



Global Trading Challenge

Trader's Handbook 2023

Bloomberg

Welcome

The **Global Trading Challenge** is the only Investment Simulation game that takes place entirely within the Bloomberg TerminalSM.

Last, more than **958** teams participated in the challenge, generating **25,000+** trades, and a theoretical profit of **\$20+** million.

Over the next 6 weeks, you'll get a chance to use real-world, real-time financial tools to develop an *investment strategy*, research *high-potential stocks*, put those theories to the test, and prove your trading skills!



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How do we Participate?

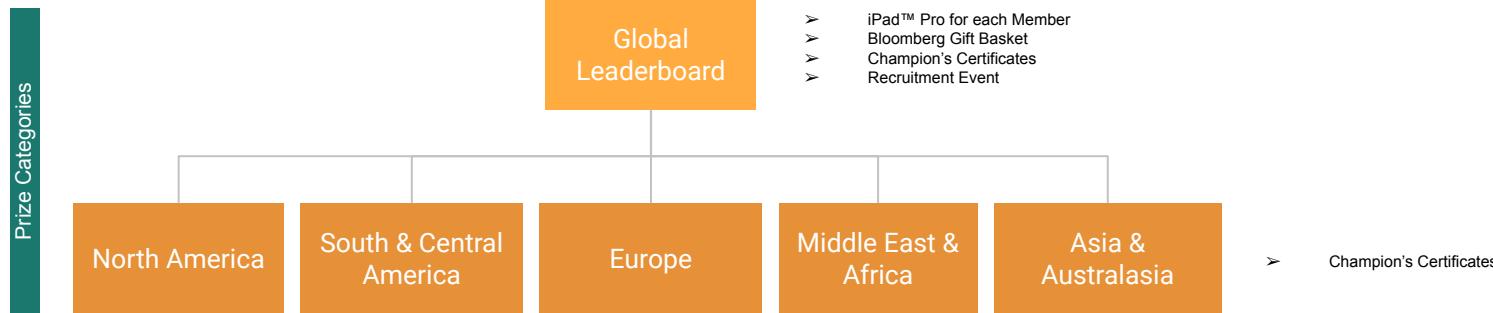
You'll form teams of 3-5 participants, plus a Faculty Advisor. You have \$1m to Invest, long-only, no leverage.

No single stock can make up more than 20% of your investments

You can invest in any stock contained within the *Bloomberg World Large, Medium & Small-cap* index, which offers over 10,000 stocks around the world

You'll enter your trades into the Bloomberg Terminal, and monitor your performance in real-time.

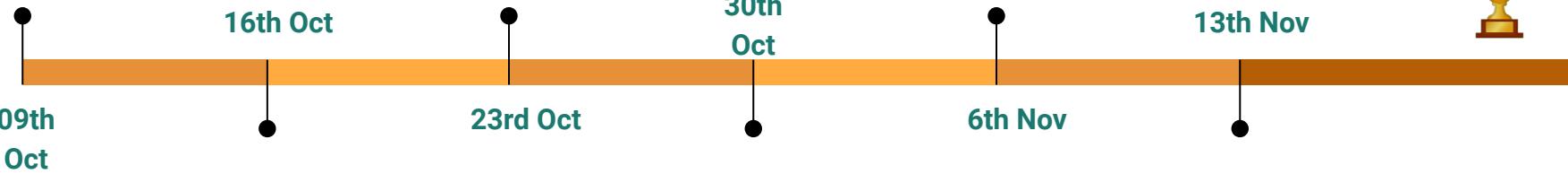
We'll send weekly leaderboards to track your progress



Timeline of the Challenge

Challenge Begins!

After registration closes, we'll send training resources to the teams to help get you ready.



Week 2 Results

By now you should have a feel for what's working. You can buy-and-sell stocks as the challenge progresses.

Week 4 Results

The final countdown begins! You have until Friday 18th to rebalance that portfolio and make good any losses!

17th November CHALLENGE ENDS

The Winners will be announced November 21st

Week 1 Results

During the Challenge, you'll be able to see your team's position in the overall rank, but the team names will be hidden. Each **Monday**, we'll release the leader boards.

Week 3 Results

Keep at it! Keep reviewing your portfolio and keep reviewing the news. If something isn't working, should you keep it? Should you take profit?

