

Case BE1 Instructions

© 2018 OS Financial Trading System

Moderator Instructions

- Case overview, spreadsheet, description at www.ftsmmodules.com/ethics/ethics2010.htm
- 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

Moderator Instructions

- 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

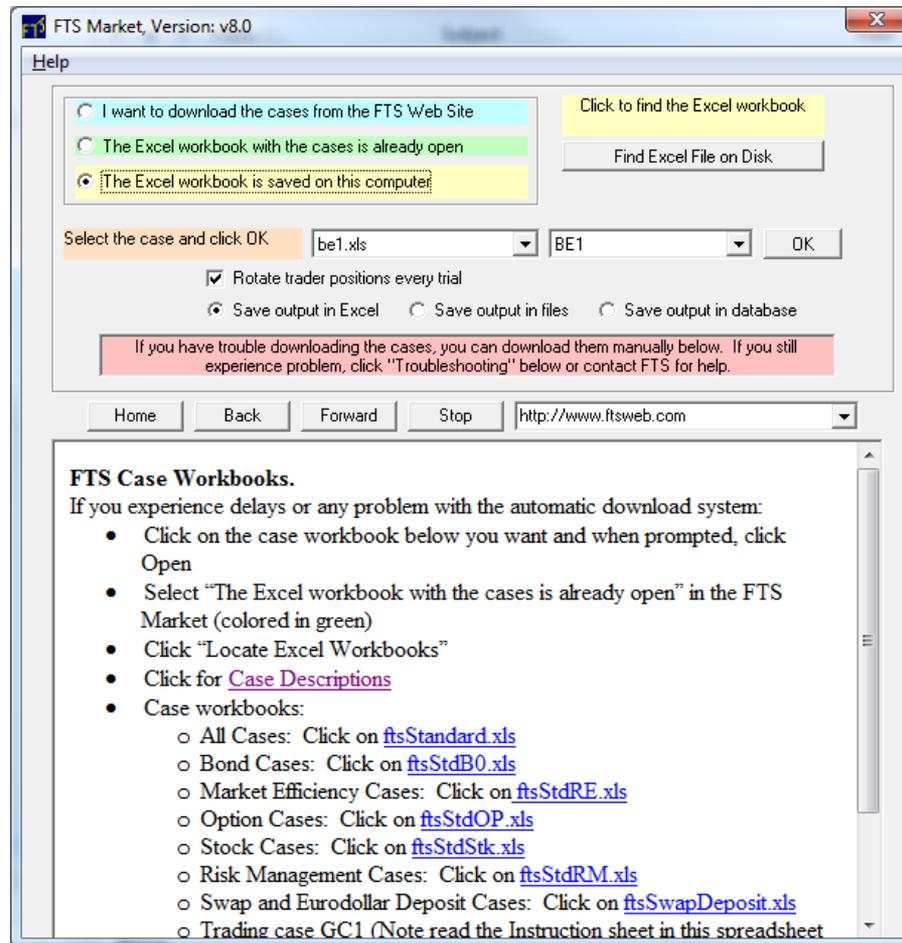
The Workbook

- 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
 - $3 * \text{“\# per stock”}$ 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

