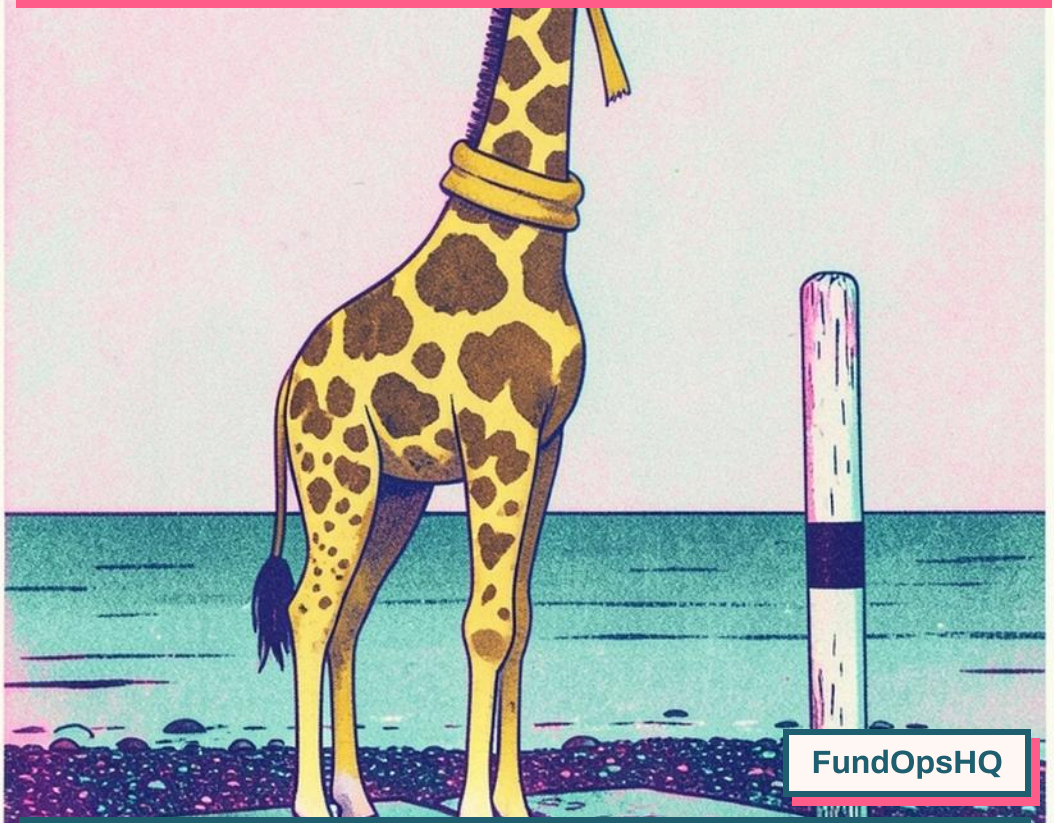
