

The Wealth Showdown

Research & Risk Assessment

Students research a specific strategy and gather data on its historical or theoretical performance. Students will work in groups of 2, to select a specific investment or investment strategy. The selections must be a “Viral Hack” or a “Long Term Planning” approach.

1. **The Draw:** Students can select the approach or the teacher can assign is to each group. **"Viral Hack"** (Short-term/High-risk) or **"Long Term Planning"** (Long-term/Steady-growth).
 2. **Research Phase:** Find a specific example of the chosen/assigned strategy.
 - **Viral Hack Examples:** Crypto day-trading, NFT flipping, "Penny stock" alerts, high-leverage options trading, trading on margin.
 - **Steady Path Examples:** S&P 500 Index Funds, Roth IRAs contributions and investment, using dividend reinvestment plans (DRIPs).
 3. **Data Collection:** Research considerations:
 - Explain what it is
 - Key terms/phrases (such as compounding, APY, liquidity, risk, diversification)
 - "All-Time High" vs. "All-Time Low"
 - Average annual returns comparing year or year, over 2/3/5/10/20 years.
 - Show the investment math
 - Are there fees, taxes, risks?
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Pitch Construction

Students translate their data into a persuasive **3-5-minute pitch to a client who has \$20,000 to invest**. Client has \$70,000 in a various investment with very little risk. Client has \$30,000 in a savings account. Client earns \$80,000 gross income per year.

1. **Pitch Framework**
 - **The Hook**
 - **The Logic/Math**
 - **The Transparency** on the pros/cons of this strategy
 2. **Creative Lab**
 - Create a presentation and visual aid/poster/commercial to try to “sell” this approach to the audience.
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Pitch Competition

Present ideas to your client to "invest" your \$20,000.

1. **Presentations:** 3-5m Pitch with Q&A.
2. **Voting:** Every student has an assessment criteria with \$20,000.
 - *Limitation:* Cannot invest in your own project.
 - *Opportunity:* You can place all of your money into one approach or divide it. You cannot move around any of the other funds you currently have invested.

Investment Scorecard

Presenter Name: _____

Strategy Type: ☐ Viral Hack ☐ Long-Term Plan

1. Evidence & The "Math"

How well did they use data, compound interest, historical returns and research?

- **5 - Expert:** Cited specific percentages, used a calculator, and showed a clear timeline of growth/loss.
- **3 - Average:** Mentioned some numbers, but the timeline was a bit blurry.
- **1 - Weak:** Just said "you'll make a lot of money" without showing the math.

2. Risk Transparency

Did they tell you the "catch" and talks about the pros/cons, or did they pretend it's a sure thing?

- **5 - Honest:** Clearly explained how you could lose money (volatility, inflation, or fees).
- **3 - Vague:** Acknowledged risk exists but didn't explain how it actually works.
- **1 - Misleading:** Claimed there is "no risk" or "guaranteed returns."

3. Persuasion & Delivery

Was the pitch professional, engaging and convincing?

- **5 - Wealth Advisor:** Confident, great visual aid, and answered questions easily.
- **3 - Solid:** Easy to follow, but relied heavily on reading notes or slides.
- **1 - Unprepared:** Hard to hear or confusing visuals.

4. The "BS" Detector (Critical Thinking)

Does the strategy rely on "luck/timing" or a "proven system"?

- **5 - Logical:** Even if it's a "hack," they explained the mechanics of why it (theoretically) works.
- **3 - Questionable:** Relies heavily on "following the trend" or "getting in early."
- **1 - Fantasy:** Sounds like a "get rich quick" scheme with no real substance.

The Investment Decision

Total Budget: \$20,000 Based on the presentation above, how much of your hypothetical money are you investing? **Amount:** \$ _____

Why did you choose this amount? (e.g., "I trust their long-term math" or "I'd put a small amount in because it's a fun gamble.") _____