

A decorative graphic on the left side of the slide, consisting of white lines and circles on a dark blue background, resembling a circuit board or data network.

03. INVESTING

M6U3P3



INVESTMENT



What is Investing?



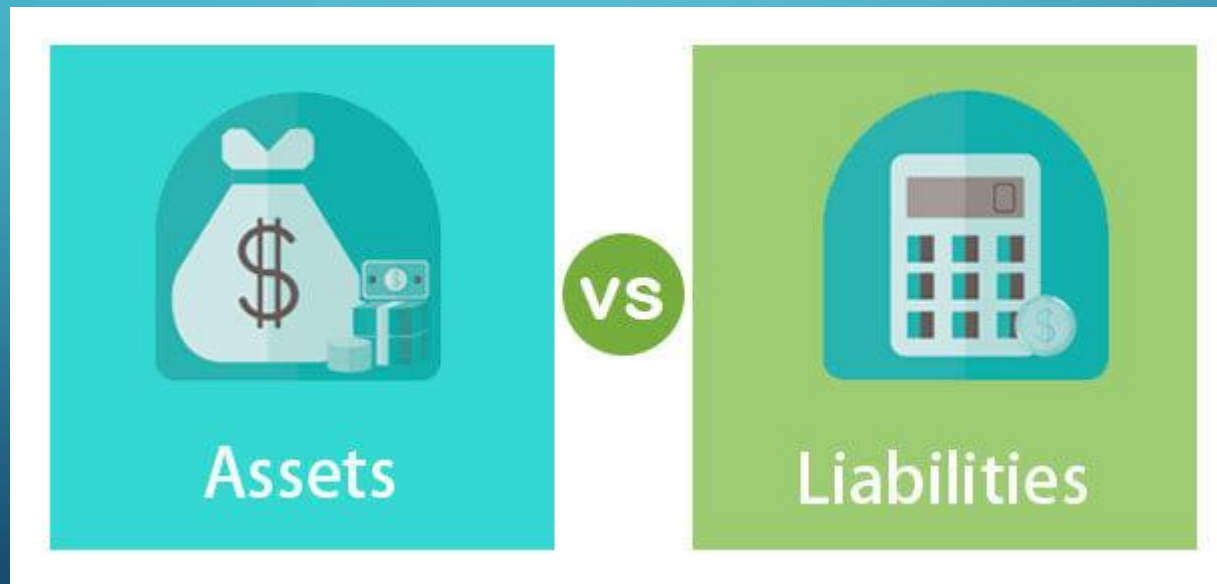
CashMoneyLife.com

INVESTING

- Investing is the act of allocating resources, usually money, with the expectation of generating an income or profit
- You can invest in things, such as using money to start a business, or in assets, such as purchasing real estate in hopes of reselling it later at a higher price.

ASSETS AND LIABILITIES

What is it?



ASSETS AND LIABILITIES

- Assets are resources that your business owns, and that can provide you with future economic benefit. They add value to your business, they can help you meet your commitments and increase your equity.
- Liabilities are your business' debts or obligations which you need to fulfil in the future. This is the money you need to repay, the goods you need to provide or the services you need to perform. These responsibilities arise out of past transactions and need to be settled through the company's assets.

ASSETS AND LIABILITIES

- An asset is something that puts money in your pocket and a liability is something that takes money out of your pocket.