Moderator Instructions

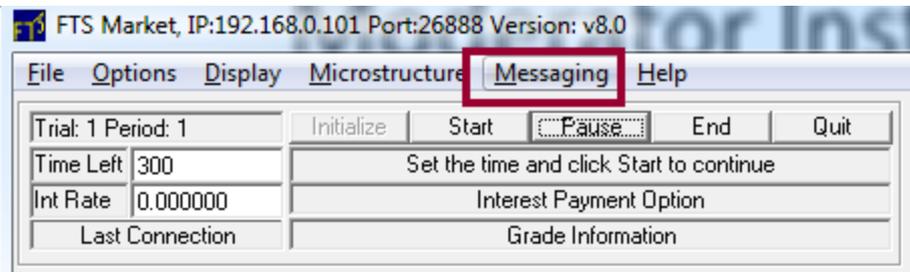


Moderator Instructions

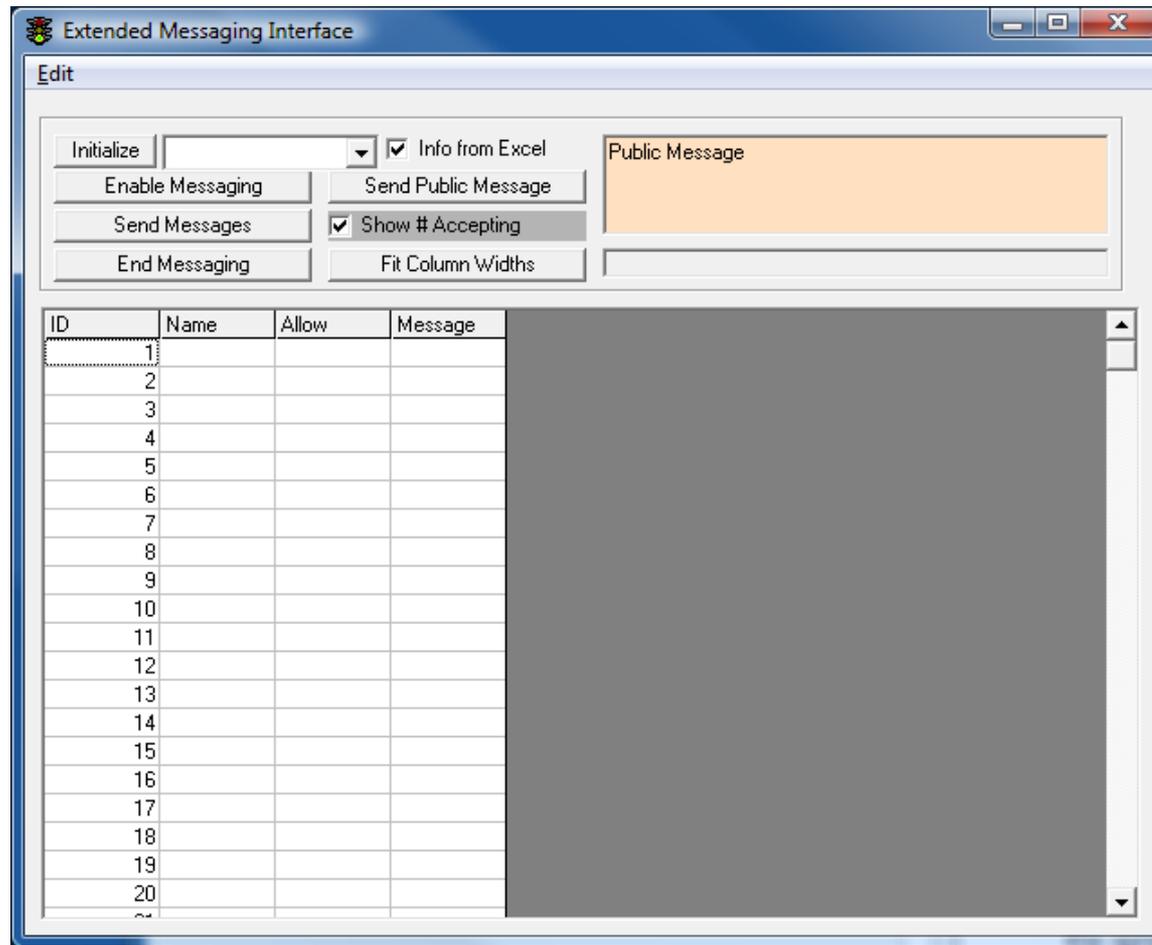
- Run the case as normal
 - No practice trials
 - Do not change the maximum number of traders
 - Allow connections
 - Let the students log in

