



# Building Successful Trading Labs

The Leading Stock Market Simulation.  
Used by Universities, Banks & Brokerages Worldwide Since 1990

# What is a Finance Lab?

A finance trading lab can be as simple as a converted computer lab with specialized software or as involved as a specially designed space with glass viewing walls, custom desks, and large walls of display technology utilizing LED tickers and LCD screens.

- A 2007 survey of 125 clients found:
  - 17% share the space with a general computing lab.
  - 33% have a dedicated room but share with other non-finance related classes.
  - 50% have a dedicated room used only by the finance program.



William and Mary



# What Are The Core Components In The Room

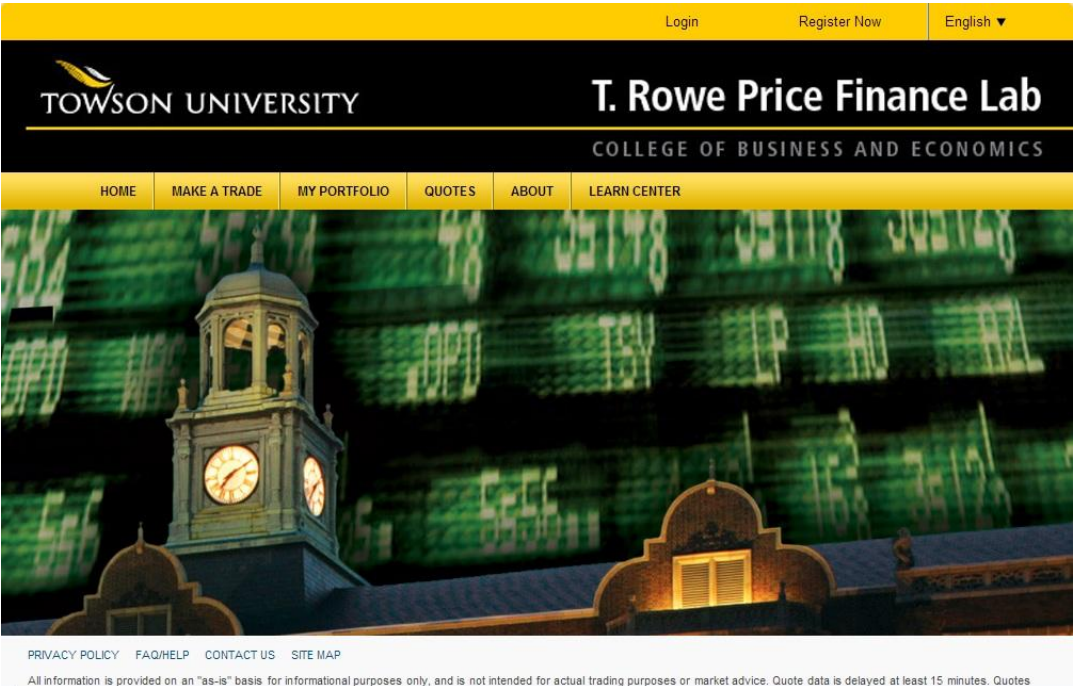


Multi Monitors



Digital Displays

## StockTrak Virtual Trading Platforms







## QUESTION:

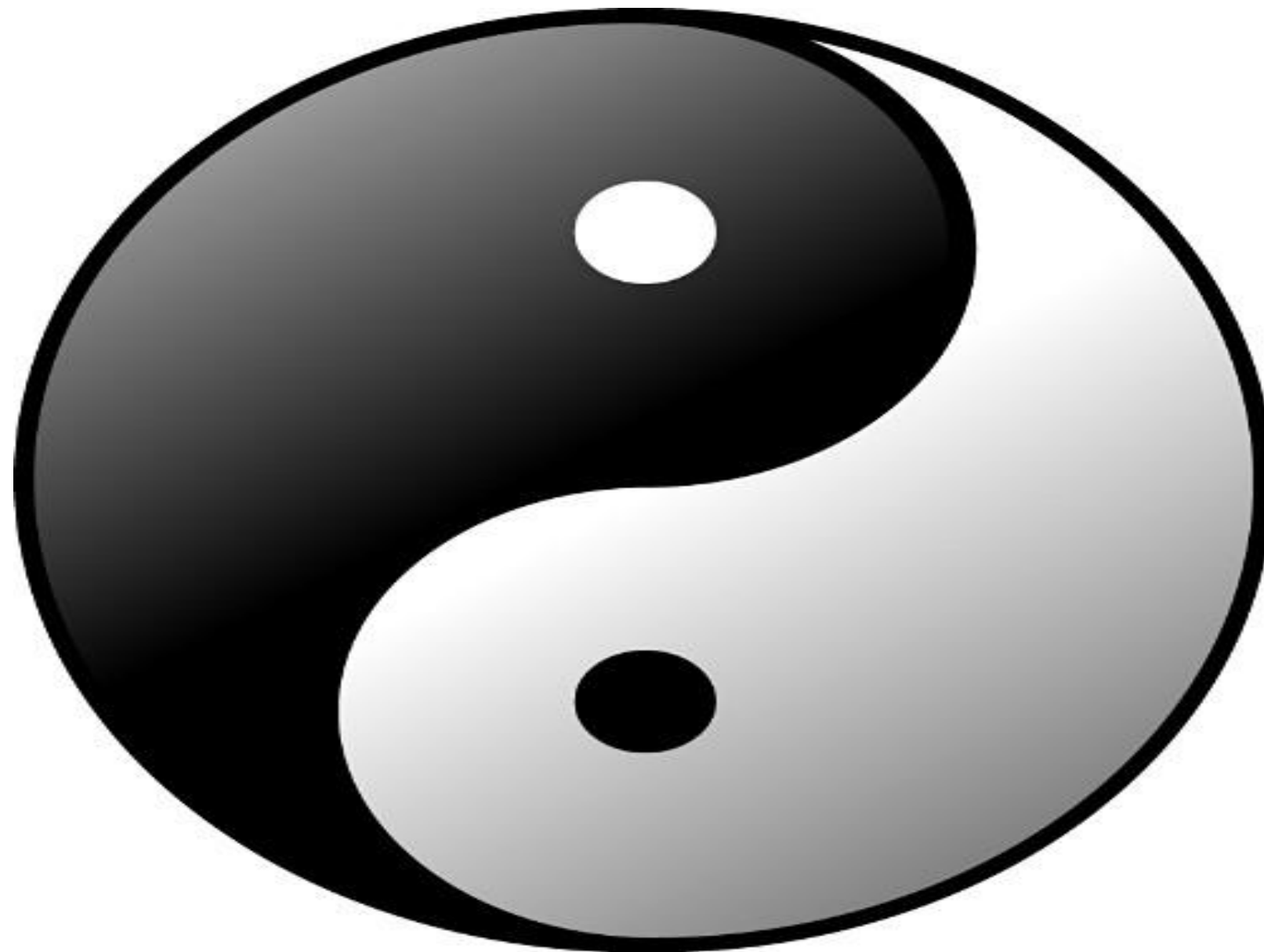
How do we get  
from here . . . . .  
. . . . . to  
here?



*What makes a complete trading room?*

**ANSWER:** A balance of hardware and software.

*Trading  
Room  
Hardware*



*Trading  
Room  
Software*



Bring your trading room to life with virtual trading simulations...



*The trading might be “virtual,” but the learning is REAL!*

# Why Implement One?

Each school has their own reasons but the most common factor is “WOW Factor” something you can point at to visually represent what finance is all about.

From our survey these were the top responses:

- 77.4% - A showplace for alumni, and faculty
- 75.5% - To boost the quality of the program
- 69.8% - To provide real-life experience
- 69.8% - Enhanced job prospects for graduates
- 69.8% - A recruitment tool to entice new applicants
- 60.4% - To run a student-managed portfolio





# What are the Uses?

We have seen numerous uses to help integrate other programs into the room and make the space a multi-purpose area on campus. The most successful programs use the room to reach into other colleges and the community to create awareness..

- Community financial seminars & education
- Journalism to show how news effects markets
- Economics to study microstructure
- Finance to manage portfolios
- Alumni Foundation to manage endowments
- Partnerships with local businesses
- Fundraisers and Events



University of Florida



# What does a Room Cost?

The range is from \$100,000 by converting an existing computer lab to over \$1,000,000 for building out a state-of-the-art facility.

One of the keys is to be creative in utilizing your funding sources

- 44% use portions of a capital budget
- 53% rely on alumni donations
- 26% receive corporate sponsorships
- The best approach is to leverage multiple sources.



Quinnipiac University

# How to Maximize the Use of Your Trading Room



Give every student an experience that will last a lifetime...

94% of students say they benefited from the hands-on experience of managing a virtual portfolio of stocks.



# The StockTrak Trading Room Platform

Works Just Like a  
Brokerage Account

Enabling students to manage a virtual portfolio of global securities and compete against their classmates.

Used by Industry  
Leaders!

***Scottrade***<sup>®</sup>

**Bank of America** 



**Banknorth**



# What Is The Stock-Trak Trading Room Platform?

## An all-in-one solution

- A core component necessary to make any University Trading Room a success
- It is the Platform that allows professors and their students to run virtual portfolio simulations
- Professors easily create their trading sessions and review their students performance 24/7



## The Platform is:

- Web-based so students can access it anytime anywhere
- Independently hosted so no tech requirements on the University's part
- Branded with the University's look and feel



# Brings The Real World Into Your Class?

The most common reason other than the obvious wow factor of the big LED displays is to visually represent what your business program is all about and boost the quality of subjects.

From our inquiry these were the top responses:

75.5% - Boost the quality of the subjects taught

69.8% - To provide real-life experience

69.8% - Enhanced job prospects for graduates

69.8% - A recruitment tool to entice new applicants

60.4% - To run a student-managed portfolio

# The Platform Overview

- Enables University Trading Rooms to quickly create, manage and monitor many simultaneous trading sessions so that each professor can get maximum utility from the Trading Room
- Complete trading period customization from one day to several years  
Real-time bid/ask executions of all NYSE/AMEX/NASDAQ equity, options and futures trades
- Streaming portfolio updates and rankings throughout the day
- Trade global exchanges such as the Euronext, Amsterdam, Brussels, Lisbon and Paris, London, Ireland, Frankfurt, Switzerland, Mexico, Hong Kong, Australia, Korea, Malaysia, Thailand and Brazil
- Customizable registration fields and class rankings
- Full ADMIN section allows professor to manage and review multiple class activity with one login
- Class Rankings and Statements can easily be downloaded into Excel for further analysis



# What Classes Can Use StockTrak?

Investments  
Derivatives  
Banking  
Personal Finance  
Global Finance  
Accounting  
Economics  
*Student Finance Clubs*  
Campus Competitions  
Clubs

- Any class that mentions stocks, bonds, futures, interest rates, foreign currencies
- Use it to host a campus wide trading competition to attract more business students
- Ideal for CFA and CFP programs as accounts can last up to 4 years
- Use it over the summer to attract high school students



# You Select The Trading Variables

- Select Initial Cash Balance
- Select currency
- Trading period start and stop date
- Security types allowed per session
- Maximum number of trades allowed per account
- Enable or disable margin trading/day trading/short selling
- Position limit based on a % of portfolio value
- Commissions charged for each security type
- Minimum short price or long price for stocks
- Margin requirements
- Interest rate charged and earned on accounts.

**Portfolio and Class Parameters**

Currency of Portfolio:	United States Dollar
Initial Cash Balance	1,000,000
Minimum Stock Price for Buying	0.25
Minimum Stock Price for Shorting	3.00
Trading Start/End Dates	2/8/2011 6/14
Allow Short Selling	<input checked="" type="radio"/> Yes <input type="radio"/> No ?
Allow Day Trading	<input checked="" type="radio"/> Yes <input type="radio"/> No ?
Prevent Trading On Margin	<input type="radio"/> Yes <input checked="" type="radio"/> No ?
Pre-populated starting portfolio	<input type="radio"/> Yes <input checked="" type="radio"/> No ?
Fill orders on daily volume %	50 % ?

Two blue arrows originate from the list on the left. One arrow points from 'Select Initial Cash Balance' to the 'Initial Cash Balance' field. The other arrow points from 'Enable or disable margin trading/day trading/short selling' to the 'Allow Short Selling' and 'Allow Day Trading' radio button groups.



# Set Up Your Own Class in Minutes

*tailored to your specifications*

- Create your own usernames and passwords
- Set up as many independent classes and trading contests as needed
- Select from a host of trading parameters such as trading dates, cash balances and currencies, commission structures, and over 20 other trading variables
- Enable trading from stocks, options, futures, bonds, mutual funds from 20+ global exchanges
- Monitor and/or download their students' trading activity and class rankings

**COMPLETE  
CUSTOMER SUPPORT  
FOR STUDENTS!**





# Professors have access to Complete Administration Panel

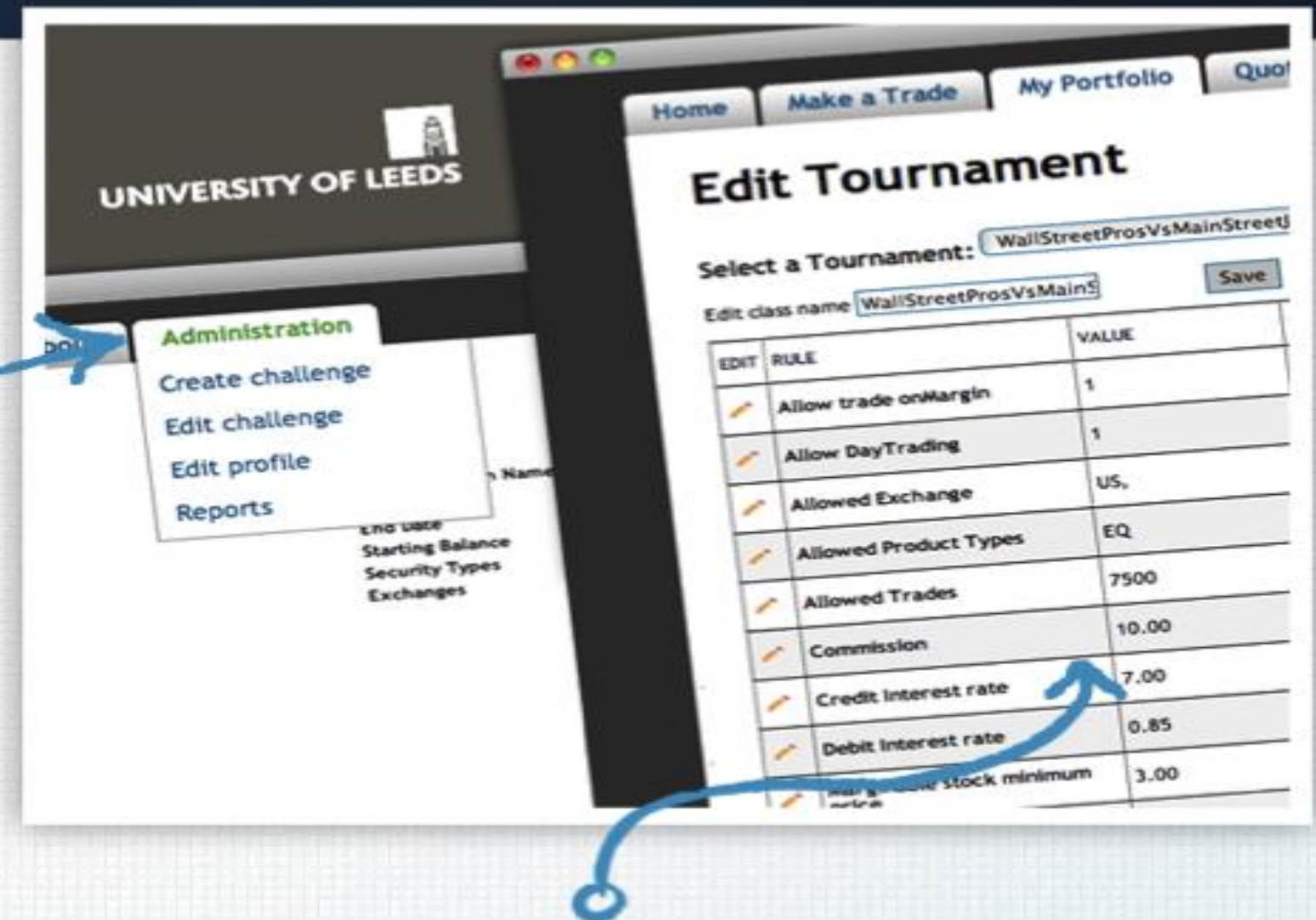
**The Administration Panel** - Provides ability to create new and unlimited independent trading sessions.

**Trading Session Creator** - Quickly and easily create unlimited trading sessions.

**Registration Page Data Capture** – Record/view/edit/sort any registration info that was requested at registration such as Student ID, class, program, year of graduation, etc.

**Activity Report Manager** – Access any particular student and his trading activity to see username, email address, orders, trades, buying power, long/short positions, last login, etc.

**Custom Transaction History Rankings & Reporting** - See class rankings and transactions by date, review weekly percentage gainers, and view the class rankings by Sharpe-Ratio



**Change the Trading Parameters on the Fly** Change your class' trading parameters at will and add more trades, change cash balance, enable options and futures.



# How Do Students Benefit?

“By Using Stock-Trak’s Trading Room Platform Software, I can now give my students access to the world’s equity markets bringing to life what I and other faculty members are teaching them. It would be extremely difficult to find another platform that comes remotely close to this product’s capability. I believe that Stock-Trak is the perfect combination for any trading room.”

