

Talking to Your Parents About Investing

A conversation guide for teenagers

Why Start Now?

Starting to invest as a teenager gives you the most powerful advantage: TIME.

Even small amounts grow dramatically over 40-50 years thanks to compound interest.

How to Start the Conversation

1. Pick a good time when you can talk without interruptions.
2. Start with: "I've been learning about investing and compound interest.
Can we talk about how I might start investing some of my money?"
3. Share what you've learned - show them the calculator!
4. Ask: "Would you help me open an account and learn how to do this?"

Questions to Ask

- What investment accounts are available for teenagers?
- Can we open a custodial account or Roth IRA together?
- How much could I start with from my allowance/job/gifts?
- What are the basics I need to know about investing safely?
- Could we set up automatic monthly transfers?

Account Options for Teens

CUSTODIAL ACCOUNTS: An adult manages until you're 18-21

ROTH IRA: Tax-free growth, but you need earned income

HIGH-YIELD SAVINGS: Safe place to start learning

Getting Started: Action Steps

STEP 1: RESEARCH TOGETHER

Look at beginner-friendly platforms like Fidelity, Schwab, or Vanguard. Many have teen accounts with low or no minimums.

STEP 2: UNDERSTAND THE BASICS

- Index funds: Invest in many companies at once (less risky)
- Dollar-cost averaging: Invest regularly, not all at once
- Long-term thinking: Don't panic when markets go down

STEP 3: START SMALL

You don't need thousands of dollars. Many accounts allow you to start with \$1-\$50. The habit matters more than the amount.

STEP 4: AUTOMATE

Set up automatic transfers so you "pay yourself first" every month without thinking about it.

Resources to Learn More

Khan Academy - Free courses on investing basics
Investopedia - Clear explanations of financial terms
Your school or library - May offer financial literacy programs

Remember

Investing always involves risk. Markets go up and down.
The key is staying invested for the long term - decades, not days.

Starting early with even small amounts can make a huge difference in your financial future. The compound interest calculator shows that \$100/month starting at age 18 can grow to over \$300,000 by retirement!

You've got this! Time is on your side.

This guide is for educational purposes only. Always consult with a qualified financial advisor before making investment decisions.