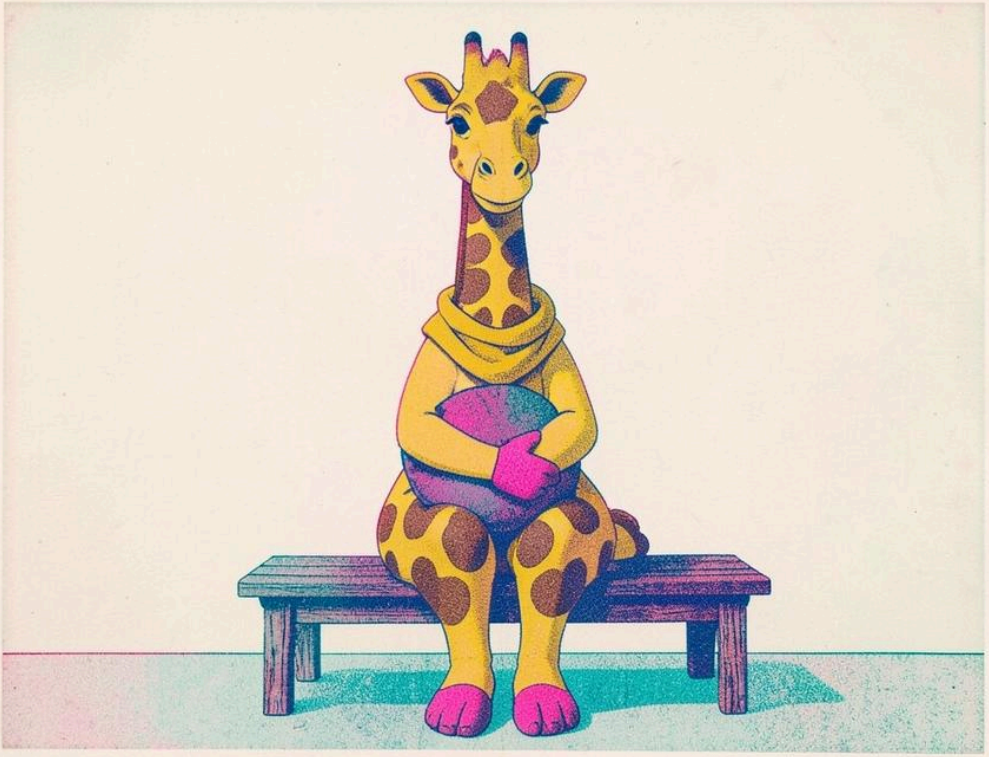
GILDA AND THE TIDE MARK