Week 4

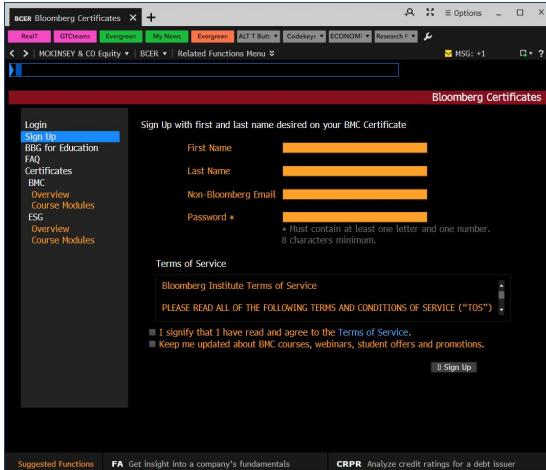
Last Chance! The challenge will end on Friday so this is the opportunity to make any final trades, take profit and line up for a photo finish!

Resources at your fingertips

We have a range of video resources in the *Bloomberg for Education* Web Portal. Here's how to find them:

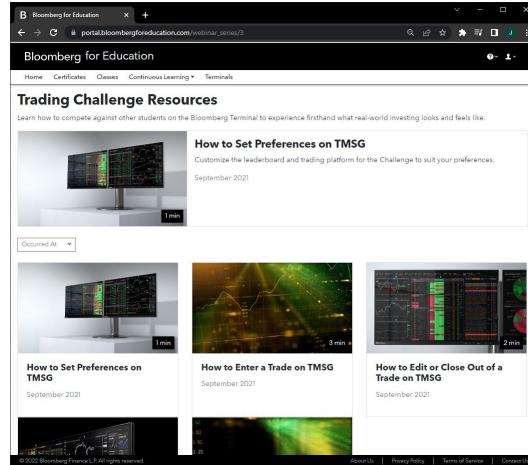
1

Visit **BCER<Go>** on your terminal



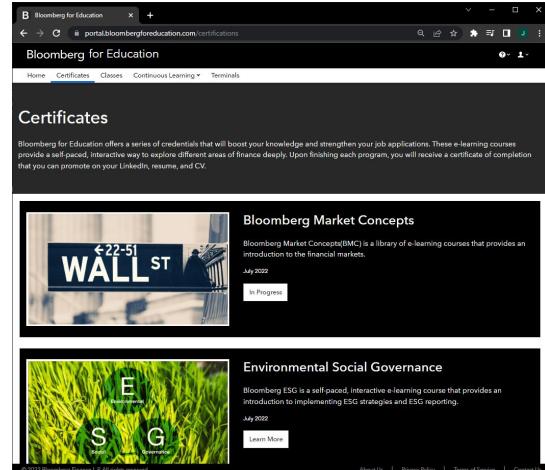
2

Click *Continuous Learning > Webinars*



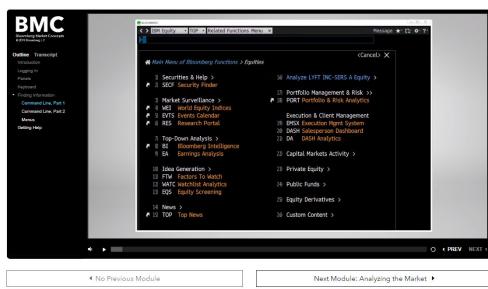
3

Click *Certificates > Bloomberg Market Concepts*



Resources at your fingertips (cont)

Terminal Basics: Using the Terminal



Portfolio Management: Generating Ideas for a Portfolio



If you're not yet familiar with using the terminal, we highly recommend the **BMC** module "*Terminal Basics*". This will get you up to speed with the fundamentals quickly.

How to Set TMSG Preferences

Click Me!

