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Press Release

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**North Carolina 5th-grader’s Expert Investment Advice Drives Positive Returns in Capital Markets and in Life**

*Viraj Shah’s 2nd Place Essay Wins SIFMA Foundation’s*

*Fall 2020 National InvestWrite® Competition*

*He Will Be Honored with Celebration on April 30, 2021*

**New York, NY, April 30, 2021** – Viraj Shah, age 10, from Cary, North Carolina is well on his way to joining the ranks of some of the best financial legends in the world. The diligent 5th-grader defied the challenges of distance learning and cinched an exhilarating win in the SIFMA Foundation’s Fall 2020 InvestWrite competition, penning an essay on how challenges can create opportunities in the global economy and in life.

Beating out thousands of other students around the country competing in the elementary school division, Shah, who attends Sterling Montessori Academy, researched and composed an impressive long-term financial plan and now he is being recognized nationally during a virtual recognition.

SIFMA Foundation’s InvestWrite national essay competition bridges classroom learning in math, social studies, and language arts with the practical research and knowledge required for saving, investing and long-term planning. It also serves as a culminating activity for The Stock Market Game™ a highly effective in-person, remote learning and hybrid educational tool in which students invest and manage a hypothetical $100,000 online portfolio of stocks, bonds, mutual funds and cash.

“SIFMA Foundation’s programs give youth of all backgrounds, especially in underserved communities, a real shot at financial independence and economic mobility,” said Melanie Mortimer, President of the SIFMA Foundation. “We equip and train teachers to offer essential skills and knowledge to their 4th-12th graders to navigate the capital markets and financial decision-making. To date, we’ve transformed the lives of 20 million students like Viraj through learning that is practical and fun.”

The Fall 2020 InvestWrite competition challenged students to write an essay about how they’ve adapted to change at some point in their lives, how a publicly traded company has adapted to change, and how that company’s stock could be combined with other stocks, bonds or mutual funds to create a successful long-term portfolio.

Shah developed a plan that would have an impact today and into the future and wowed the team of judges with his essay.

The Stock Market Game and InvestWrite competitions are offered in North Carolina through the North Carolina Council on Economic Education. The Stock Market Game was made possible by the generous support of Coastal Credit Union Foundation in areas where their footprint is present and the InvestWrite competition by Fidelity Investments. “We honor and congratulate our InvestWrite winning student and teacher,” said Sandy Wheat, Executive Director of the North Carolina Council on Economic Education, “Helping North Carolina 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 North Carolina economy.”

Viraj Shah and his teacher, May Quan, will be honored by the North Carolina Council on Economic Education and the SIFMA Foundation on April 30, 2021.

**Winning Essay by Viraj Shah**

Race to Stream

Imagine something as simple as a birthday party being a perilous health concern. With my deadly food allergies, this was a reality of life. Every meal had to be carefully planned, researched, and executed for my safety. Two decades ago, people were not free to watch movies instantaneously. Just like I had to plan my meals, people had to plan their movie nights. Consumers had to limit themselves to one type of entertainment for the entire family as they could only rent a limited number of DVDs. Because of my allergies, my family made sacrifices all the time, forgoing foods they enjoyed. Reed Hastings and Marc Randolph founded the popular streaming service we know today as Netflix in hopes of changing the entertainment industry. Risk comes with reward; the risk I took when I partook in oral immunotherapy (OIT) to help me get rid of my allergies. The result of adaptation through trial and error (risk), Netflix has established itself as a solid long-term investment.