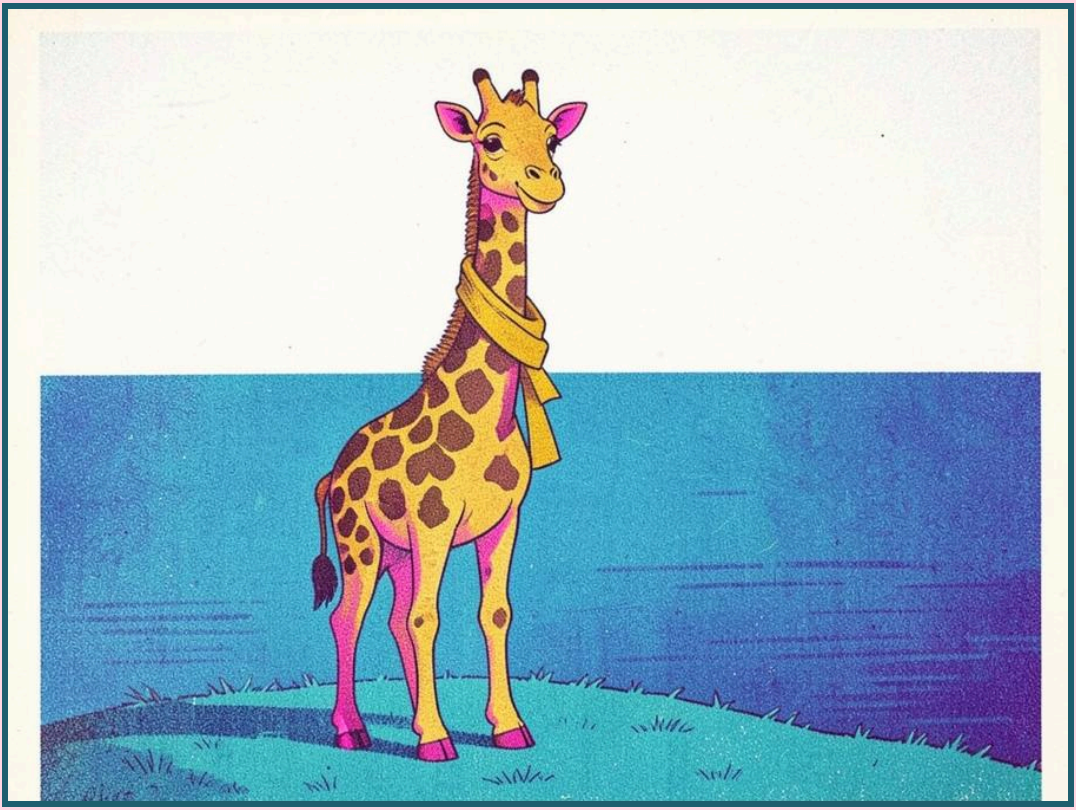


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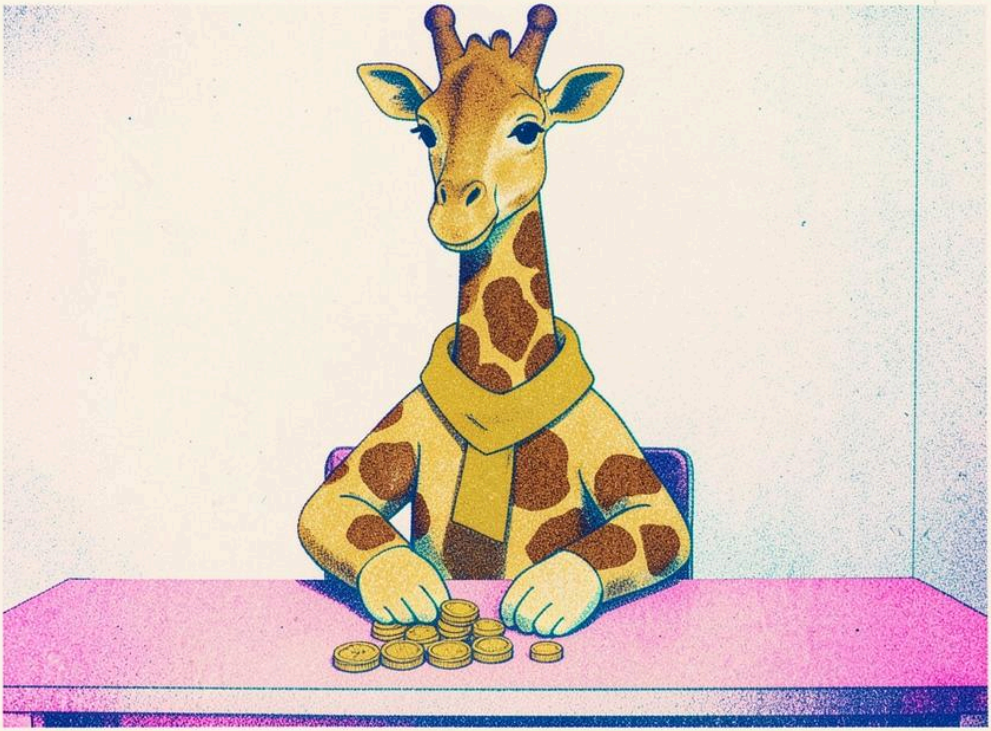
A story about the high-water mark



