticker Example](image)

<table>
<thead>
<tr>
<th>Ticker Symbol</th>
<th>The unique characters used to identify the company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared Traded</td>
<td>The volume of trades being quoted. The abbreviations mean K = 1,000, M = 1,000,000, B = 1,000,000,000</td>
</tr>
<tr>
<td>Price Traded</td>
<td>The price per share for that stock</td>
</tr>
<tr>
<td>Change Direction</td>
<td>Shows if the price is higher or lower than the previous day's closing price.</td>
</tr>
<tr>
<td>Change Amount</td>
<td>The difference in price from the previous day's closing price.</td>
</tr>
</tbody>
</table>
What a Stock Ticker Page Tells You

Stock Ticker

Stock exchange

Stock price changes over the last year

AAPL
APPLE INC NASDAQ

147.27 USD +3.88 (+2.71%)
MARKET CLOSED (AS OF OCT 21, 19:59 EDT)

In 4 days
Volume (current)
Day's High ($)
Day's Low ($)

6.10
86,549m
147.8479
142.649

2.367T
MARKET CAP

0.62%
DIV YIELD

23.69
P/E

52 Week High ($)
Bid/Ask price ($)
52 Week Low ($)

182.04
147.26/147.33
129.04

1D 1M 3M 1Y 5Y All

Nov 2022 Mar May Jul Sep
Activity: Research Your Investments

Revisit Lesson 3: Researching Companies Part 2
- Pick three of the public companies on your list.
- Research each of those companies and fill out the worksheet.
- Did your stocks go up or down in price? Why do you think that is?

Which stocks on your list are risky and which are safe?

<table>
<thead>
<tr>
<th>Stock Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Today's Date: ____________________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Stock Symbol</th>
<th>Stock Price When Last Researched</th>
<th>Stock Price Today</th>
<th>Change in Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

Investopedia
thanks.
APPENDIX: Resources and Activity Worksheets

Slide 7: Risk, Reward, and Money

- Print the following pages following this slide: FinDollars (10 per student, plus extra to award for won bets), and then 1 playing board and 1 scorecard per student. You will also need 1 dice to roll for the class.

How to Play:

- Each student gets 10 FinDollars to start. You will have extras.
- Each student decides if they want to bet one FinDollar that they can guess what number will be rolled.
- To make their bet, they place their FinDollar on the playing board with that number. Each turn, one student rolls the dice for the class.
- If a student's bet is correct, they earn two FinDollars. If they are not correct, they lose their investment. Each student should tally the results of each of 10 rounds.
- Once the game is complete, discuss the bold questions on slide 7 as a group.
APPENDIX: Resources and Activity Worksheets

Slide 11: Research Your Investments

- Have students get out their researching companies worksheets from lessons 3 & 4.
- Print the new worksheet following in this appendix titled “Stock Research” for each student.
- Have them fill out, based on the instructions on slide 11.
- Discuss the following questions as a class once complete, asking for volunteers to share what they found:
  - Did your stocks go up or down in price? Why do you think that is?
  - Which stocks on your list are risky and which are safe?
# Scorecard

<table>
<thead>
<tr>
<th>Round #</th>
<th>Dice Bet</th>
<th>Dice Roll</th>
<th>Investment</th>
<th>Returns</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example</td>
<td>4</td>
<td>6</td>
<td>-1</td>
<td>0</td>
<td>9</td>
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<tr>
<td>Round 1</td>
<td></td>
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<td>Round 2</td>
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<td>Round 3</td>
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<td>Round 4</td>
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<td>Round 5</td>
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<td>Round 6</td>
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<td>Round 7</td>
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<td>Round 8</td>
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<td>Round 9</td>
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<td>Round 10</td>
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<tr>
<td>Final Total</td>
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Begins with 10
Risk, Reward, Money Game

I predict the dice roll will be a:
# Stock Research

**Today's Date:**

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Stock Symbol</th>
<th>Stock Price When Last Researched</th>
<th>Stock Price Today</th>
<th>Change in Price</th>
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