How to Enter a Trade in TMSG

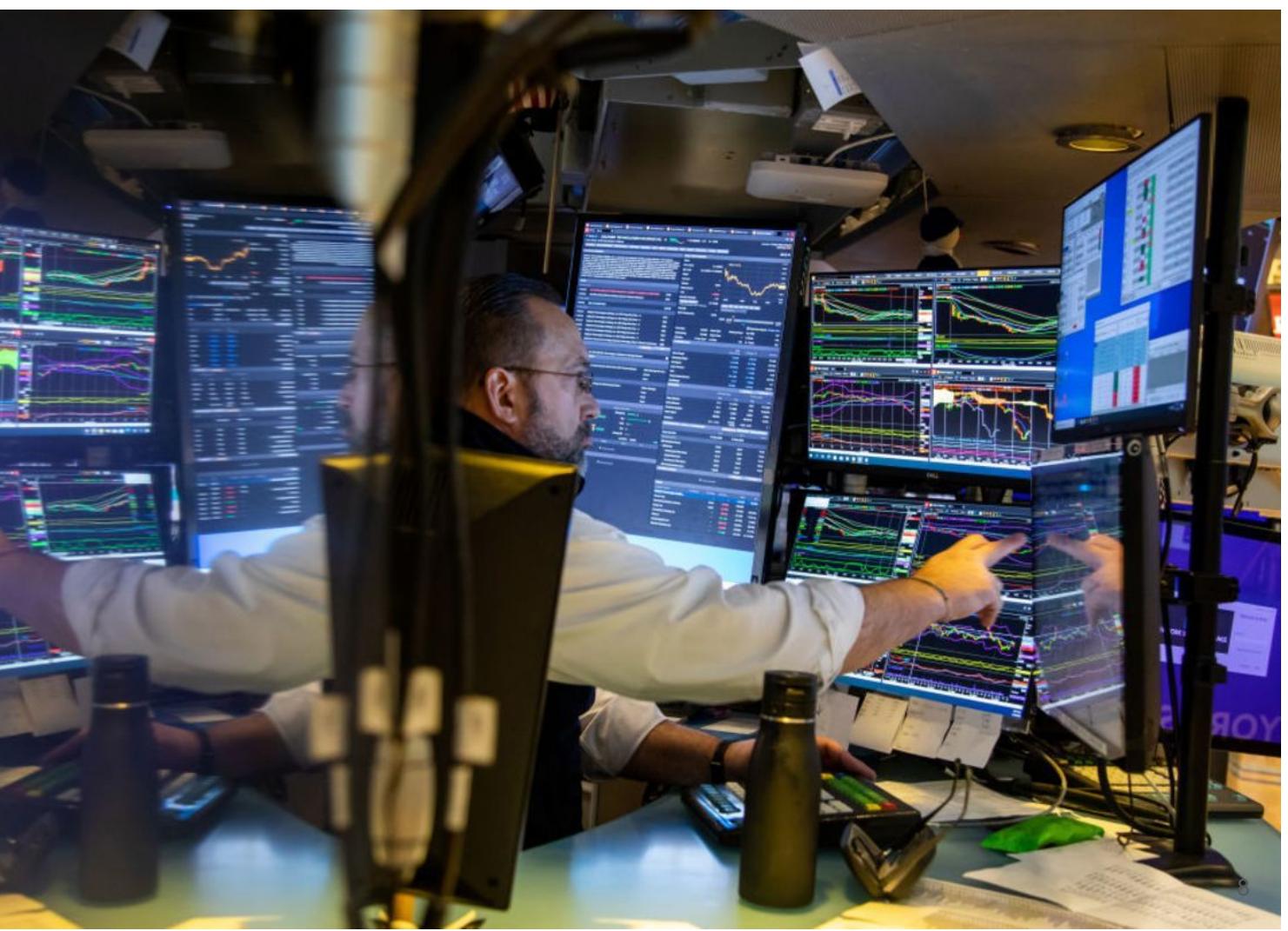
How to Edit or Close a Trade

How to see your Portfolio in PORT

Find Stocks you can Invest in

Entering Trades

Bloomberg

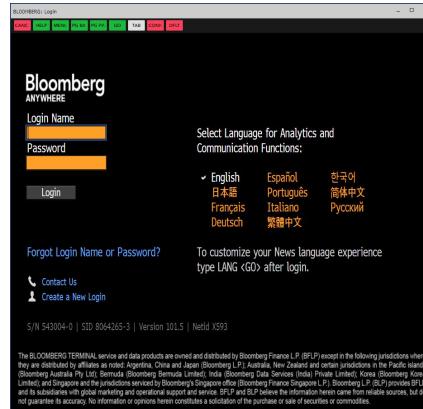


Getting Started with TMSG<go>

In each team, only the captain enters trades, after discussing with the team what to *Buy* or *Sell*.