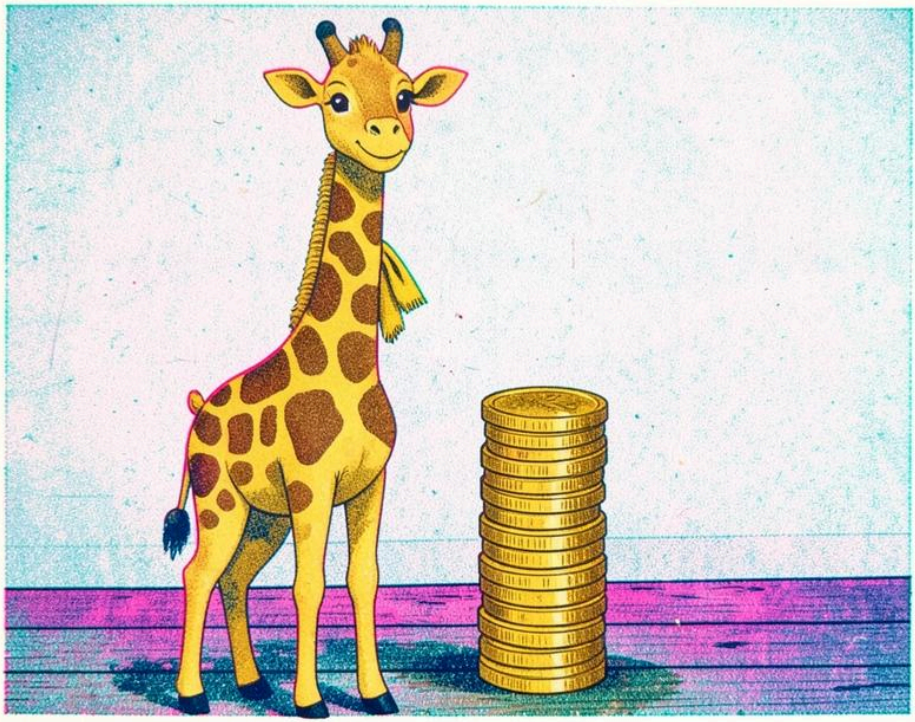
This book belongs to



Gilda the giraffe ran a hedge fund by the sea. Animals put their coins in, and her fund bought shares in companies it thought would do well.



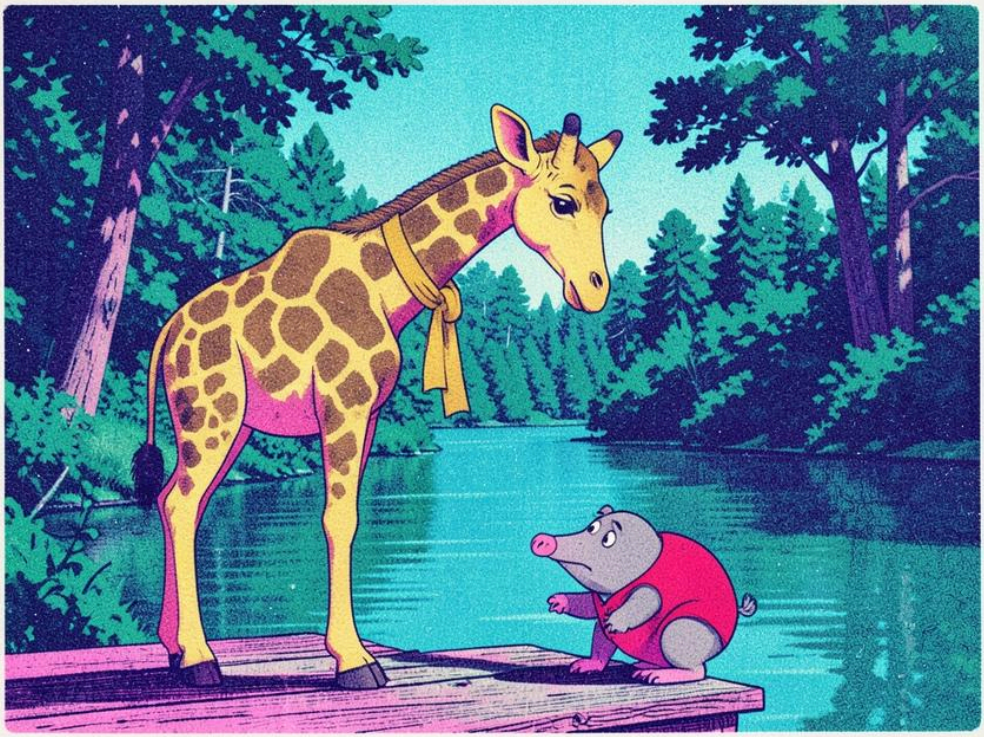
Each year she took a small fee for running the fund. And when the fund made money, she took one coin in every five of the gain.



