



FOUNDATION

Press Release

Contacts: Michael Sherman, SIFMA Foundation, msherman@sifma.org
Evann Berry, Edelman Smithfield, Evann.Berry@edelmansmithfield.com



Young Trailblazer Forges Path to Financial Freedom through Investing

Seventh Grader Leah Gentes Places 1st in Arizona in the SIFMA Foundation's Spring 2024 National InvestWrite® Competition

New York, NY, August 6, 2024 – Echoing the immortal words of Nelson Mandela, “It always seems impossible until it’s done,” Leah Gentes defied the odds by creating a high-powered investment portfolio that could make Wall Street proud. While enrolled in 7th grade at St Anthony Of Padua Catholic School in Casa Grande, AZ, Leah developed a diversified investment portfolio aimed at securing long-term financial success.

Leah’s investment strategy placed her 1st in Arizona in the SIFMA Foundation’s Spring 2024 InvestWrite competition. Leah triumphed among thousands of participants nationwide for her astute insights into the dynamics of capital markets in the middle school division. In recognition of her accomplishment, Leah and her teacher, Carolee Sopicki, were honored by the SIFMA Foundation during a special ceremony held on August 6.

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 Leah and her teacher for a remarkable achievement in InvestWrite," said Melanie Mortimer, President of the SIFMA Foundation. "Leah'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. Leah captivated this panel of expert judges with a compelling and insightful essay.

Winning Essay

From Game to Reality

My Stock Market Game group consisted of three people, including myself, all of which worked towards the goal of increasing our investments. Towards the beginning of this project, we brought all of our different portfolios of ideas together to see which investments would be in our best interest. Our group was very organized and well thought out in our actions all of the time, all leading to a great experience in the Stock Market Game. When creating our portfolio, we looked at how the specific stocks we were thinking of have been projected to do within our time period, and how they have done in the past. Most of the events that changed our investment possibilities were whether or not the stocks continued to do well within our close monitoring.

Our Stock Market Game portfolio consisted mainly of short-mid-term stocks due to the time period given. As stated previously, the choices we made were usually for the reason of the stocks not doing too well. Toward the beginning of the game, we decided to invest slowly so that we could monitor the progress. Investing in the stock that would give us leverage throughout the competition for us NFLX. Then we invested in the long-term stock NVDA unknowingly and decided to sell the stocks due to its downward

trend which we didn't have time to wait for it to leverage out. Next, we started to think about the short term. Which is when we invested in two different stocks, SMCI, and DIS. Now, SMCI had been booming, and continued to for a while, before it had its great crash, after we decided to invest more in it. A similar situation with DIS. The rule though is that you have to sell high, so we waited, and it is continually leveraging out. This definitely negatively impacted on our performance, due to us not following through with the simple buy and sell strategy.

The goal I am hoping to achieve by 2030 personally is to at least triple my investments. This would be to help with a multitude of things, especially college. At this time, I am hoping to get some type of medical degree, which alone is a lot of money, not including a four-year college beforehand, and any extra degrees. Now from a personal perspective, these investments also could be set aside for emergencies, and to help with all the other expenses that come by. This will help with any possible things that come my way in the future.

One of the most basic rules of investing is to diversify your investment portfolio. First, for these long-term goals I would invest about 60% of my cash into equities. This would include a variety of stocks, mutual funds, and ETFs. Specifically, from my group's portfolio NVDA which is a long-term stock, and stays pretty level, throughout the Stock Market Game it has gone mostly on an upward trend, along with in the past. Similarly, other stocks in the S&P 500 would be great investments. For mutual funds I would invest in something that is varied like the Fidelity 500 index which is greatly varied and has a five-star Morningstar rating for being constantly on the upward trend. About 25% of the original amount I would put into a fixed income area, this would be bonds. These are great investments to serve basically as cushions just in case the stock market crashes. Another great investment for this goal would be REITs which help to level out the risk vs. reward. There is still a decent amount of risk, so about 5% of my portfolio would be dedicated to these. Finally, the left over 10% would be invested in alternative investments such as commodities and cryptocurrencies that prove to return on the risk given in investing in them. Since this is seen as a more risk given area, more trustworthy investments like the Bitcoin ETF would be better than other alternatives.

My long-term portfolio is diversified into a multitude of different areas of investment and growth opportunities to meet my goal. This portfolio disperses the original amount into four different areas. First you have individual equities to invest in, which is where most of the money is invested. Secondly, you have the fixed income area which holds about 25% of the original amount and serves as a cushion to level out the risk vs. reward ratio. Then you have the smaller investments in REITs and alternative investments which hold more risk but can have a greater reward. Each of these is carefully thought out and creates an even flow of reward for the amount of risk put into these investments.

All things considered; I had a great experience with my Stock Market Game team and hope to continually do well towards the end of the game. The investments that we made were due to how the stocks we invested in were doing, and how they were projected to perform. By using some of these investments to create a diversified portfolio I hope to triple the suggested \$25,000 investment by 2030. Investing different amounts of cash into equities, fixed income, REITs, and alternative investments keeps my portfolio balanced. These investments will help return on the given risk and meet my projected goal.

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. Almost 280,000 student essays have been evaluated by their teachers and over 54,000 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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