

Don't Wait! It could Cost you BIG!



What we are talking about is a savings philosophy so effective that it can put your future finances on easy street.

Yes, Easy Street! It can help you build wealth for decades while you literally do nothing. It may just be the lowest effort way to set yourself up for a nice retirement. Here is how it works.

You save as much as you can as early as you can. Why is this strategy so effective? There are two reasons:

1. Money invested earlier in time typically grows more than money invested later in time

This first point is just math. If we assume that markets compound by some positive rate each year (on average), then money invested earlier will grow to more than money invested later.

2. Compounding money is easier than saving money

This second point is behavioral. It takes all sorts of willpower and planning to save money throughout your life. However, when it comes to compounding your money, it takes almost no effort at all. All you have to do is wait and the market does the hard work for you.

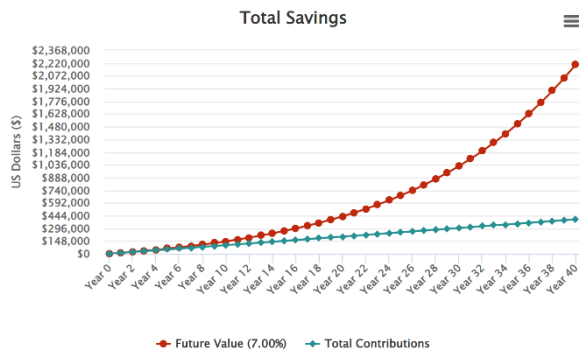
You can see why this strategy is an excellent way to build wealth early and set yourself up for an easier financial future. Of course, saving a vast sum of money early in your career isn't easy, especially if you have low income. However, if you are able to find a way to save during the first decade of your career, it will pay off in big ways.

How big? Consider the example on the next page that shows what would happen if you saved \$10,000 a year starting at age 25 vs. age 35.

Starting Early vs. Starting Late

START SAVING AT AGE 25

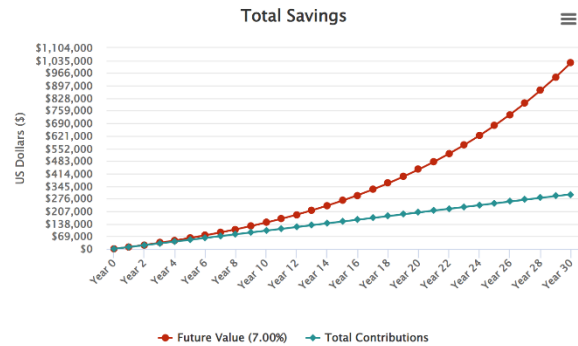
Begin saving in your first year of employment



\$2.2M - Contributions \$400K

START SAVING AT AGE 35

Wait 10 years into your career to begin saving



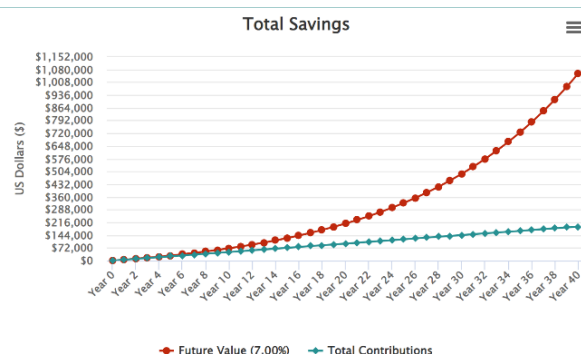
\$1M - Contributions \$300K

The staggering increase in the “Start Early” portfolio is completely due to compounding and not the additional \$100,000 (10 years at \$10,000 a year) in savings. An additional \$100,000 in savings early in your career can turn into an extra \$1 Million dollars at the end. The truth is any money saved early can make a difference at retirement.

What if you can save \$200 a month or \$2,400 a year? This is how much you could have saved if you start early and continue to save for the next 40 years compared to waiting 10 years into your career to start saving.

START SAVING AT AGE 25

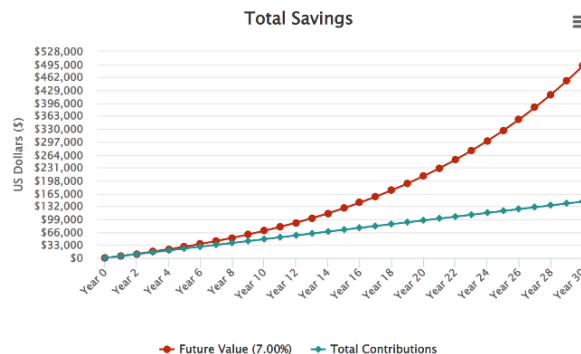
Begin saving in your first year of employment



\$1M - Contributions \$192K

START SAVING AT AGE 35

Wait 10 years into your career to begin saving



\$490K - Contributions \$144K