Case BE1 Instructions

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- Case overview, spreadsheet, description at <u>www.ftsmodules.com/ethics/ethics2010.htm</u>
- Overview has a discussion of the relevant issues and points of discussion before and after the trading
- The description is what is handed to students

- Save BE1.XLS on your computer
- Run the FTS Market
 - Select "The Excel workbook is saved on this computer"
 - Locate the file and open it
 - Note: if you open the workbook directly from the link, it sometimes opens in a browser, and the FTS market may not be able locate it in memory

The Workbook

- The workbook has several worksheets
 - BE1 has the usual case information
 - Note cell B5 which has the maximum number of traders
 - The Ranges sheet controls
 - The outcomes (generated randomly)
 - The information
 - You will see the case data at the top
 - Cell B17 has the "# per stock"
 - There is a button "Generate Info" next to it

The Workbook

- You have to select how widely the information is distributed
 - A student gets at most one piece of information on one stock
 - So if the number of traders is 48 and you set "# per stock" at 6, then 18 students will receive information, 6 per stock; the rest will not receive any information
 - If you set it at 16, then every student will receive information
 - 3 * "# per stock" must be less than or equal to the maximum number of traders

The Workbook

- Once you have set the "# per stock" click the "Generate Info" button
 - This will generate a new set of outcomes for the earnings and will create the information, consistent with these outcomes, in the worksheets named msg_1_1, msg_2_1 etc.
 - Msg_2_1 refers to the messages sent in trial 2, period 1

– Save the workbook

 Have set the information structure and having generated the information, you are now ready to run the case

FTS Market, Version: v8.0	x
Help	
C I want to download the cases from the FTS Web Site	
The Excel workbook with the cases is already open Find Excel File on Disk The Excel workbook is saved on this computer	
Select the case and click OK be1.xls BE1 OK OK	
 Save output in Excel Save output in files Save output in database 	
If you have trouble downloading the cases, you can download them manually below. If you still experience problem, click "Troubleshooting" below or contact FTS for help.	
Home Back Forward Stop http://www.ftsweb.com]
 FTS Case Workbooks. If you experience delays or any problem with the automatic download system: Click on the case workbook below you want and when prompted, click Open 	
 Select "The Excel workbook with the cases is already open" in the FTS Market (colored in green) Click "Locate Excel Workbooks" 	ш
 Click for <u>Case Descriptions</u> Case workbooks: All Cases: Click on ftsStandard xls 	
 o Bond Cases: Click on <u>ftsStdB0.xls</u> o Market Efficiency Cases: Click on <u>ftsStdRE.xls</u> 	
Option Cases: Click on <u>ftsStdOP.xls</u> Stock Cases: Click on <u>ftsStdStk.xls</u> Risk Management Cases: Click on ftsStdRM xls	
Swap and Eurodollar Deposit Cases: Click on <u>ftsSwapDeposit.xls</u> o Trading case GC1 (Note read the Instruction sheet in this spreadsheet	Ŧ

- Run the case as normal
 - No practice trials
 - Do not change the maximum number of traders
 - Allow connections
 - Let the students log in

- After the students have logged in
 - DO NOT CLICK START
 - We have to send the insider messages
 - Under the Messaging menu, select Extended
 Messaging

FTS Market, IP:192.168.0.101 Port:26888 Version: v8.0									
<u>File Options Display</u>	Microstructure Messaging Help								
Trial: 1 Period: 1 Initialize Start									
Time Left 300	Set the time and click Start to continue								
Int Rate 0.000000	Interest Payment Option								
Last Connection	Grade Information								

The Extended Messaging Interface

赛 Extended Messaging Interface								
Edit								
Initialize	1	•	🔽 Info from Excel	Public Message				
Enabl	u le Messaging	S	end Public Message	e				
Son	- Messages		how # Accepting					
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Messaging

- The rest is straightforward
 - Click Initialize
 - Click Enable Messaging
 - You will be asked to confirm
 - The traders will see their messaging window, described below
 - Check or uncheck "Show # Accepting"
 - If you check this, then students get to see how many other students have accepted the information; it allows the simulation of "if everyone is doing it, its OK for me to do it"
 - » If you do not want this, uncheck it



Messaging

- Click Send Messages
- After some time, click End Messaging
 - This will hide the messaging window, and you click
 Start to start the trading

Initialize	🖵 🔽 Info from Excel
Enable Messaging	Send Public Message
Send Messages	Show # Accepting
End Messaging	Fit Column Widths

Messaging

- At the end of the trial, the messaging window will come up again
 - Click Enable Messaging
 - Click Send Messages
 - Click End Messaging
 - Click Start to trade

• When you enable messaging, the traders see this window

Messaging	- 🗆 ×
Trial Period Time From Status M	essage
Messages Accept Reject	Send Forecast
	Message Send to Selected Clear Message Text Clear Recipients Update Trader List Status

- If they get a message, they can accept or reject it
 - If they don't then no message appears

Messaging	- 🗆 X									
Trial Period Time From Status N	lessage									
Messages Anonymous message received. Do you want to accept it? Accept Reject Send Forecast										
	Message									
	Send to Selected Clear Message Text Clear Recipients Update Trader List									
	Status									

- If they accept it, they see the message
- If you are showing the number accepting, then they also see how many have accepted

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Mess	ages Accep Reject	ot .] 1 or	ut of 48 hav	ve accepted				Send F	orecast		
					Messag	e Send to S Clear Re	Selected Cipients Mess	age re	Clear N Update eceived	lessage e Trader	Text List	

 When you click "End Messaging" the trader's messaging window is hidden; they can bring it up again from the Messaging menu item in the main trading window:

FTS Trader Number: 1, connected on: 1 Version: v10.0 Market IP: 192.168.0.103										
<u>F</u> ile	<u>O</u> ptions	<u>M</u> essaging	B	Book Colors Font Size Layout Excel Link Program T						
	Trial: 1 Pe	eriod: 1		Trading Name: Trader1				Grade: 0.,Cum Grade: 0.		
Time Left: 300			Case Name: BE1				Market Value: 1025			
Cash: 1025.				Ris	sk Free I	Rate: 0.000	0000		Rank	