



THE STOCK MARKET GAME™

Ticker's Tales

iStock

The Stock Market Game was born long before I was, but stories of its appearance 30 years ago have been handed down through generations of my relatives. Let me explain.

My family history begins in 1977, just after Apple Computer was incorporated. In that year the founders of Apple, Steve Jobs and Steve Wozniak, introduced my ancestors, the Apple II personal computers. The Stock Market Game also appeared that year.

The Apple II had little power compared to that of my current relatives, the iMac or MacBook. Most people hadn't heard of terms like software and the Internet back then. Similarly, The Stock Market Game was just a pilot project in 1977. No one anticipated how quickly it would grow. Today, some students use Apple computers to log in to The Stock Market Game. Some day some students might even access The Stock Market Game through the likes of me, the iPhone.

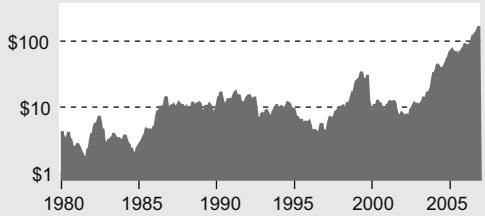
But my relatives met many bumps along the way. You can see some of the ups and downs by looking at Apple's stock price over the years. The company joined the stock market on December 12, 1980, in its initial public offering, known as an IPO. On its first day of trading, the stock closed at \$3.59.

The stock's price didn't rise much until my distant relative, the Macintosh com-

puter, appeared early in 1984. But the growing availability of lower-priced personal computers from competitors began to hurt the company's earnings and push its stock price down. Steve Jobs also left the company in 1985, but returned years later, in 1997, and began a series of innovations that produced the iMac, iPod, iTunes and me, the iPhone.

Apple's Monthly Stock Price

January 1980 – October 2007



Prices are adjusted for stock splits. Scale measures equal percentage changes. Source: <http://moneycentral.msn.com/>

Early this year the company changed its name to Apple from Apple Computer. It now employs more than 17,000 people, and its stock price has ... well, look at the chart and see for yourself. If someone had invested \$5,000 in the company when it went public in 1980, the investment's current value would be truly i-mazing.

Write Now

Find the current price of Apple's stock and compute the current value of the number of shares that one could have bought at the close of Apple's first trading day. Do you think the stock's past history indicates that it is a good investment today? Explain.

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