
Educator Toolkit: Wall Street

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Why This Matters Now

If current events help you spark conversation in the classroom, then get to know Wall Street.

The metonym Wall Street has come to symbolize America's financial hub — if not the center of the world's capital markets — as well as the engine that drives individual and institutional investing. In reality, it is an eight-block-long financial district in lower Manhattan, New York City, that is home to such behemoths as the New York Stock Exchange, the world's largest securities exchange; and investment bank powerhouses like Goldman Sachs. Throw in hedge funds and private equity firms, and you've got some major deals and dollars. Additionally, the stock market, bond market, commodities market, futures market and foreign exchange market all help to drive the frenetic Wall Street machine.

The Big Short, The Wolf of Wall Street, and Oliver Stone's Wall Street are a few examples of Hollywood's fascination with the greed, excess and colorful personalities that characterize this famous foundation of finance. These dramatizations present only part of the picture, and likely even do a disservice to one of the most essential business landscapes in the world's economy.

Recent headlines help to underscore Wall Street's significance, with the Dow Jones Industrial Average, a stock index of industry-leading companies that is used to measure the strength of the entire stock market, plummeting hundreds of points, rebounding, and plummeting again on news of the U.S.-China trade war and other economic developments. Jeremy Siegel, a Wharton finance professor who is courted by nearly every Wall Street firm as a consultant and lecturer, has been [quoted widely](#) in the financial press in recent days as people wonder if a business recession is closing in.

Introduce your students to the energetic, multi-faceted, booming business of Wall Street, in contrast to the quiet, small business lifestyle of Main Street. In the end, both can have a powerful influence over their money.

Resources

Article

[Career Insight: Jerrold Fine on What It Takes to Succeed on Wall Street](#)

As KWHS has discovered through its summer Global Young Leaders Academy and annual investment competition, many students have financial career aspirations. They declare, "I want to work on Wall Street," and are full of questions about this mysterious and magical world of money. Here's your chance to take them inside for a look. Wharton grad and hedge fund pioneer Jerrold Fine offers sound advice for students who are passionate about finance and intrigued about portfolio management, his area of expertise. The KWHS student essay [Intel for Aspiring Investment Bankers](#) is also a wonderful first-person account of a Wharton summer program student's trip to Morgan Stanley in Manhattan. Discuss these articles and their accompanying conversation starters for an informative walk down Wall Street.

Lesson Plan

[Madoff Case: \(Dis\)Trust and Investments](#)

Through movies, characters like Gordon Gekko (Michael Douglas) and Jordan Belfort (Leonard DiCaprio) paint a colorful picture of calculating Wall Street financiers. More often than not, this is art imitating life. Few real-life Wall Street stories are more compelling than that of Bernard L. Madoff, who in 2009 pleaded guilty to 11 federal felony counts, including securities fraud and money laundering. In this lesson, students are introduced to the Madoff Ponzi scheme, the largest in history. They will think about what Bernie Madoff did and how he was able to trick very

experienced investors. This lesson also covers the rational decision-making process and the four variables used to make investments to consider how investors can protect themselves against risk.

Hands-on Learning

[Registration](#) for the KWHS Investment Competition is now open through September 11, 2019!

Not sure what it's all about? Consider Madeleine R., a high school senior at Maclay School in Tallahassee, Florida, U.S. Madeleine led her four-student team Yeti Investors to a second-place regional victory this March and a third-place global victory this May in Wharton's global high school investment competition. Yeti Investors built a sound investment strategy for their potential client that was enriched by innovation and humor, creating the character Freddie the "money-managing" yeti through which to deliver their storytelling approach and help showcase their new financial knowledge. The team's FRED quantitative, bottom-up criteria made "finding stocks in sizable snowdrifts easier" by screening portfolio stock choices through a unique lens developed by the team.

This is all to say: our competition is not just about the numbers. It is an activity that incorporates purpose, mastery, identity and creativity, which researchers suggest are the essential tenets of deep learning. Read everything you need to know [about the competition](#), sign up as an advisor and encourage teams of high school students to [register](#) today! So much knowledge is packed into this 12-week experience, complete with [lesson plans, articles and learning outcomes](#) to guide your way.

Give your students the opportunity to have fun while improving their financial literacy and learning how they might become wizards of Wall Street.

Video Glossary

Provide an extra layer of learning for your students with our video glossary. Here, Wharton professors define terms: Asset Management, Blue Chip Stock, Capital Markets, Commodity, Hedge Fund, Investment Banker and Stock Market.

KWHS Quote of the Month

"There aren't many opportunities like this for high schoolers. The ability to gain hands-on experience with money management and investing is truly amazing." – *Madeleine R., team leader, Yeti Investors, 2019 KWHS Investment Competition regional and global winner*