Moderator Instructions

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

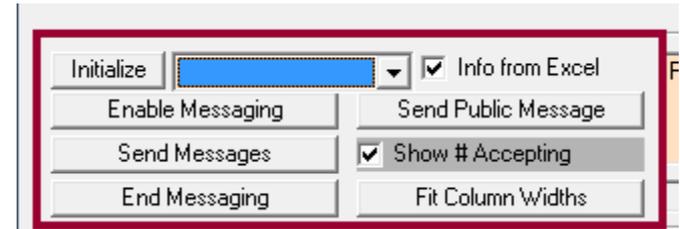


The Extended Messaging Interface



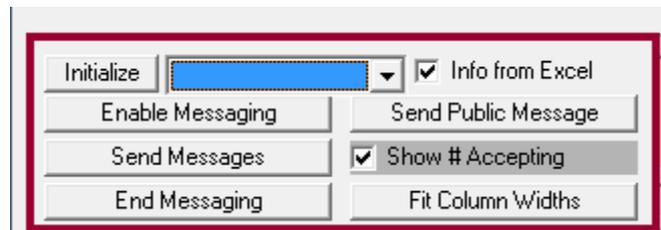
Messaging

- 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

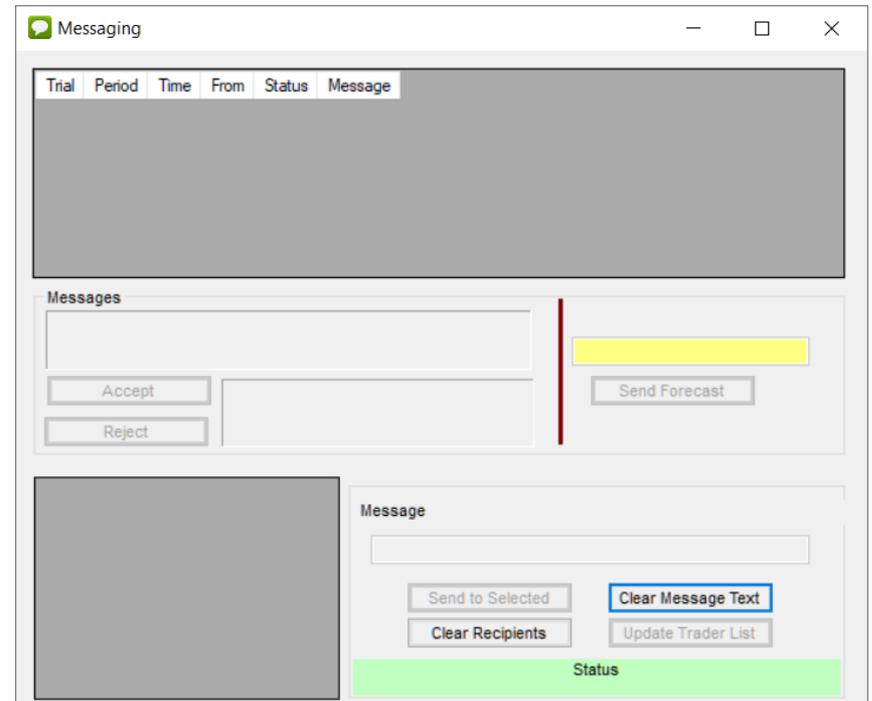


Messaging

- 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

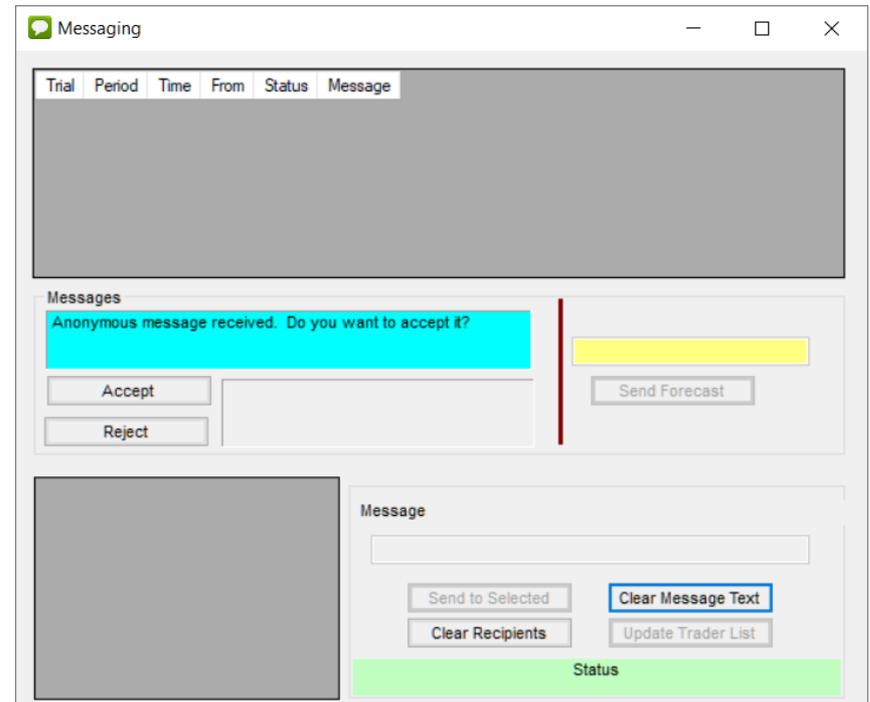
The Traders

- When you enable messaging, the traders see this window



The Traders

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



The Traders

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

The screenshot shows a 'Messaging' window with the following components:

Trial	Period	Time	From	Status	Message
1	1	300	0	Received	The earnings of BPH will be 0.70 so the value of BPH will be 21.00

Below the table, there is a 'Messages' section with a text input field, 'Accept' and 'Reject' buttons, and a green bar indicating '1 out of 48 have accepted'. To the right of this section is a yellow bar and a 'Send Forecast' button.

At the bottom, there is a 'Message' section with a text input field, 'Send to Selected', 'Clear Recipients', and 'Update Trader List' buttons. A blue bar at the bottom indicates 'Message received'.

The Traders

- 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:

