

Keeping Track

One of the important things with trading or with any type of investment is to keep track of investment decisions and also to learn from the things that you do - both the good and bad decisions.

This journal activity will require you to keep track of the decisions that you make while you are playing the ASX Schools Sharemarket Game.

It will include taking note of why you have chosen to buy particular companies; why you sold; what strategy you chose and whether you kept to your plan. If you are in a team - how did you work as a group; what mistakes did you make and what lessons did you learn etc.

My Trading Journal

Choose one or two of the companies you have chosen to invest in.

Fundamental analysis: (see Quick start lesson 2: Company research for additional help)

1. The company's story

- What does the company do?
- What does it sell?
- How long has it been in business?
- Who are its customers?
- Who are its competitors?

2. The company numbers

- Is the company growing?
- Have costs been rising or falling?
- Does it have a lot of debt?
- Are they paying dividends to shareholders?

Technical analysis:

1. What sector is this company in?
2. Include a chart of the company at the time you were looking to buy
3. Include a chart comparing this company with either its sector or the All Ordinaries. How closely does it follow the movement of the sector or All Ordinaries?
4. How has the company performed over the past 6 – 12 months?

5. What is the trading volume like for this company – do you have any concerns with regard to volume?

What were your main reasons for investing in this company?

On the day you bought this share:

1. What was the previous day's close?
2. Highest (buying) bid and lowest (selling) offer recorded on the day you bought.
3. The price you bought at – was it an 'at market' or 'limit' order? Were you happy with the price you paid?

Company performance

- How did this company perform over the period of the Game?
- Include a chart of its performance during the Game period.
- Did you receive a dividend? How much did this add to your portfolio?
- Do you think it was a good investment?

The Economy

1. Was there any thing that happened in the economy or globally that affected the sharemarket over the time you were trading?
2. How did you react to this?
3. Did you change anything as a result of this?

Game plan

1. What was your Game plan? Give an overview of your plan.
 - Include: Why did you choose this plan?
 - Was risk management a part of your strategy – did you tend to be aggressive or defensive?
 - Did you invest in a number of sectors? Which ones? Why these ones?
2. Did you stick to your plan?
 - If yes, were you happy with the end result?
 - If no, what made you change your plan? Did it help?
3. Would you do things any differently if you were to play the Game again?
4. If you played the Game in a team – how did you make your decisions?
 - Was this effective?
 - What would you do differently next time?