THE TRADING FLOOR: TEACHER RUN SHEET (do not project)

Topic 1.2 review game · 42 minutes, summed from the steps below. Visualize 4 · Explore 29 · Create 5 · Close 4.

Students run a live market. Half the room sells, half buys, and every deal lands on the projector as a dot on the **price tape**. Nobody announces a price, and the deals still settle near one. Round 2 adds a premium product (differentiation). Round 3 adds a permit only three sellers hold (a barrier to entry).

CED it practices: 1.2.A.2 (voluntary exchange generates revenue for sellers and creates value for buyers) · 1.2.A.3 (sellers seek higher prices, buyers lower) · 1.2.A.4 (a prevailing market price emerges) · 1.2.B.4 (commodity markets and efficiency) · 1.2.B.5 (differentiation) · 1.2.B.6 and 1.2.B.7 (barriers to entry, monopoly).

⛔ **The tape is not a supply-and-demand graph.** It's a list of real deals in the order they happened. The CED excludes drawing and manipulating supply and demand graphs from the exam, so don't draw curves on it. The point is that the room found a price without a curve.

Before the bell

- **Set your numbers on slide 1.** Use the + and − buttons for how many **sellers** and **buyers** you have (2 to 30 each), how many **permits** round 3 draws, and **minutes per round**. Equal sellers and buyers work best. Odd number of students? The extra one is the **clerk**.
- **Print the role cards** with the button on slide 1 (or slide 3), 8 cards a page, then cut them apart. The card numbers adjust to your count. Seller costs run from $2 up to $9 and buyer worths from $10 down to $3, so the market settles near $6 whatever size your class is.
- **Hand them out in order:** Seller 1, 2, 3… then Buyer 1, 2, 3…. Round 2's premium sellers are the even-numbered ones.
- **Animation:** the stadium crowd cheers on reveals. Turn it off on slide 1 if it's too much for your room.
- **Pick a clerk** who types fast. The clerk sits at the laptop, types each agreed price and presses Enter. On round 2 the clerk taps Standard or Premium first.
- Clear a lane to the clerk's desk. Deals walk up in pairs.
- **Print the trader sheet, one per student** (`02-WORKSHEET-trading-floor-trader-sheet`, front and back). Box numbers on the sheet match the gold TEACHER line on each slide. No student devices needed.

Minute by minute

Phase	Min	What happens
VISUALIZE	4	Same water, two prices: write what happens at halftime
EXPLORE	4	Rules + hand out role cards in order (seller 1..n, buyer 1..n)
EXPLORE	5	Round 1: predict, then trade (4:00 on the clock)
EXPLORE	3	Round 1 results + reveal
EXPLORE	5	Round 2: predict two prices, then trade
EXPLORE	3	Round 2 results + reveal
EXPLORE	6	Round 3: draw permits, predict, then trade
EXPLORE	3	Round 3 results + reveal
CREATE	5	Your move: which round is your market, and how you win
CLOSE	4	Exit ticket (worksheet box 6)
	42	

Game days run heavy on Explore by design. The market is the search. If you have 50 minutes, give the extra time to CREATE, not to a fourth round.

Rules you enforce (say them twice)

1. **Both people say yes, or there's no deal.** Voluntary exchange is the idea. Nobody can be forced.
2. **Sellers never sell below their cost. Buyers never pay above their worth.** A student who does has just lost money. Let them find that out once.
3. **One bottle per deal, then find a new partner.**
4. **FLOOR CLOSED!** means freeze, hands up. Practice it once before round 1.

What to listen for

- **Round 1:** early deals scatter, and the last five bunch up. Point at the green *last 5* line. Say: *"Did anyone in here set that price?"*
- **Round 2:** premium usually trades higher. **If it doesn't, that's the better lesson.** Ask who was buying and whether they believed the premium was worth it.
- **Round 3:** fewer sellers, same buyers. Permit holders discover they can hold out. Students without permits get loud about it, and that's the barrier-to-entry conversation. Tell them the course's word: barriers make entry **difficult**, not impossible (EK 1.2.B.6).

Misconceptions to catch

- **"The seller sets the price."** A seller sets an asking price. The market price is where sellers and buyers actually agree (EK 1.2.A.4).
- **"The average is the market price."** The early deals are exploration. The last few deals, once the room has learned, are closer to the prevailing price. That's why the tape shows the last five.
- **"Premium always wins."** Differentiation only works if buyers value the difference (EK 1.2.B.5). A premium nobody believes in is just a higher cost.

Exit ticket (worksheet box 6): what counts

Q1. Full credit explains that **sellers pushed for higher prices and buyers pushed for lower ones**, and the deals settled where both would still say yes. It has to mention both sides. *"The average"* or *"the teacher's numbers"* alone is partial credit.

Q2. Any real barrier from the course's list counts, as long as the student says **who it keeps out**: a patent, a license or regulation, limited access to suppliers, high startup costs, or low prices that come from large scale (EK 1.2.B.6).

If something goes wrong

- **Clerk falls behind:** pause the clock (Start/Pause), let the line clear, restart.
- **A wrong number gets recorded:** Undo removes the last deal.
- **Nobody trades in round 3:** that's a finding too. Ask permit holders what price they were holding out for, and why.
- **Short period:** skip round 3's prediction and cut the Create to its first question. Don't cut the exit ticket.
- **Lost track of what to click:** every slide has a gold TEACHER line at the bottom that says what to do next.

Every stand, bottle and price in this game is invented, and the deck says so. No College Board case material is used or adapted.