

BUSINESS & COMPUTER SCIENCE/BUSINESS MANAGEMENT
Computer Dynamics of the Stock Market
Unit 2: Types of Trading

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| Essential Understandings | <ul style="list-style-type: none"> ▪ Trading decisions are based on different factors. ▪ A big factor in trading is the ability to handle stress. |
| Essential Questions | <ul style="list-style-type: none"> ▪ What is scalping? ▪ What is day trading? ▪ What is swing trading? ▪ What is long term buy and hold? |
| Essential Knowledge | <ul style="list-style-type: none"> ▪ Scalping involves trading to catch small, quick price movements during volatile trading. ▪ To actively participate in scalping, traders must be able to trade during the most volatile times of the trading session. ▪ A trader must have the ability to cut losses quickly. ▪ The goal of a day trader is to catch price movements that occur during any single day. ▪ Swing trading involves trading with a time-frame of several days, weeks, or months between the opening trade to the closing trade. ▪ Long term buy and hold investment is suited for a trader who wants to try and profit from a long term price appreciation in their investment. |
| Vocabulary | <ul style="list-style-type: none"> ▪ <u>Terms:</u> <ul style="list-style-type: none"> ○ long term buy and hold, price appreciation, capital available, scalping, day trading, swing trading |
| Essential Skills | <ul style="list-style-type: none"> ▪ Identify types of trading. ▪ Describe types of conditional orders once the initial position is opened and profits have been made. |
| Related Maine Learning Results | <p><u>Social Studies</u> C. Economics C1.Economic Knowledge, Concepts, Themes, and Patterns Students understand the principles and processes of personal economics, the role of markets, the economic system of the United States, and other economic systems in the world, and how economics serves to inform decisions in the present and future.</p> <ol style="list-style-type: none"> a. Explain that the study of economics includes the analysis and description of production, distribution, and consumption of goods and services by business, and is the basis of individual personal finance management including saving and investing. b. Explain and analyze the role of financial institutions, the stock market, and government, including fiscal, monetary, and trade policies, in personal, business, and national economics. |

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| <p>Related Maine Learning Results</p> | <ul style="list-style-type: none"> c. Evaluate different forms of money management, and the positive and negative impacts that credit can have on individual finances, using economic reasoning. d. Identify and explain various economic indicators and how they represent and influence economic activity. e. Analyze economic activities and policies in relationship to freedom, efficiency, equity, security, growth, and sustainability. f. Explain and apply the concepts of specialization, economic interdependence, and comparative advantage. g. Solve problems using the theory of supply and demand. <p>C2. Individual, Cultural, International, and Global Connections in Economics Students understand economic aspects of unity and diversity in Maine, the United States, and the world, including Maine Native American communities.</p> <ul style="list-style-type: none"> a. Analyze the role of regional, international, and global organizations that are engaged in economic development. b. Compare a variety of economic systems and the economic development of Maine, the United States, and various regions of the world that are economically diverse. c. Analyze wealth, poverty, resource distribution, and other economic factors of diverse cultures, including Maine and other Native Americans, various historical and recent immigrant groups in Maine and the United States, and various world cultures. |
| <p>Sample Lessons And Activities</p> | <ul style="list-style-type: none"> ▪ Read the article “Exploring Stock Trading Strategies” and answer the questions related to the article. |
| <p>Sample Classroom Assessment Methods</p> | <ul style="list-style-type: none"> ▪ Groups create an instructional pamphlet describing different types of trading. |
| <p>Sample Resources</p> | <ul style="list-style-type: none"> ▪ <u>Other Resources:</u> <ul style="list-style-type: none"> ○ Stock Market Simulation Game |