

Stock Market Game



Diversity

How did the Market do today?

- Indexes:

- S&P 500 – Up – 4.89 points (.12%)
- Dow Jones Industrial Average (DOW) – Up – 141.59 points (.41%)
- Nasdaq Composite (NASDAQ) – Down – 1.72 points (.01)

What is Portfolio Diversification?

- **Diversification:** The practice of spreading your investments around so that your exposure to any one type of asset is limited.
 - Helps **reduce the volatility** (swings between highs and lows) of your portfolio over time.
 - Helps **lower your risk**
 - Does not ensure a profit or prevent against loss

What are Stock Sectors?

- 11 economic or industry sectors:
 - 24 industry groups
 - Then into 68 industries
 - Then into 157 sub-industries

Stock Sectors		
Energy	Consumer Staples	Telecommunication Services
Materials	Health Care	Utilities
Industrials	Financials	Real Estate
Consumer Discretionary	Information Technology	

Materials Sector

- The building blocks that supply other sectors with the raw materials they need to conduct business, the sector companies manufacture, log, and mine everything from precious metals, paper, and chemicals to shipping containers, wood pulp, and industrial ore.



INTERNATIONAL



PAPER



SHERWIN
WILLIAMS.



FMC



OREGON COUNCIL ON
Economic Education

Industrials Sector

- Comprises railroads and airlines to military weapons and industrial conglomerates.



Real Estate Sector

- Includes all real estate investment trusts (REITs) except mortgage REITS (financial sector). The sector includes companies that manage and develop properties in two industries: Equity Real Estate Investment Trusts and Management & Development





Is your portfolio diverse?



- Consider purchasing one or more stocks from the sectors we have discussed today
- How might this help your portfolio?



OREGON COUNCIL ON
Economic Education

Stock Market Game



Diversity