Innovation, adaptation, and risk-taking are key ingredients for success. My parents searched long and hard to overcome my allergies through OIT- an innovative and adaptive approach that introduces minute amounts of allergen incrementally into the body that eventually builds up tolerance to the allergen. Similarly, in 2007, DVDs were no longer profitable. Netflix was facing certain demise and it had to take extreme risks. Netflix transformed itself and became a streaming service. In 2013, it produced its first original film, “The House of Cards,” by using a vast majority of its profits and loaned money. The stakes were high if “The House of Cards” failed. This was like me starting OIT, a risky new endeavor that could end in a fatal anaphylaxis reaction. I feared OIT was affecting my health; I experienced rashes, wheezing and vomiting. Every OIT visit was scary. I did not know how my body would react to the allergen. We adjusted my dosage and had frequent medical appointments. Netflix also calibrated to market trends and raised capital. Netflix and I both survived and transformed ourselves. I introduced more allergens in my body despite various setbacks; then came a big challenge day. It was time to take a 75% increase of allergen my body had tolerated since the last dosage. Just the thought left me trembling. Hastings and Randolph were probably feeling the same in 2013. Fortunately, “The House of Cards” and my OIT both declared success! I can now freely eat, attend gatherings, and enjoy outings with relatives. Netflix gained millions of subscribers internationally.

Every adversity is accompanied by a lesson. OIT has taught me lifelong lessons to never quit. It fuels me to keep going in the face of hardship. I am the pioneer in my family, as my sister just started OIT. I learned first and foremost perseverance, responsibility, discipline to follow the regimen of OIT, and resilience. If Hastings and Randolph never tried, they would never have experienced the success of Netflix.

With a clear business model, an intelligent CEO, transformation per market trend, and steady profit, Netflix is a great long-term investment. Netflix has delivered persistent subscriber growth while tripling net profit over the last three years. Net income, price ratios, and revenues are stunning year after year. It has steadily weaned itself from production studio dependence by creating original content. Its artificial intelligence delivery platform has a seamless viewing experience for customers. As Covid-19 has ravaged theaters, there is an abundant growth opportunity for premium at-home viewing experiences. Its aggressive growth strategy and readiness to adapt makes it a long-term investment. Its management team, led by Hastings, consists of top-notch Silicon Valley brains. According to Biz’s journal, “Hastings changed how people watch TV, enabling binge-viewing and making it part of the vernacular the same way “Googling” became a verb.”

My preferred diversified portfolio spans multiple sectors and industries and would consist of Apple, Costco, FedEx, Hasbro, Netflix, Nike, Pepsi, Chipotle, and Tesla with an expected return rate of over 20%. Strong fundamentals and people’s changing behavior – online ordering, bulk purchases, and getting new gadgets to keep kids occupied, underscore my picks. These companies have proven to be profitable over a long period and demonstrate Netflix-like core values. Finally, 20% of my portfolio will go towards mutual funds, which allows me to pool money together with other investors to be part of a collective investment and distribute risk. A mutual fund is considered a “safe” investment because the portfolio balances out with some losses and profits.

Overall, the story of Netflix and mine are quite comparable. Netflix has survived, improvised, and prevailed just like me over adversity and has a great future. With Netflix’s anchored portfolio, an investor is guaranteed a secure and balanced portfolio with above-average yields.

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**About the SIFMA Foundation for Investor Education**

The SIFMA Foundation is dedicated to fostering knowledge and understanding of the financial markets for individuals of all backgrounds, with a focus on youth. Drawing on the involvement and expertise of educators and the financial industry, the SIFMA Foundation provides financial education programs and tools that strengthen economic opportunities across communities and increase individuals’ access to the benefits of the global marketplace. Notable Foundation programs include The Stock Market Game™, which has enabled more than 20 million students to become financially prepared for life, the InvestWrite® national essay competition, the Capitol Hill Challenge™, and Invest It Forward®. For more information on the work of 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. Nearly 250,000 student essays have been evaluated by their teachers and over 40,000 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 and prizes including laptops, classroom pizza parties, trophies, plaques and banners, and certificates.

For more information about InvestWrite®, visit **www.investwrite.org**.

**About the North Carolina Council on Economic Education**

The North Carolina Council on Economic Education, a nonprofit organization, provides North Carolina K-12 students with the economic knowledge and financial skills needed to thrive in the dynamic economy. By providing quality training and up-to-date resources, the North Carolina Council on Economic Education partners with teachers and school divisions to help students develop decision-making skills needed to be informed consumers, productive employees or innovative entrepreneurs, thoughtful investors, and reasoned voters. For more information, visit **www.nccee.org.**

**About SIFMA**

SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry’s nearly 1 million employees, we advocate on legislation, regulation and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit **www.sifma.org**.

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