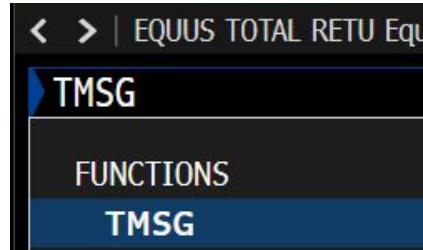
1

Login to the Terminal



2

Run TMSG<go>



3

Select the Challenge Network



Getting to Grips with TMSG<go>

You'll enter your trades using the screen **TMSG <go>**
Some trades will do well, others not so well - TMSG sums these up and presents a total P&L for the individual trader.

TMSG also produces Profit & Loss numbers compared against the benchmark. The win criteria for the challenge is the **Rel P&L** column.

1) Compose a new Trade

Groups let us roll-up individual trades into baskets to see overall P&L

(X) Close an existing Trade

The screenshot shows the Bloomberg TMSG <go> screen. At the top, there's a navigation bar with tabs like 'My News', 'GTTeams', 'Evergreen', 'ALT T Butt', 'Codekeys', 'ECONOMI', and 'Research F'. Below the navigation is a toolbar with buttons for 'Compose', 'Views', 'Networks', 'Actions', 'Settings', and 'Trade Ideas' (which is highlighted). The main area has a title '90<GO> to save current view' and a sub-section '1) Compose'. It includes filters for 'Launch' (set to 'BLOOMBERG/ LONDON - Test with PCTS'), 'Group By' (set to 'None'), and 'Evaluation Period' (set to 'Sent in Past'). A status bar at the bottom shows 'Currency United States Dollar Available Cash 243,502 Relative Index Security Default Index'.

	Status	Sender	Ticker	Side	Last Px	Gross E...	P&L	Rel P&L	Abs Rtn	Rel Rtn	Tgt Px	Upside	Last Up...
100	Open	N. Modak	COST US	Long	486.13	20,417	873	164	4.47	1.74	500.00	2.85	09/23/20
101	Open	R. Glueck	CF UN	Long	105.06	54,736	4,788	2,894	9.59	7.48		09/28/20	
102	Open	J. Coyle	CF UN	Long	105.06	54,736	4,788	2,894	9.59	7.48		09/28/20	
103	Open	N. Modak	CF UN	Long	105.06	54,736	4,788	2,894	9.59	7.48		09/28/20	
104	Open	N. Modak	AAPL US	Long	146.10	4,821	-129	-263	-2.61	-5.15		09/23/20	
105	Open	R. Glueck	AAPL US	Long	146.10	48,651	-1,312	-2,662	-2.63	-5.17		09/23/20	
106	Open	J. Coyle	AAPL US	Long	146.10	48,651	-1,309	-2,659	-2.62	-5.16		09/23/20	
107	Open	J. Coyle	TWTR US	Long	52.00	502,996	103,017	95,989	25.76	22.47		09/23/20	
108	Open	J. Coyle	AAPL US	Long	146.10	144,785	-5,074	-7,707	-3.39	-5.91		09/23/20	
109	Open	J. Coyle	TSLA US	Long	249.44	88,052	-11,889	-13,645	-11.90	-14.20		09/23/20	

Show / hide closed trades

P&L both Absolute and Relative to the Index.