Her first year went well. After her small running fee, every 100 coins grew to 120. Gilda took 4 of the 20 gained, leaving 116.



Then came a hard year. Prices fell across the market, and every 116 coins shrank back to 100. There was no gain, so Gilda took no share.



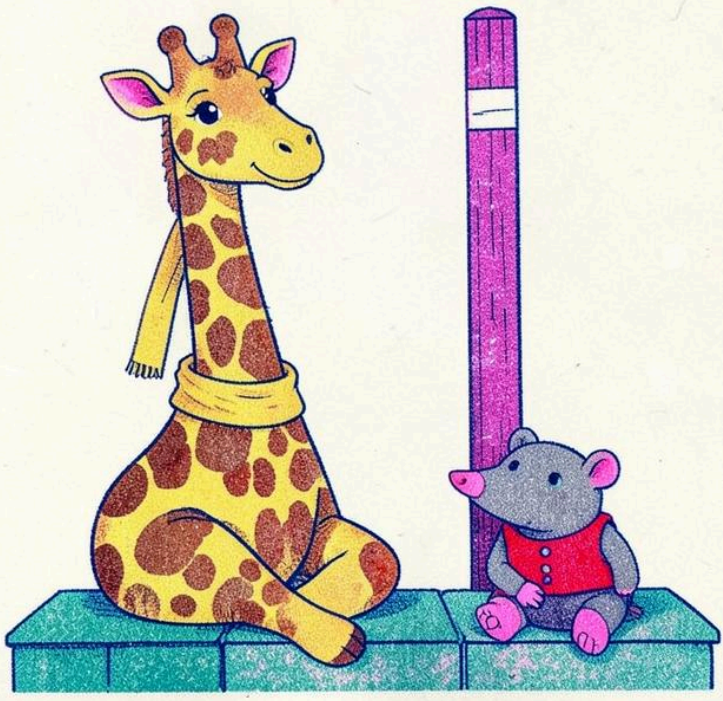
Barnaby the mole had put in his savings. "If it climbs back to 116," he asked, "will you take a fifth of that climb as well?"



Gilda walked him to the end of the old stone pier. On the last post was a white painted line, high above the water.



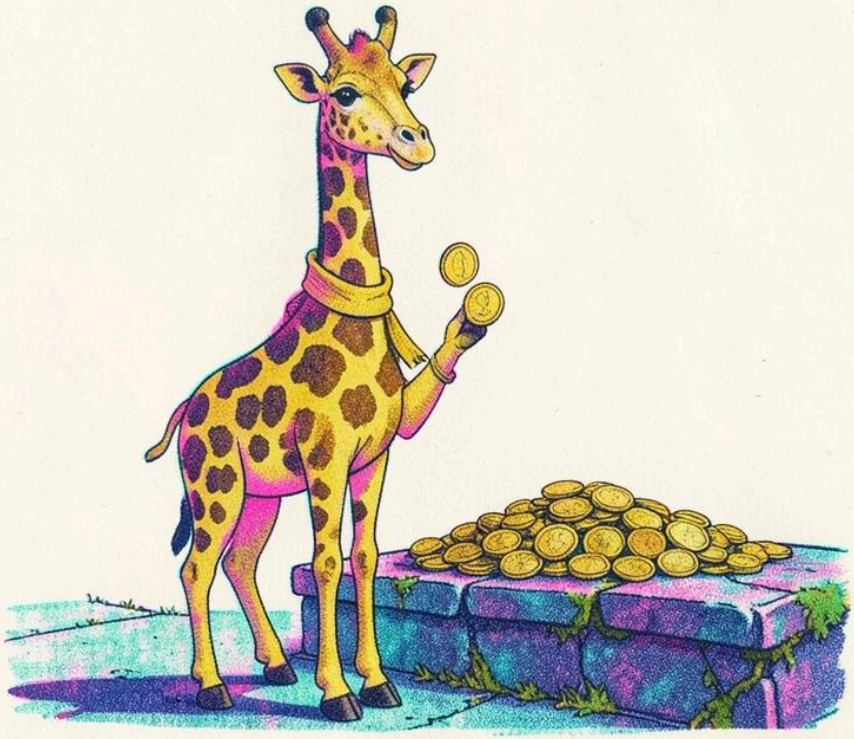
"That line shows the highest the tide has ever reached," said Gilda. "Our fund keeps a line like it. We call it the high-water mark."



