



Author(s): Ben Lindeman			Lesson Title: So You Want to be a Millionaire			
Grade Span			ICLE Application Model			
K-4	5-8	9-12	A	B	C	D
	X	X				XX

Instructional Focus:

<p>Reading Students read a variety of grade level materials, applying strategies appropriate to various situations</p>
<p>Writing Students write for a variety of purposes and audiences with sophistication and complexity appropriate to the grade level.</p>
<p>Number Operation and Concepts Students use number, number sense, and number relationships in a problem-solving situation. Students communicate the reasoning used in solving these problems.</p>
<p>Statistics and Probability Students use statistics and probability to analyze given situations and the results of experiments. Students communicate the reasoning used in arriving at a conclusion.</p>
<p>Tools and Technology Students use appropriate tools and technologies to model, measure, and apply the results in a problem-solving situation. Students communicate the reasoning used in solving these problems.</p>

Performance Task

<p>One way in which people increase their wealth is through investment in the stock market. Although most people accumulate a moderate amount of money over years of investing, some have become very wealthy. Of course, some people have lost their money investing in this way too. You should not invest in the stock market until you have some knowledge of stocks and how the market operates. The purpose of this task is to make you more knowledgeable about the stock market and to help you discover ways in which you can learn about individual stocks.</p> <p>Part A: Research information about what the stock market is and how one invests in the market. You can get this information on the Internet, from books in the media center, or from a stock brokerage firm. Using a word processor, write a one-page report on what you learned from your research about investing and the market. Cite your source(s) of information.</p> <p>Part B: There are several sites of the Internet where you can get statistics on individual stocks, including the latest price per share, the yearly high and low prices, the company's market capitalization, the stock's earnings per share (EPS) and the price to earnings ratio (P/E). See Chart I for a sample – a chart on the technology company America Online. Select 5 shares of your choice in a particular segment (financial, drugs, technology, retail, food and beverage, etc.) and, on the Internet, look up and print the chart for each of your companies. Compute the P/E ratio using the last (closing) price and its earnings for each of your stocks. Does this verify the stated P/E ratio in the chart that you got from the Internet? You may use a calculator to do your calculations, but write the ratios using the numbers in the chart and write the value that you get for each ratio.</p> <p>Part C: Construct the following three graphs:</p> <ol style="list-style-type: none"> a graph showing the closing price for each of your stocks
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- b. a graph showing the earnings for each of your stocks
- c. a scattergram comparing the closing prices and earnings for your stocks

Analyze your three graphs and write a brief summary of what your graphs show. State any conclusions or inferences that you can deduce from your data. If you were to purchase one stock from the five that you researched, which one would you select. Explain in writing why you would selected this stock.

ICLE Essential Skills

Gather information from a variety of sources, including electronic sources, and summarize, analyze, and evaluate its use for a report (ela3)

Write a report on a topic that uses several sources of information and correctly document those sources (ela 36a)

Perform *operations with signed* (positive and negative) *numbers*, including decimals, ratios, percents, and fractions (m1)

Understand the best procedures for statistical *data collection, organization, and display* including making estimates and predictions and drawing inferences (m5)

Scoring Guide:

Part A: Research and Written Report

- 4 The student demonstrates ability to read information for research. The student uses several sources to obtain information for the report. The writing in the report is clear, concise, and informative. It demonstrates a thorough understanding of investing in stocks and indicates a good knowledge of the stock market. The report is neatly and accurately done using a word processor. Sources used in the research are cited and written in correct form.
- 3 The student demonstrates ability to read information for research. Only two sources are used to obtain information for the report. The writing is informative, but lacks clarity and conciseness. The student demonstrates a partial understanding of investing and the stock market. The report contains minor writing errors, indicating the student either lacks good word processing skills or that he/she did not take care in the preparation of the report. Sources used in the research are cited, but are not in done in a standard form.
- 2 The material in the written report is sketchy, indicating that the student has difficulty reading for information or fails to make an adequate attempt to find the information needed for the report. The writing only partially informs. It is vague and unclear. Only one source was used to obtain information for the report. That source is either not cited or cited poorly. The student demonstrates little understanding of investing and the stock market. The report contains minor writing errors, indicating the student either lacks good word processing skills or that he/she did not take care in the preparation of the report. Sources used in the research are cited, but are not in done in a standard correct form.
- 1 The material in the written report is rough, incomplete, and vague. It does not inform the reader and indicates that the student lacks research skills or fails to apply them in any meaningful way. It is apparent that little effort went into either the preparation of the research or the written report. Many grammatical and spelling errors occur in the written report. The student shows little understanding of investing or of the stock market. No resource is cited.