1) Compose a new Buy Trade

1

Enter your Stock here

2

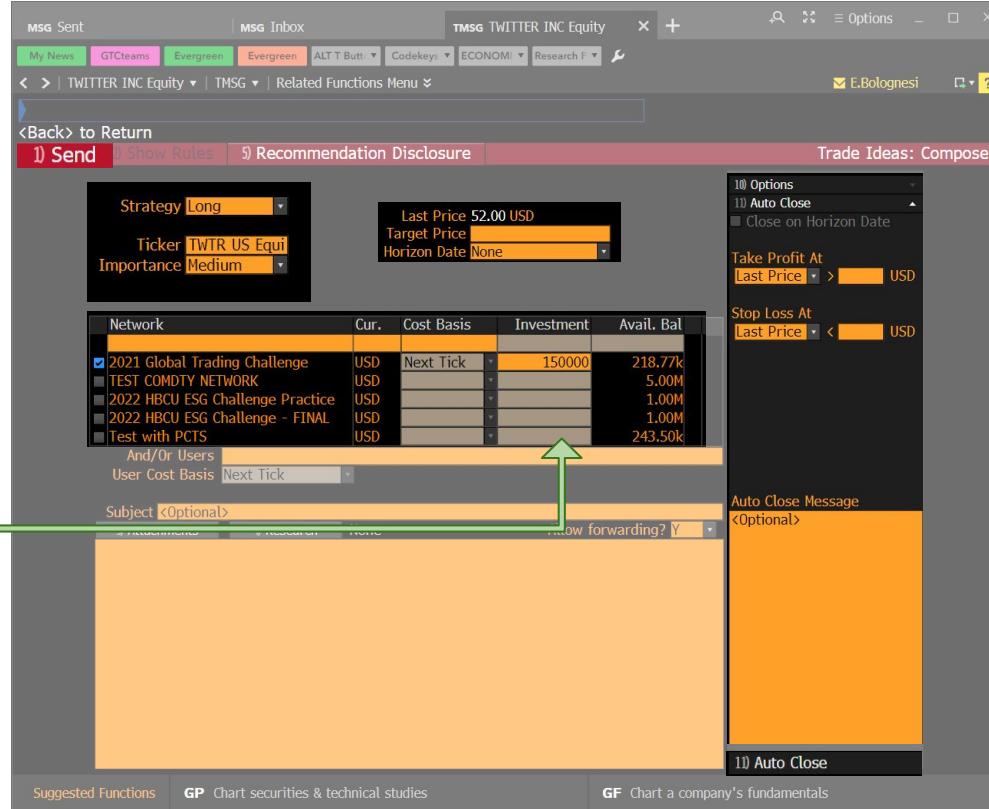
Check-off the Challenge Name

3

Specify your investment in \$\$\$

4

Click 1) Send to Complete



(Optional) "Target Price" is your estimated future price

These settings will automatically sell your position once the price hits a certain level. The position will close and your cash balance will increase.

(Optional) Click this to set Stop Loss/ Take Profit levels

Rules and Errors

There are a number of rules of the competition that TMSG will enforce automatically.

If you try to submit a trade that breaches one or more of the rules you'll be presented with an error message similar to this:

What it says	What it Means
"Max # Sell ideas is 0"	You've tried to enter a SHORT trade. <i>Please correct the strategy dropdown to "Long"</i>
"Minimum Cash Balance is 0"	You don't have enough cash to complete this trade. <i>Try to reduce your Investment amount.</i>
"Index Membership"	The company you want to buy is not part of the Bloomberg World Large, Medium & Small index (WLS). <i>Try a different company.</i>
"Maximum Position Size as a Percentage"	You can only invest a maximum of \$200,000 into any one company. <i>Try to reduce your Investment amount.</i>



There are other possible errors; if you see one that isn't listed, contact the helpdesk at:

bbgtradecomp@bloomberg.net

It's helpful to take a screen grab with the **GRAB<go>** command which will help us to diagnose the cause.

Closing a Trade (Selling)

MSG Sent | MSG (BBO) Matt Levine's Mone... | TMSG TWITTER INC Equity | +

My News | GTCteams | Evergreen | Evergreen | ALT T Butt. | Codekeys | ECONOMI | Research F | Options | - | X

◀ ▶ | TWITTER INC Equity | TMSG | Related Functions Menu | MSG: +2 | ? |

Close Idea

Idea
Cost
Target Price
Last Price

Long TWTR US Importance
41.35 Opened
0 Horizon Date
52.00 Relative Index
Total Return

Medium
9/23/22

SPX
25.756

Close Price Will Be Set To Next Tick

Comment to send in close MSG to recipients
Attachments None Allow Forwarding in MSG Y

Close Idea For Recipients
All Selected
Recipient Firm
Test with PCTS BLOOMBERG/ LONDON

tn Tgt Px Upside Last Up...

74	500.00	2.85	09/23/20:
48			09/28/20:
48			09/28/20:
48			09/28/20:
15			09/23/20:
17			09/23/20:
16			09/23/20:
47			09/23/20:
91			09/23/20:
20			09/23/20:

1 Click the red X next to the position

No need to adjust anything - will slow close.

