



FOUNDATION

Press Release



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Young Trailblazer Forges Path to Financial Freedom through Investing

Twelfth Grader Ava Stevenson Places First in Arizona in the SIFMA Foundation's Spring 2024 National InvestWrite® Competition

New York, NY, August 12, 2024 – Echoing the immortal words of Nelson Mandela, “It always seems impossible until it’s done,” Ava Stevenson defied the odds by creating a high-powered investment portfolio that could make Wall Street proud. Currently enrolled in 12th grade at Valley Vista HS in Surprise, AZ, Ava developed a diversified investment portfolio aimed at securing long-term financial success.

Ava’s investment strategy placed her first in the state in the SIFMA Foundation’s Spring 2024 InvestWrite competition. Ava triumphed among thousands of participants nationwide for her astute insights into the dynamics of capital markets in the high school division. In recognition of her accomplishment, Ava and her teacher, Mitchell Pinda, were honored by the SIFMA Foundation during a special ceremony.

The SIFMA Foundation’s InvestWrite national essay competition serves as a vital bridge between classroom education in mathematics, social studies, language arts, and the practical application of research and knowledge essential for saving, investing, and long-term financial planning. The competition is a culminating activity for the acclaimed Stock Market Game™, a curriculum-based financial education program challenging students to manage a hypothetical \$100,000 online portfolio of stocks, bonds, mutual funds, and cash. InvestWrite empowers students to apply their hands-on learning in real-world scenarios that teach the fundamentals of investing.

SIFMA Foundation’s programs are proven to enhance participants’ test scores in math and economics, foster financial planning skills, promote teamwork and interpersonal social-emotional learning, and better prepare students for future academic and professional endeavors. With a steadfast commitment to closing opportunity gaps in society, the SIFMA Foundation equips young people from all backgrounds, with a particular focus on underserved youth, with a robust understanding of financial markets.

A number of studies have emphasized the critical need for financial education to navigate today's complex economic landscape. Investing in financial education yields long-term benefits, both for individuals and for society as a whole, by fostering economic stability and reducing financial vulnerabilities, according to *Financial Literacy and Financial Education*, a recent study by Tim Kaiser and Annamaria Lusardi. It emphasizes the need for comprehensive and accessible educational programs from an early age. SIFMA Foundation's programs are leading the way in reaching and engaging youth and their teachers and families.

"It brings me immense joy to extend my heartfelt congratulations to Ava and her teacher for a remarkable achievement in InvestWrite," said Melanie Mortimer, President of the SIFMA Foundation. "Ava's essay details a very thoughtful and compelling plan for long-term financial independence. Her achievement signals the value of early financial education in setting youth on a path to positive financial life outcomes."

The Stock Market Game and InvestWrite are offered in Arizona through the Arizona Council on Economic Education. "We honor and congratulate our InvestWrite winning student and teacher," said Elena Zee, President & CEO of the Arizona Council on Economic Education, "Helping Arizona students better understand our economy, our markets, the role of investors, and how to make good investments will pay dividends for the students, their education and the Arizona economy."

The Spring 2024 InvestWrite competition posed the following challenge to 4th-12th graders: 'Which investment in your Stock Market Game portfolio performed the best and why? Using this investment, recommend a diversified \$25,000 portfolio of stocks, bonds, and/or mutual funds to save for a personal, family or community goal in the year 2030. Be sure to mention what your goal is.'

Thousands of volunteer financial professionals from hundreds of financial firms select the winners of InvestWrite each year. Ava captivated this panel of expert judges with a compelling and insightful essay.

Winning Essay

Throughout the Stock Market Game, my team and I have invested in dozens of different company stocks, having to analyze fluctuating stock market trends and take the right action to earn the most profit. The most profitable stock that we have invested in thus far is DECK, which is the ticker for the corporation Deckers Brands. In just a few months, this stock has gained us a profit of over \$10,500, which can likely be attributed to its improving cash flow, surging profit, and increasing earnings estimate revisions. Since Deckers is an apparel company, and the fashion industry is rapidly growing, this explains why DECK is so successful as of late. Additionally, online shopping has made these products far more accessible and convenient, which leads to an increase in sales. The company also has ownership of other popular brands such as Teva, Hoka One, and UGG. This means that these brands being successful will contribute to DECK's overall sales and its general growth. Since these brands are continually adapting to new consumer preferences, they can reliably keep sales steady. As the company keeps growing, more investors are inclined to financially support the corporation. Since the company has shown overwhelming success, my group decided that it would be among one of the safest to invest in.

