

Our mission is to provide children with the necessary financial literacy skills to navigate the complexities of the modern economy. Through engaging and interactive educational programs, we aim to empower children to make informed decisions about their finances and develop healthy financial habits that will serve them throughout their lives. We believe that every child deserves the opportunity to build a solid foundation of financial knowledge and skills, and we are committed to providing accessible and effective resources that will help them achieve their goals.

October 2023 Newsletter

Topic: How to Invest Your Money Like a Pro (8-12-year-old kids edition)

Investing is a great way to grow your money over time. It's also a great way to learn about the financial markets and how to manage your finances. If you're an 8-12-year-old kid who's interested in learning more about investing, here are a few tips to help you get started:

1. Learn the basics of investing.

There are many different ways to invest your money, so it's important to learn the basics before you get started. Here are a few key things to know:

- **Stocks:** Stocks are shares of ownership in a company. When you buy a stock, you're buying a piece of that company. If the company does well, the value of your stock will go up. If the company does poorly, the value of your stock will go down.
- **Bonds:** Bonds are loans that you make to a company or government. When you buy a bond, you're lending money to the issuer of the bond. In return, the issuer promises to pay you back the principal amount of the loan plus interest at a specified rate.
- **Mutual funds:** Mutual funds are baskets of stocks and bonds that are managed by professional investors. Mutual funds are a good way to invest in a variety of different assets without having to pick individual stocks and bonds yourself.
- **Exchange-traded funds (ETFs):** ETFs are similar to mutual funds, but they trade like stocks on an exchange. ETFs are often less expensive than mutual funds and offer more flexibility.

2. Choose an investment strategy.

Once you understand the basics of investing, you need to choose an investment strategy. Your investment strategy should be based on your financial goals, risk tolerance, and time horizon.

If you're young, you have a long time horizon, so you can afford to take on more risk. This means that you can invest in assets that have the potential to generate higher returns, such as stocks. As you get older and get closer to retirement, you may want to shift your investment strategy to more conservative assets, such as bonds.

3. Open a brokerage account.

To invest your money, you need to open a brokerage account. A brokerage account is a type of account that allows you to buy and sell stocks, bonds, and other investments. There are many different brokerage firms to choose from, so it's important to compare their fees and services before you open an account.

4. Start investing small.

You don't need a lot of money to start investing. Even if you can only invest \$20 or \$30 a month, that money will grow over time. The important thing is to start investing early and to be consistent with your investments.

5. Monitor your investments.

Once you start investing, it's important to monitor your investments regularly. This means checking on the performance of your investments and making adjustments to your investment strategy as needed.

Here are a few additional tips for investing as a kid:

- Ask your parents for help. Your parents can help you open a brokerage account and choose investments that are right for you.
- Read books and articles about investing. There are many resources available to help you learn more about investing.
- Talk to a financial advisor. A financial advisor can help you develop an investment strategy and choose investments that are right for your individual needs.

Investing can be a great way to grow your money over time. By following these tips, you can start investing like a pro, even if you're an 8-12-year-old kid.