2 Click Close Idea

Currency United States Dollar Available Cash 243,502 Relative Index Security Default Index

Suggested Functions GP Chart securities & technical studies GF Chart a company's fundamentals

Seeing the ‘Audit Trail’ of Trades



Transaction History

Network Test with PCTS
Member JAMES COYLE

Currency USD

Date	Description	Ticker	Debit	Credit	Balance	Margin
01/01/70 01:00	Closing				243,502	0
09/23/22 14:03	Opening				1,000,000	0
09/23/22 14:30	Open	TSLA US Equity	99,941		900,059	0
09/23/22 14:30	Open	AAPL US Equity	149,859		750,200	0
09/23/22 14:30	Open	JPM US Equity	99,982		650,217	0
09/23/22 14:30	Open	LCID US Equity	149,996		500,221	0
09/23/22 14:30	Open	TWTR US Equity	399,979		100,243	0
09/23/22 15:00	Open	AAPL US Equity	49,960		50,283	0
09/23/22 15:02	Close	LCID US Equity		144,813	195,095	0
09/23/22 15:03	Close	JPM US Equity		98,355	293,451	0
09/28/22 14:30	Open	CF UN Equity	49,948		0	

Excel Export | Close

It's sometimes helpful to understand the exact amounts that are being spent/received from the Buy and Sell trades. You can see the ledger in the **4) NETWORKS > Show History** menu.

“Debit” items = cash spent to buy stocks
“Credit” items = cash received from sale of stocks

You'll notice that when you enter a Buy order of \$100k, the debit is never *exactly* \$100,000. This because TMSG tries to buy the maximum number of stock units with the money you allocated. Because stock prices vary, it never sums up to *exactly* the full amount. It should be very close.

You'll also notice that during the 20 minutes it takes to execute a trade, the cash has not yet been posted to the ledger. It will in due course.

Tips For Success

Bloomberg



Top Techniques of Winning Teams

01

They Work *Together*

Decide early on what each team member is going to do and how you'll make decisions. It's easy for one passionate person to overrule the team, but winning teams are built on compromise and shared decisions.

02

They make an Investment Strategy, and *stick to it*.

Develop a clear process for deciding what you're going to invest in with reasons. Have frequent meetings to review the portfolio, and think how to apply your strategy to changing market conditions.

03

They understand that *Timing is Critical*

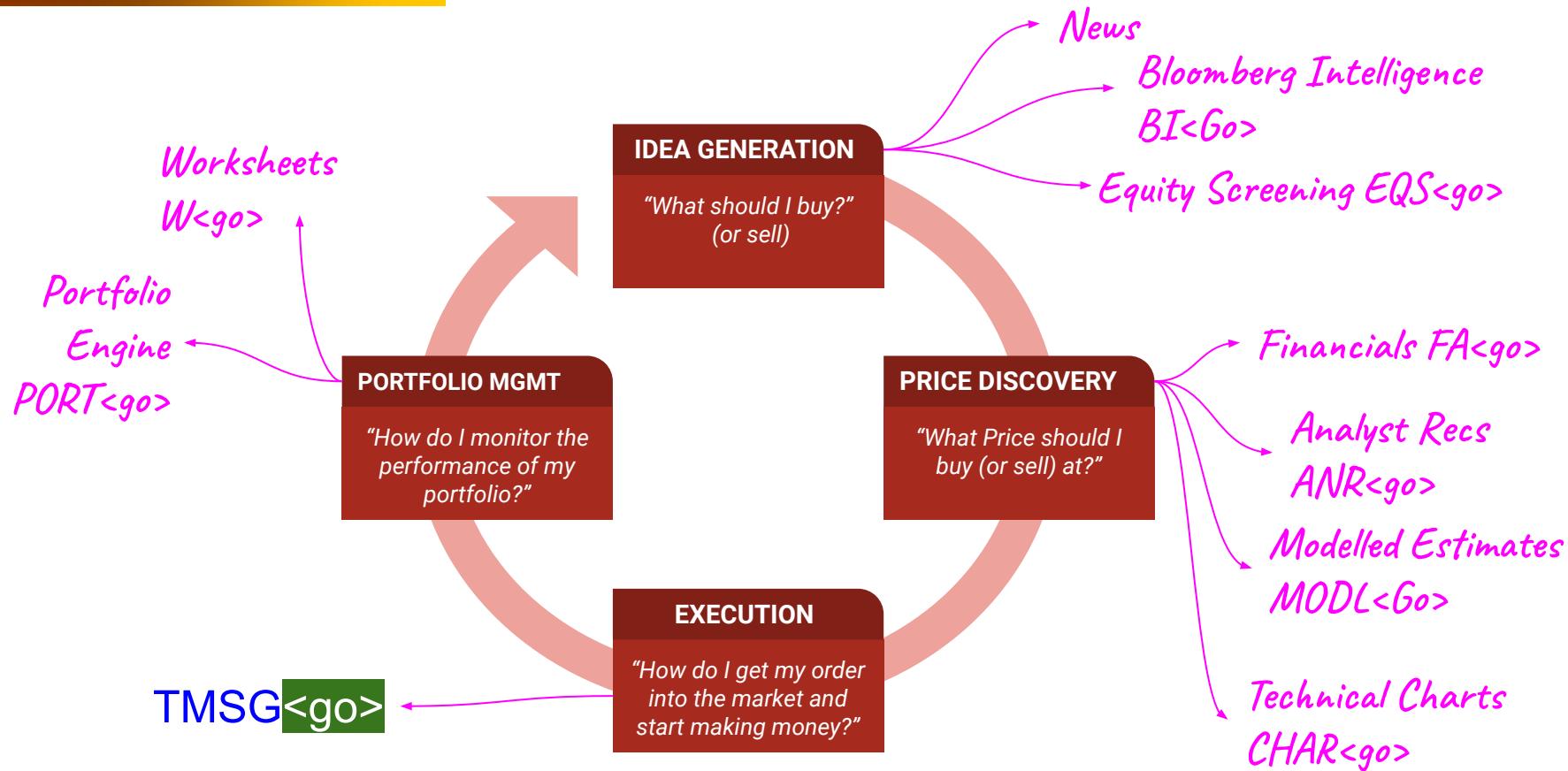
Remember, the challenge is time-limited: A strategy that needs 1 year to pay-off won't win the game. Use all the resources available on the terminal to monitor market sentiment, themes and trends.

