

[Know more. Grow more. \(http://www.growmore.anz.com/\)](http://www.growmore.anz.com/)



## **GROW MAGAZINE**

# Games to conquer your fear of shares

Throw yourself into the sharemarket risk-free and learn what it's about. Nigel Bowen explains.

Australians are renowned for being real estate obsessed. What's less recognised is we're equally enamoured with shares.

"Around 36 per cent of Australians directly own shares," says Joe Dickson, delivery, content and operations manager in the marketing division of the Australian Securities Exchange (ASX).

"That's higher than comparable countries, including the likes of Germany and the US. When governments have been privatising assets or organisations demutualising, the figure has climbed to over 50 per cent."

## Learning how to trade

There are innumerable books, articles and seminars promising to teach people how to trade shares. But 'Sharemarket Game' carries the imprimatur of the ASX, costs nothing and offers an experience as close to reality as is feasible. First launched 40 years ago as a way to educate schoolkids on how the sharemarket worked, it went online in 1998.

## ANZ Share Trading's beginners' guide

[https://www.youtube.com/v/X31PzNEfz\\_E?](https://www.youtube.com/v/X31PzNEfz_E?)

(1.24 min)

It has only one domestic competitor, StockWatch. Unsurprisingly, there's a wider selection of Wall Street-focused games. Such as Investopedia's Stock Market Game, Wall Street Survivor and the Mobogenie app.

The Sharemarket Game is free and runs for a set 15 weeks, you can create leagues to play against friends or workmates.

ASX now runs two versions, one for school students and one for the general public, twice a year. The next rounds start on March 9 for students and February 23 for the general public. Players are credited with a virtual \$50,000 to buy and sell shares in 200 companies listed on the ASX over 15 weeks.

Live prices of shares are used and players have to pay a brokerage fee (i.e. the fee stockbrokers charge clients to buy or sell shares). While nobody loses any actual money, the top three players in both versions of the game win a real cash prize (first prize is \$600 for students, \$2000 for adults).

The Sharemarket Game is free and runs for a set 15 weeks, you can create leagues to play against friends or workmates.

Dickson says the Sharemarket Game, which he oversees, does more than just teach people the mechanics.

"People learn a lot about themselves, even though they're not playing with real money," he notes. "They get an understanding of how much research work is required to be successful. They also discover how they react emotionally when their shares go up or down and work out what their risk tolerance is."

## Who's playing?

Around 30,000 young Australians, mainly those in year 10 studying business-related subjects, sign up to play the student game whenever it's run. With the adult version, the figure is around 27,000.

"The gender split with the game remains stubbornly 70 per cent male, 30 per cent female even though with real-world share trading it's a 57:43 per cent ratio," Dickson says.

“We don’t have data on players’ income or educational qualifications. The two big demographic bulges are those 18-29 and 50-59. The former are used to playing online games and, presumably, interested in starting to accumulate wealth. I suspect the latter have, or plan on having, a self-managed super fund and want to learn about investing in shares for that reason.”

People are free to take part in the game as many times as they wish. That means players can range from neophytes hoping to learn the ropes to experienced share traders road-testing strategies.

While the ASX devotes significant resources to its game with the aim of encouraging more Australians to play the sharemarket, there’s no pressure on players to do so.

“When we’ve surveyed players, 90 per cent say they intend to play the game again,” Dickson says. “Fifty per cent say they’re going to continue to monitor the [virtual] portfolio they built during the game. Only 20 per cent say they plan to start trading on the live market.”

## Virtual success, real-world results



His experience with the Sharemarket Game has been life transforming for Advait Joshi (pictured). He played the student version while he was in years 9, 10 and 11. He moved up to the adult version in 2015 after turning 18 while he was in year 12.

He didn't win first prize that year but he did in 2016, after generating a 44 per cent (\$22,353) return. While still in his first year of university, he was offered a cadetship in the equity analyst team at UBS. He is now hoping to start a managed investment fund while completing his studies.

Joshi puts his success down to doing his homework and sticking to his investment strategy.

"People discover how they react emotionally when their shares go up or down and work out their risk tolerance."

Joe Dickson, ASX

"I spent about an hour a day reading Bloomberg News, staying updated on where the global economy was going and trying to find stocks that might be undervalued in the current market," he says.

"I mainly invested in companies with solid fundamentals, looking at things such as price-earnings ratios that were trading substantially lower than their historic levels."

It was an approach Joshi only deviated from when the person coming second in the game pulled within \$3000 of his lead.

"I panicked and diverted from my strategy, losing a lot of money," he says. "I tried investing in stocks I thought would 'ride the market' rather than those I thought had solid fundamentals. That was silly."

Want to trade?

Open an account in the Investments tile of your Grow by ANZ app

The views and opinions expressed are those of the author only and do not necessarily state or reflect those of ANZ, its directors or employees.

The information provided on this site is general in nature only and does not take into account your personal objectives, financial situation or needs. Please consider its appropriateness to you before making any investment decisions.

Any statements of past performance do not represent future performances, and any case studies are shown for illustrative purposes only. Neither are a prediction of the actual outcomes you will achieve.

Grow by ANZ is provided by Australia and New Zealand Banking Group Limited (ANZ) ABN 11 005 357 522. Investments, insurance and super are not provided by ANZ but by entities which are not banks. ANZ does not guarantee them. The Share Investments service in Grow by ANZ is provided by Share Investing Limited ABN 93 078 174 973. ANZ Smart Choice Super and Pension is provided by OnePath Custodians Pty Limited ABN 12 008 508 496. ANZ Home Insurance, ANZ Car Insurance, ANZ Landlord Insurance and ANZ Travel Insurance are issued by QBE Insurance (Australia) Limited (ABN 78 003 191 035, AFSL 239545) (QBE). ANZ Income Protection is jointly issued by OnePath Life Limited (ABN 33 009 657 176) (OnePath Life) and OnePath General Pty Limited (ABN 56 072 892 365, AFSL 288160) ANZ Life Insurance, ANZ Recover Well, ANZ 50+ Life Cover are issued by OnePath Life.

ANZ Financial Planners are representatives of ANZ, the holder of Australian Financial Services Licence number 234527.

For any product referred to above, ANZ recommends that you read any relevant offer document or product disclosure statement and consider if the product is appropriate for you. For products issued by ANZ, these documents are available at [www.anz.com](http://www.anz.com).

The information, opinions and conclusions in articles ("information") are current as at the date articles are written as specified within but is subject to change. ANZ and its related entities make no representation or warranty as to the accuracy or completeness of the information or the sources referred to within. To the extent permitted by law, ANZ and its related entities do not accept any responsibility or liability from the use of this information.

App Store is a service mark of Apple Inc. ANZ's colour blue is trade mark of ANZ.