Making Money on Oil is a simulation in which students adopt the role of fund managers working for an investment company. Through a series of turns played in a network, students compete against one another and try to top the investment leader-board. The simulation aims to develop students' understanding of the supply and demand model.

**MAKING MONEY ON OIL**

You are fund managers working for the prestigious and highly demanding company – PETROVESTMENT. The company specializes in investments involving the purchase and sale of petroleum futures contracts. It is up to you to decide how to invest your clients' money; either buying or selling petroleum futures contracts, or simply leaving the money in a high interest savings account to accumulate.

The game is separated into a series of turns, or events. For each event you will be presented with news footage, you need to then consider how this particular event will affect the price of oil, and make your investments accordingly. If you think the price is going to rise, the best policy is to buy futures contracts. Likewise, if you think it will fall, the best option is to sell.

The investments for each term are fixed term, meaning that before making your investment decisions you will see the date when the investment will be automatically realized – this should help you to think whether you need to make the investment thinking in the short term or the long term.

☐ The winner of the game will be the group that has made the most money. **GOOD LUCK!**

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The simulation follows a series of turns. In each turn, the students watch a video news report for a specific day in time on the main projector of the class. Students have to think about how the events mentioned would affect the price of oil in the future. There are a wide variety of news reports which are selected at random to ensure that no two games are identical.
Students make their investment decisions on their individual screens. An investment timeline details the length of the investment in each turn, so that students can make their decisions about the future price taking into account the effects in the short-term, medium-term and long-term.

**MAKING MONEY ON OIL**

**INVESTMENT DECISION**

- Amount still available to invest: €1,000,000
  - Buy futures contracts: 0
  - Sell futures contracts: 0
  - Saving acc. (6.5%): 0

**INVESTMENT TIMELINE**

- Date of investment: 10 January 2011
- Date of maturity: 10 April 2011
- Total days: 90

**NEWS ROUND UP**

Mild winter as global warming prevails.

Climatologists reported today that this year’s winter looks set to be the warmest on record for the United States, as forecasts show record highs for the coming months across most states. The news confirms predictions that have long been held by the scientific community, who expect world temperatures to continuously rise as the greenhouse effect intensifies global warming.
Once the students have made their investment decisions and have seen the feedback news report, the results of the turn are presented to the class. A cumulative total is shown after each turn and serves as a ranking of the different investment groups.

<table>
<thead>
<tr>
<th>TEAM NAME</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ↑ Carlos</td>
<td>243750</td>
</tr>
<tr>
<td>2 ↓ Juan</td>
<td>220000</td>
</tr>
<tr>
<td>3 ↓ Patricia</td>
<td>168125</td>
</tr>
<tr>
<td>4 = Silvia</td>
<td>66250</td>
</tr>
<tr>
<td>5 = Shania</td>
<td>78750</td>
</tr>
<tr>
<td>6 = Mat</td>
<td>-218750</td>
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The professor controls the simulator from an individual screen. At all times the professor can see a list of those teams that have taken their decision in each turn and those that are yet to do so. The control screen allows the professor to pass turns whenever he/she wants and as such allows flexibility as to the timing of the class.