



Market Maker®: Basic Rules



1. Setting Up the Card Game

Market Maker is best played with 4 colors of poker chips or our print-and-cut tokens, available on our website via <https://bit.ly/MktMkrPrintAndCut>. If printing-and-cutting, you'll need one page per player. If using poker chips, designate one color to be the stock tokens, another to be \$100s, another color to be \$10s, and another color \$1s. Each player starts with 12 stock token chips and \$1200 in money chips: eleven \$100s, nine \$10s, and ten \$1s.

When you buy a stock, you pay for it at the agreed price by giving the seller the appropriate amount of money chips, and you'll get one stock token chip from the other player. Similarly, when you sell a stock, you'll give them one of your stock token chips and you'll receive the agreed price in money chips from the buyer. If you don't have enough money chips to buy another stock, you can't buy any more. Similarly, if you run out of stock token chips, you're done selling.

Shuffle the deck and deal two face-down cards to each person. Also deal face down on the table as many cards as there are players, minus 2. For example, with five players, deal three table cards. Put away the rest of the deck.

The stock price starts at \$100, and the dealt cards will move that price up and down when they are turned face up. At the end of the game, all cards will be face-up, and the Final Stock Price will be \$100 plus or minus those cards.

2. Using Your Private "Research Reports" Cards to Find Your Target Price

In Market Maker, just like in the real stock market, the idea is to use available information about a stock to estimate your Target Price™, how much the stock might be worth in the future. Estimate that with the value of your two private Research Reports™ cards, plus the values of the Morning News™ table cards, and the prices other players are offering.

To start, look at your two private cards and add them together. Add that number to the game's starting price of \$100 for your first Target Price, what the Final Stock Price might be at the end of the game when all the cards are added up.

If you are new to Market Maker, we've made calculating your Target Price easy with a mobile-friendly web app. Just point your browser to <https://play-the-market.com> and follow the easy instructions.

To be a winner, you must end the game with more money than you started with. To do this, you should **Buy** stock tokens at a price **Lower** than your Target Price and **Sell** stock tokens at a price **Higher** than your Target Price.

3. Buying From or Selling To the Market Maker

1. Each round, rotate the Market Maker role clockwise, starting with the player to the left of the dealer. The Market Maker begins the round of trading by announcing they will both Buy stock at a price \$2 Lower than their Target Price and they will Sell stock at a price \$2 Higher than their Target Price. This is a "spread" of \$4.
2. Going clockwise, each other player in turn must either Buy one stock from the Market Maker at that announced High price or Sell one stock to them at their announced Low price. Note that the Market Maker's Sell (High) price is what the Buyer will pay to get a stock token, and the Market Maker's Buy (Low) price is what a Seller will get for giving a stock token to the Market Maker.
3. Players should try to Buy at a price that is Lower than their own Target Price or Sell at a price that is Higher than their own Target Price. The mobile web app noted above will guide you toward what prices you should Buy or Sell, given your particular cards. After each player trades with the Market Maker, the round ends.

4. Showing Table Cards in the Next Rounds

1. To start each new round of trading, turn over one of the table's face-down cards. This is like waking up in the morning and seeing the Morning News, giving all new information about the stock and changing its price.
2. Players calculate their new Target Price by adding their private cards plus \$100 to the visible Morning News.

3. Pass the role of Market Maker clockwise, and play a new round as you did before, with the new Market Maker offering to Buy at \$2 Lower and Sell \$2 Higher than their Target Price. Each other player will decide to either buy or sell with the Market Maker, trying to Buy Lower or Sell Higher than their own Target Price.
4. In the last round, all the table cards are already visible, so the Morning News is done by having each player turn one of their two private cards face up on the table for all to see. Players calculate their Target price by adding their one remaining private card plus \$100 to all the visible cards. The final Market Maker offers their Buy and Sell prices, and each player makes their last trade with that Market Maker.

5. Finding the Winners (and Losers)

1. All players turn over their one remaining private card on the table, making all the dealt cards visible.
2. Calculate the game's Final Stock Price by adding together all the dealt cards plus \$100.
3. To see who won the game, everyone now resets back to their original 12 stocks:
 - Players with more than 12 stock token chips were Bullish that the price was going to go up, so they "went long". They now sell the excess to any other players with fewer than 12 stock token chips at the Final Stock Price. There will always be others who need to Buy to get themselves back up to 12 stocks.
 - Players with fewer than 12 stock token chips were Bearish than the price was going to go down, so they "sold short". They now buy stock tokens from any players with more than 12 at the Final Stock Price. There will always be others who need to Sell to get themselves back down to 12 stocks.
4. When everyone is back to 12 stock token chips, each player adds up their money chips.
 - Everyone with more than they started made a Profit! Congrats! You Bought Low and Sold High! :) • Everyone with less than they started had a Loss. They unfortunately Bought High and Sold Low. :(
5. Celebrate if you were one of the winners! Celebrate more if you were the biggest winner of the game!
6. If you had a loss or were not the biggest winner, think about how you might trade differently and play again! Want to practice? Try the web tutorial version at <https://marketmakergame.com>!

Market Maker® FAQs

Q: If I am supposed to Buy Low and Sell High, why do I Buy at the Market Maker's High price and Sell at their Low?

A: When the Market Maker offers to Buy stock, other players accepting that price would Sell stock to them. When the Market Maker offers to Sell stock to other players, they would Buy stock from them. It's confusing to think about both perspectives, but just think about yourself, your Target Price, and buying lower/selling higher than that price – easier!

Q: My Target Price is between the Market Maker's prices, so I can't Buy Low or Sell High. What should I do?

A: This means the offer prices are very close to what you think the stock is worth. In real life, you shouldn't buy or sell because you think there is no profit to be made. In this basic version of the game, however, the rules force you to make a trade, so you should Buy or Sell at the price closest to your Target Price to minimize your potential loss.

Q: I think the Final Stock Price is going to be even higher or lower than my calculated Target Price. Can I adjust it?

A: Yes! Perhaps you see that many other players think the price is going up, or down – or you think someone is bluffing! You can factor that in to your Target Price estimate. Hopefully it will help get you more profit!

Q: Can players trade with each other or can they only trade with the Market Maker?

Q: Can players trade more than one share with the Market Maker or not trade at all?

A: In this basic version of the game, you can only trade with the Market Maker and only for 1 share of stock. When you're ready, play with **the Advanced Rules** – the way it was meant to be played! After the Market Maker offers to Buy and Sell, all other players can jump in with their own Buy and/or Sell prices, and anyone can trade all their shares with anyone else at any price they like! Once all trading stops, pass the role of Market Maker clockwise, reveal the Morning News as in steps 4.1 and 4.4, and trade the remaining rounds! Score as in Step 5, and the highest profit wins!