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

1. Select Initial Cash Balance
2. Select currency
3. Trading period start and stop date
4. Security types allowed per session
5. Maximum number of trades allowed per account
6. Enable or disable margin trading/day trading/short selling
7. Position limit based on a % of portfolio value
8. Commissions charged for each security type
9. Minimum short price or long price for stocks
10. Margin requirements
11. Interest rate charged and earned on accounts.
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!
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.
“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**

Account Balances are updated in real-time
Trading is executed at real-time bid/ask prices and orders include Market/Limit/Stops.
Students are ranked against their classmates, creating the spirit of competition and greatly increasing class participation.