My goal for 2030 is to be able to pay off my student loans for my pharmacy technician schooling. Transportation costs, tuition, books, scrubs, and other equipment that I need for the class will likely cost around \$40,000 for one year of schooling. With careful planning, my diversified \$25,000 portfolio of stocks,

bonds, and/or mutual funds would have about 60% of the overall investments be put into stocks. The stock portion would include about 25% of Deckers, 20% for technological companies like Adobe, and 15% for medical companies like Lilly (Eli) and Co. Adobe has earned around \$5,000 in profit during the Stock Market Game, while Lilly (Eli) and Co. has earned us about \$8,000 before we sold it for dividends. I would be sure to invest at least 10 shares for each company but invest about 30 shares for DECK because it's such a profitable company. These are good sectors to invest in because of the growing necessity for these products. Technology is constantly improving to make life easier, and medicine is constantly evolving to make life more comfortable and increase life expectancies. As these advancements are made, the public will contribute more money towards their company to fund and inspire continual improvements in these areas. Therefore, these stocks will continue to find success as the companies prove that they can meet the demands of society. This portfolio is designed to capitalize on DECK Corporation's powerful performance while also providing a variety of sectors to manage the chances of risk. All of these stocks are recommended to be invested in by websites such as bar charts, meaning that they are highly likely to earn me profit over time.

Additionally, 30% of my money would be used for bonds, 15% for BND and another 15% for TIP. BND is formally called the Vanguard Total Bond Market ETF, which allows me to invest at a generally low cost while also having a secure way to expand my portfolio. TIP is the iShares TIPS Bond ETF, which is linked to inflation trends. This means that my investment will be better protected against the effects of inflation, making it an overall safer place to put my money into. This is done by having the interest payments increase alongside inflation increases, meaning that investors will have more profits and less drastic losses in time of high inflation. Using bonds can also be beneficial because they typically provide more liquidity for investors, making the selling and buying of bonds quicker in comparison to stocks. Finally, the last 10% of creating my portfolio would be used for a mutual fund, likely through the Fidelity Contrafund (FCNTX). I would choose this option because it is more closely monitored and managed, and also provides opportunities for investing in more diversified stocks. This management makes it far easier and stress-free, since there are skilled portfolio managers to oversee the investment, and mutual funds are most successful when done with knowledgeable managers. By constructing a diversified portfolio such as this one, I will be positioning myself for financial success and achieve my goal of being able to afford my pharmacy technician education.

About the SIFMA Foundation

The SIFMA Foundation is committed to closing the opportunity gap by fostering greater knowledge of the financial markets for young people of all backgrounds. Drawing on the support and expertise of educators and the financial industry, the Foundation provides financial education to strengthen economic opportunity across communities and increase awareness of the benefits of the global marketplace. Since 1977, the Foundation's flagship program, The Stock Market Game™, has guided more than 22 million students on their path to financial independence by attaining stronger life skills, improving academic achievement, and boosting their social-emotional learning. For more information on the SIFMA Foundation, visit www.sifma.org/foundation.

About InvestWrite®

InvestWrite® is a culminating activity for Stock Market Game students extending their classroom learning with a written challenge to address real-world financial issues and situations. Students must analyze, think critically and problem solve about a long-term saving and investing scenario. More than 275,000 student essays have been evaluated by their teachers and over 50,000 financial professionals have served as volunteer judges. Essays are judged by financial professionals who volunteer their time each year to ensure young people are exposed to the essentials of personal finance early in life. Judges evaluate students' understanding of long-term investing, diversification, the global capital markets, and factors that drive investments as well as their expression of

investment ideas in essay form. Winners locally and nationally rise to the top to earn exciting awards including laptops, classroom pizza parties, trophies, plaques and banners, and certificates. For more information about InvestWrite[®], visit www.investwrite.org.

About the Arizona Council on Economic Education

The Arizona Council on Economic Education (ACEE) is a 501(C)3 nonprofit organization dedicated to improving economic and personal financial literacy in Arizona. ACEE is the author of Arizona K-12 Economic Education Academic Standards and the only organization in Arizona which: provides teacher professional development in teaching personal finance and economics; has a strong, affiliated academic base with universities and community colleges; and distributes proven independent economic education curriculum resources to schools free of charge. For more information, visit www.azecon.org.

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