Joseph Farhat, PhD, Associate Professor of Finance,  
Central Connecticut State University

# What Students Are Saying?

**1,000 students who used the trading platform surveyed at the end of August 2012 said.**

980 of them said that StockTrak.com was a "Moderately" to "Extremely Valuable"

890 said that they are now "Moderately" to "Extremely" more confident in their investing ability

970 of them said that had "Few" to "None" issues with trade executions on our platform

370 felt confident enough to want to open a self directed brokerage account on their own



# The Student Experience: Account Balances

<div> <div>Stocks</div> <div>Options</div> <div>Mutual Funds</div> <div>Bonds</div> <div>Spots</div> <div>Futures</div> <div>Future Options</div> <div>Historical</div> </div>										
Action	Symbol	Company Name	QTY	Curr.	Price Paid	Last Price	Day's Chg	P/L (Local Curr.)	Mkt Value (USD)	%
C	AFOP	Alliance Fiber Optic Products Inc	- 1,000	USD	17.54	12.89	📉 -0.02	4,650.10	12,889.90	26.51%
S	UA	Under Armour Inc	1	USD	54.66	64.42	📉 -0.05	9.76	64.42	17.86%
S	IBM	International Business Machines Corp IBM	101	USD	147.02	161.03	📈 1.06	1,415.48	16,264.03	9.53%
S	WWE	World Wrestling Entertainment Inc	500	USD	12.27	12.91	📈 0.13	322.00	6,457.00	5.25%
S	MKC	McCormick & Co Inc	1,000	USD	45.83	47.48	📈 0.02	1,650.00	47,480.00	3.60%
S	VZ	Verizon Communications Inc	500	USD	35.48	36.37	📈 0.35	444.60	18,184.60	2.51%
S	INTC	Intel Corp	200	USD	21.18	21.65	📈 0.26	93.18	4,329.18	2.20%
C	GOOG	Google Inc	-10	USD	618.00	604.97	📈 4.21	130.29	6,049.71	2.11%
S	AAPL	Apple Inc	151	USD	348.38	351.93	📈 2.62	535.86	53,141.43	1.02%
S	SPY	SPDR S&P 500 ETF Trust	1,616	USD	131.80	131.61	📈 0.68	-307.26	212,681.76	-0.14%
S	T	AT&T Inc	100	USD	28.89	28.46	📈 0.38	-43.50	2,845.50	-1.51%
S	DAX	Multi Units Luxembourg SICAV - Lyxor ETF DAX	10	EUR	72.31	70.47	📉 -0.31	-18.35	978.26	-2.54%
S	BMJ	Bristol Myers Squibb Co	100	USD	26.46	25.41	📉 -0.17	-105.00	2,541.00	-3.97%
Total								383,906.79		

Account Balances are updated in real-time

# The Student Experience: Trading

North American		Latin American		European		Asian	
United States		Canadian					
Transaction	Symbol	Shares	Order Type	Your Price	Order Term		
Sell	AAPL e.g. GOOG, IBM Symbol Lookup	51	<input checked="" type="radio"/> Market <input type="radio"/> Limit <input type="radio"/> Stop		GTD PREVIEW ORDER		

Company	Curr.	Last Price	Day's Change	Bid	Ask	Volume
APPLE INC	USD	350.65	1.34	350.54	350.59	6,500,695

Trading is executed at real-time bid/ask prices and orders include Market/Limit/Stops



# The Student Experience: Rankings

Portfolio Rankings		Sharpe Ratio Rankings		
This is as of Market Close on: Wednesday, March 02, 2011				Historical Day: <input type="text" value="3/2/2011"/> <input type="button" value="Go"/>
How to calculate <a href="#">Sharpe Ratio</a>				
Rank	User	Market Value	Portfolio Value	% Return
1	EthanTurner	.00	3,080,982.42	208.10%
2	AndrewTurkanis	1,137,914.26	1,333,277.68	33.33%
3	kpontau	427,577.25	1,279,378.07	27.94%
4	agreeley510	636,012.17	1,263,497.50	26.35%
5	GabrieleBennett	1,175,312.15	1,236,340.72	23.63%
6	ST198	758,478.70	1,186,883.67	18.69%
7	JLeht	718,657.00	1,166,541.64	16.65%
8	NicholasLevesque	726,864.20	1,166,302.54	16.63%
9	dlevandoski	704,215.78	1,106,759.52	10.68%
10	ichuma1975	616,985.00	1,104,352.52	10.44%

Students are ranked against their classmates, creating the spirit of competition and greatly increasing class participation