

# Money Report



**June 16, 2016**

## **News from Mrs. Shepard's Wall Street in Libertyville Class**

We started this week in Wall Street in Libertyville brainstorming ways that kids could earn money. Students identified the following opportunities: babysitting, pet sitting, watering plants, parent's helper, raking leaves, shoveling snow, gardening, performing chores or odd jobs, car washing, lemonade stand, bake sale, craft sale and garage sale. We talked about safety, and the importance at this age, of working for people that the student and/ or the student's parents know. We also talked how some of these ideas involve spending money before you earn money. We will be talking more about profits and expenses and in a few weeks.

On Tuesday we introduced the concepts of demand and supply. Using colored chips for money, we had an auction for rice Krispy treats. We discovered that when students thought that there was only one treat to win, they were willing to pay more than when they later found out that there were enough treats for each student. We learned that demand refers to how many people want to buy an item at a given time and price, and that supply refers to the availability or number of items for sale at a given time and price. We also talked about how demand, supply and price are connected.

On Wednesday we logged onto our computers and found our way to Yahoo finance so that we can start tracking the price of a stock we are interested in. Every morning students are now looking up the stock that they are following to obtain the current price.

On Thursday we experimented with barter and trade. Students picked mystery bags and were told that they could keep or trade the contents in their bags. They were then given several opportunities to trade with each other. We discovered that people exchange goods because they expect to be better off after the exchange. We found that student satisfaction grew through voluntary trades as items went from people who valued them less to people who valued them more. We then discussed similarities between our classroom market, and markets in the everyday world.

Have a fun weekend!

*Mrs. Shepard*