04

They know that *tough times don't last, tough people do*.

In 2021, only 1 of our top-10 teams was on the leaderboard in first week. As markets move, strategies start to pay off and teams will move up (and down!) the rankings change rapidly. **Keep at it!**

The Investment Management Cycle



Understanding Relative P&L

In the Challenge we'll be ranking teams based on your **Relative P&L**. You'll see this column in the **TMSG<go>** blotter screen, and near to it **P&L**. What's the difference?

The important thing to remember is that you're being *measured against the benchmark*. This means that your trades don't just have to make money; they have to make *more money* than the benchmark index. For this reason, you can have a **positive P&L**, but a **negative Relative P&L**. And vice-versa, if the benchmark is doing badly.

The benchmark we're using in the challenge is the *Bloomberg World Large, Medium & Small Cap* index ("WLS Index") which you'll recognise as being the list of stocks which you're allowed to invest in.



Notice here that the **P&L** is still going up (white line) but the benchmark is going up faster (orange line). This means that the **Relative P&L** is negative, even whilst the portfolio as a whole was making money.

Some Insight from our Specialists

Steve Voss

Commodity Markets Specialist

"OPEC's tight grip on crude production pushed oil prices higher through the third quarter of 2023, pulling petroleum stocks such as Exxon Mobil Corp, Chevron Corp and Shell Plc higher. Continued strength in oil markets through the past two years has prompted management and shareholders at some Big Oil companies to slow efforts to switch to greener forms of energy and focus back on oil and gas production instead."



Kai Blatnicky

Equity Portfolio Specialist

"Interest rates are now at 15-year highs but economic data shows that inflation is still elevated above Fed targeted levels. Despite this backdrop, company earnings are expected to continue rise in the second half of 2023 and investors are hoping that margins and profitability can continue to improve, and drive stock prices higher, despite a challenging environment."



Kristin Mascolo

News Product Specialist

"Keeping tabs on news is no longer a nice-to-have, but a need-to-have in the portfolio management space. Additionally, the market has shifted to include social media chatter as a monitoring tool. For example, with the recent Wall Street Bets and retail stock frenzy, market players are looking to non-traditional media to include in their analysis."



Tim Hakki

Fixed Income/ Interest Rates Specialist

"As many believe global interest rates have begun to peak and inflation is somewhat easing, the question remains as to whether Global Central Banks have managed to balance these fiscal measures to bring prices back down without slowing down global economies too fast. A "hard landing", as you may have read about in the news, could have a huge knock-on effect for companies selling any goods that we might deem are not necessary or staple."



Getting Help in the Challenge



For questions about using the Bloomberg Terminal, each screen has a detailed Help Page that you can access by pressing the Green <help> key on your keyboard.



For questions about financial theory, calculations and concepts, check-in with your Faculty Advisor.



For questions about the Challenge, its rules rules, using TMSG, or anything in this guide please contact: bbgtradecom@bloomberg.net

Good
Luck!
:)

