LEVEL 1 OF 5 OF THE CAPITAL VALLEY GAME

From saving to investing: return, risk and diversification

Class	From Grade 10 (US) / Year 11 (UK), ages 15-16
Duration	1 session of 55 minutes (can be carried on at home)
Materials	A web browser. Nothing to install, no student account, no personal data collected.

A level runs for 12 turns, about 30 minutes of play, and covers a year in the life of an investor. This sheet covers level 1, which stands on its own: it ends with a review. It is the one session of the Discovery course, and the first session of all the others.

Place in the curriculum

Curriculum fit: **how economic agents finance themselves** (Grade 11 (US) / Year 12 (UK), ages 16-17), as an opening session. It also works a year earlier, with how prices form on a market (Grade 10 (US) / Year 11 (UK), ages 15-16).

Concepts covered: saving and investment, the return-risk trade-off, opportunity cost, diversification, how information forms a price, how reliable a source is.

Cross-curricular links: budgeting and financial education, thinking critically about economic news.

Objectives of the session

By the end of the session, students can:

1. Tell a risk-free investment that pays interest (the savings account) from a risky one with a higher expected return (a sector fund).
2. Explain why a news item changes the value of an investment, and why a rumour, an expert opinion and an official announcement do not carry the same weight.
3. Justify an investment decision, including the decision to do nothing, and explain why you never put everything in one place.
4. Compare their own result with the "everything in the savings account" benchmark, and say what the gap means.

How the game works

Each student looks after a virtual portfolio of €1,000. Every turn brings one or two news items (official announcements, rumours and so on), an investment decision, and then, on the following turn, the consequences, explained by an "Understand" sheet. A virtual adviser, a character in the game, introduces everything new and comments on the results. Nothing in the game is left to chance: the world is the same for every student in a game, only their decisions differ, and that is what makes a rigorous debrief possible. No quizzes and no way of being knocked out: you learn by deciding.

What students go through in level 1

These moments happen in every game, but this sheet says neither which turn they land on nor how they end: a teacher can build the debrief on them, while a student who reads it gains nothing. The subject of each news item depends on the game.

- The savings account first: €1,000 to invest, a little interest each turn, no risk. Then sector funds open, in waves, and the news begins.
- One announcement comes true; another, put forward by an "expert", does not. The virtual adviser then puts a name to it, diversification, and from that point the game stops students putting all their wealth into a single investment.
- A bonus is paid during the level: another investment decision to make.
- A rumour goes round for several turns, comes back again, and then is either confirmed or turns out to be unfounded.
- The level review: the result, the best decision, the missed opportunity, and a comparison with the savings account and with a balanced portfolio.

Minute-by-minute plan (computer room)

1. Getting started (5 min). The teacher opens the game on the projector and writes the address on the board. Students open the page and choose their avatar. In a class game, they type in the game code written on the board and a first name or a nickname.

2. Guided turns, the first three turns (8 min). Play these together: read the virtual adviser's brief, read the news, hold a quick discussion ("what would you do?"), then let each student confirm their own decision. Have the first news item signed by an expert read out loud, and say nothing about it: it is what the debrief will turn on.

3. Playing on to the review (22 min). Students move at their own pace. The teacher circulates. Two moments worth pausing on, one sentence each, without interrupting the game: when the virtual adviser talks about diversification ("look at what he says, we will come back to it") and when the rumour is published ("who is acting, and who is waiting?").

4. Class debrief (12 min). Work from the reviews on the students' screens (and from the teacher's dashboard in a class game), with a discussion guided by the questions below. Ask for a show of hands: who followed the expert, who acted on the rumour, who stayed in the savings account.

5. Summary (8 min). A written record in four lines: return and risk go together; a news item makes the price; you judge a source before you decide; you never put everything in one place. Students write down their student code so they can carry on at home.

Flipped classroom

For schools with little equipment. Ten minutes at the end of the previous session: the teacher shows the first two turns on the projector, explains what to do ("play level 1 for Thursday, about 30 minutes, write down your result at the review and your best decision") and gives the address. Students play at home during the week, on a phone or a computer. In the next session, 20 minutes of debrief with the questions below, then the summary.

Questions for the class

- An expert announced a wave of enthusiasm for a sector. Who followed it? What, in the way that news item was written, could have put you on your guard?
- Some students left everything in the savings account. Did they lose out? Who beat the "everything in the savings account" benchmark, who fell short of it, with exactly the same information?
- The rumour went round for several turns before anyone knew how it ended. Were those who acted before knowing right if it was true, and wrong if it was false? Are a good decision and a good result the same thing?
- The game stopped you putting everything in one place. Did that limit annoy you? Is it a constraint or a protection, and who would impose it on you in real life?
- Doing nothing for a turn: is that the absence of a choice, or a choice?

Ways to take it further

- Carrying the game on at home (student resume code), with a progress check in the next session.
- Next session: level 2, the financial markets (funds, shares and interest rates). One sheet per level, all the way to the complete course.
- Writing activity: write the economic headline that would explain the next move in one of the game's funds.
- Taking part in Global Money Week (March) with a tournament between classes.

Practical information

- Access: https://capitalvalley.app/education
- The student version needs no account, no email address and no personal data. Suitable for use in school, in the computer room or on a smartphone.
- Teacher contact: education@capitalvalley.app