"Our line sits at 116," she said. "You paid me once for getting there. Until we climb above it again, I take no share of the gain."



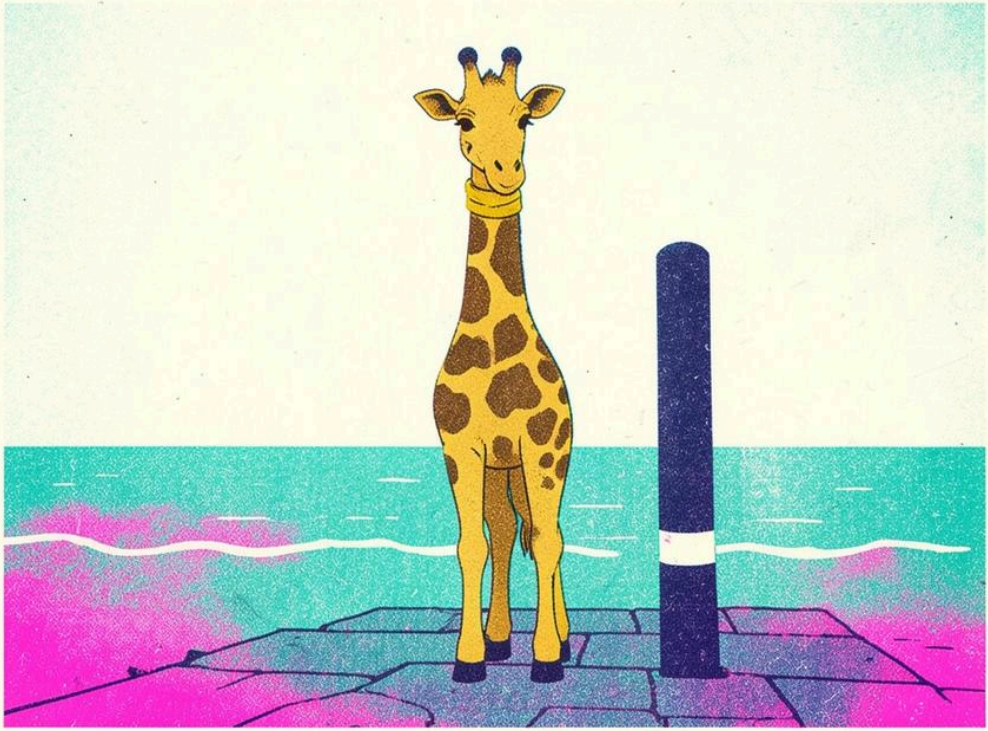
The next year the fund climbed slowly back to 116, after her running fee. Barnaby watched closely. Gilda took no share of the gain.



The year after, it rose to 126. "Only the 10 coins above the line are new," said Gilda. "My share is one in five of those: 2 coins."



"So I never pay twice for the same climb," said Barnaby. "That's right," said Gilda. "I only earn my share when you reach new heights."



Gilda moved the fund's mark up to 124, its new high after her share. From then on, her share would only come from climbing above it.



Barnaby kept his coins in Gilda's fund. On calm evenings they sat on the old pier together and watched the tide come in.



A NOTE

The words in this book are real ones, explained simply. The animals and examples are made up, and real terms vary from fund to fund. It is not advice. The pictures were drawn with an AI image model and checked by hand.

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