Part B: Stock Investigation and Computation

- 4 The student uses the Internet to find five stocks in a specific sector of the market and prints out the required chart for each. The student computes and verifies the P/E ratio for all five of his/her chosen stocks. The ratios and answers are included in the student's work.
- 2 The student uses the Internet, but either finds fewer than 5 stocks or does not find all five in the same sector. He/she does, however, print out the required chart for each. The student verifies some, but not all of the P/E ratios for each of his/her chosen stocks. The ratios and answers are included in the student's work.
- 2 The student uses the Internet, but locates only one or two stocks. The required charts are printed. The student makes errors in the computation and, therefore, does not verify all P/E ratios. The ratios and answers are not included in the student's work.

1	The student is either unable to use the Internet to locate any stocks or doesn't bother to locate any. He/she does, however, give a list of. No charts are printed. The student shows no verification of the P/E ratio, indicating no understanding of the ratio.
Part C: Graphs, Analysis, and Inferences	
4	The student constructs the three required graphs neatly and accurately. The axes are labeled and a title is given for each graph. The student writes a thorough analysis from the data contained in the graph. More than one meaningful conclusion/inference is stated. The student selects one stock from his/her five and states clearly, with valid supporting statements, why he/she chose that particular stock.
3	The three graphs are constructed, but are not particularly neatly drawn and contain some minor inaccuracies. The axes are labeled and titles are given. The analysis is stated, but is neither precise nor clear. Only one meaningful conclusion/inference is stated. The student selects one stock from his/her five, but the reason(s) for choosing this stock is not well stated and lacks conviction.
2	The student constructs only one or two of the required graphs. Either the axes are not labeled or titles are not given. The analysis of the data and graphs is minimal and has little association with the graphs. One or more conclusions are stated, but have little relationship to the data and graphs. The student either fails to select a stock or gives no reason for the stock he/she does select.
1	The student makes little attempt, if any, at constructing the graphs. If any are constructed, they are inaccurate and incomplete, and lack neatness. No meaningful analysis or conclusion/inference is made. The student fails to select a stock.

Keywords

English Language Arts	Mathematics	Science
Reading Research Technology	Algebra Computation Graphs	Earth Science
Writing Internet Word Processing	Geometry	Life Science
Communications	Statistics Charts Data Analysis Data Collection Data Display Graphs Statistics in Daily Life	Chemistry
Literature	Calculus	Physics
Other	Trigonometry	Other
	Other	

Picture, Chart, or Graph file:

AOL - AMERICA ONLINE	
Exchange:	NYSE
Delay:	at least 20 minutes
Last Price:	55.35 at 16:34 EDT
Change:	Up 0.10 (+0.18%)
High:	56.75 at 14:03 EDT
Low:	55.30 at 15:57 EDT
Open:	55.50
Previous Close:	55.25 on 10/2
Volume:	9,613,000
Shares Outstanding:	2,308,897,000
Market Cap.:	127,797,448,950
52-Week High:	95.81
52-Week Low:	40.25
Beta:	2.48
Yield:	Nil
P/E Ratio:	115.31
EPS:	0.48
Currency Units:	US Dollar

Confirm all data with your broker or financial advisor before trading.

Data by: S&P ComStock

Tuesday, October 03, 2000

America Online: Bblind