

A Reading Guide for Parents

WHAT IS A STOCK?

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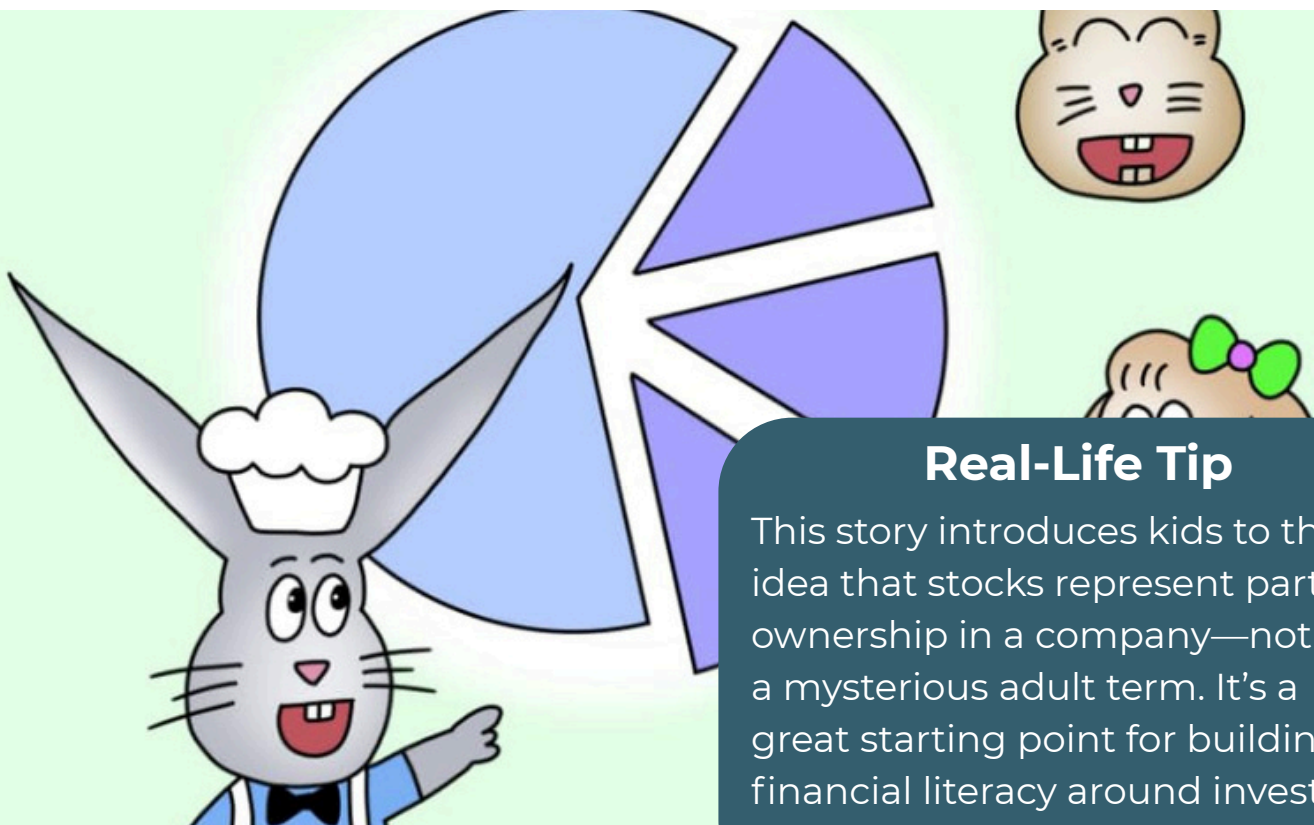
 Ages: 3+



Even cookies can teach us how investing works—this story introduces stocks, shares, and teamwork in a way kids can actually understand.

RADIX

Story Snapshot



Real-Life Tip

This story introduces kids to the idea that stocks represent partial ownership in a company—not just a mysterious adult term. It's a great starting point for building financial literacy around investing and long-term growth.



Charlie owns a cookie bakery, but he dreams of growing his business to sell even more sweet treats. To raise money, he asks friends to buy shares of his company, offering them a chance to share in the bakery's future profits. The group becomes a team—investing their money, helping spread the word, and cheering on the business as it grows. The bakery does well, and everyone benefits.

Conversation Starters

Before Reading:

- What kind of business would you start if you could sell anything?
- Have you heard the word 'stock' before?



While Reading:

- Why does Charlie need help to grow his bakery?
- What does it mean when someone buys a share?

After Reading:

- What did the shareholders get in return for their money?
- Why might someone want to invest in a business?
- What happens if a business doesn't do well?
- How is being a shareholder like being on a team?
- What's something you would invest in if you could?
- Why is it good to share profits with the people who help you grow?

Key Themes



Ownership Through Shares

When Charlie sells shares, his friends become part-owners of the cookie business. This helps kids see that stocks aren't just numbers—they represent real pieces of real businesses.



Investing to Grow

Charlie doesn't have enough money to grow his bakery alone, so he raises capital from others. This introduces the idea that investing is a tool to fund goals and expand potential.



Sharing in the Profits

When the business succeeds, the shareholders receive part of the profits—called dividends. Kids learn that investing can lead to shared rewards when things go well.



Value Can Rise or Fall

The book introduces the basic idea that share values can change over time. It plants the seed that investing involves both opportunity and some risk.

WHAT IS A STOCK?



Talk about it with your kids

- What does it mean to own part of something?
- How do people decide which businesses to invest in?
- Why do investors take risks?
- How is investing different from earning or saving?
- Can kids invest their time or ideas like Charlie's friends did?
- Why is it important to work together when you're building something?



Activities to try at home

- **Cookie Company Roleplay:** Set up a pretend “cookie business” with your child and act out customers, investors, and profits.
- **Create a Share Certificate:** Make a paper share for your child's pretend business, then “sell” it to a family member. Talk about what it means to share ownership.
- **Profit Sharing with Chores:** Let your child “invest” time in helping with a family task—then reward them based on the success (like a family goal reached).
- **Watch a Real Business Grow:** Choose a familiar brand and track (visually) whether it's growing (new stores, ads, products). Talk about how it might affect stockholders.

Family Money Moments

Mini Challenge: The “Needs First” Shopping Game

For Younger Kids (3-5): Let your child “buy a share” in a pretend business at home—like a lemonade stand or toy shop. Involve them in simple decisions like setting prices or decorating.

For Older Kids (6+): Choose a real company your child likes and buy one share together. Track the price weekly and talk about how news or business changes affect the value.

Daily Practice Tip:

When you hear about the stock market on the news or see a familiar brand, say: “That’s a company someone might own a little piece of—just like Charlie’s friends!”



Want more money moments?



See the full book list

We've curated a full list of age-appropriate, story-driven books to help kids build a strong foundation in financial confidence.



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