Assets

Liabilities

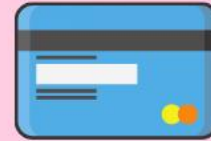
@TheVisionPreneur



House



Insurance



Credit Cards



Car



Intellectual Property



Businesses



Student Loans



Taxes Owed



Cash

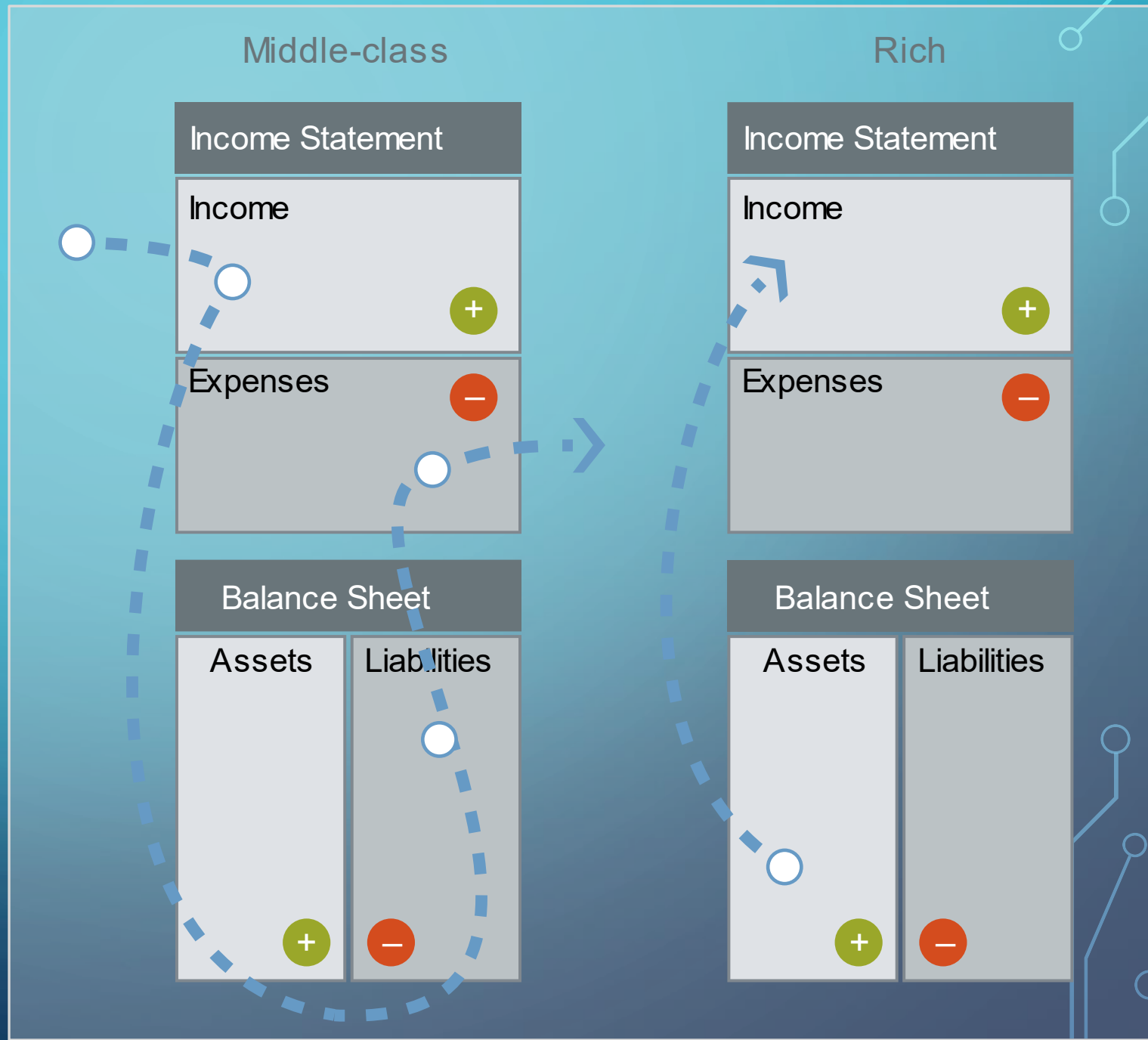


Stocks + Bonds



Any Debt

THE RICH DON'T WORK FOR MONEY



HOW MUCH IS HIS SALARY?

Elon Musk / Net worth

282.4 billion USD

2021



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Elon Musk / Net worth

282.4 billion USD

2021

\$0



IN WHAT THINGS CAN WE INVEST?



INVESTING

- In what can we invest
 - Real estate
 - Forex
 - Mutual / Index Funds
 - Stocks
 - Commodities
 - Crypto
 - NFT
 - ...

WHAT IS REAL ESTATE INVESTING?



REAL ESTATE INVESTING

- It is when a person buys a house, apartment or a building and then either resells it, renovates it and then resells it or rents it
- If that person is renting it, he/she becomes a landlord
- Prices can depend on availability on the market and the area



WHAT IS FOREX TRADING?



\$	USD		+1.02	▲	United States dollar
€	EUR		+2.31	▲	Euro
£	GBP		-0.45	▼	Pound sterling
¥	JPY		+3.16	▲	Japanese yen
A\$	AUD		+2.72	▲	Australian dollar
C\$	CAD		-1.15	▼	Canadian dollar
kr	SEK		-4.42	▼	Swedish krona
Fr	CHF		+1.99	▲	Swiss franc
	NOK		+1.05	▲	Norwegian krone
			-2.21	▼	South Korean won
					Russian ruble
					Polish złoty
					Indian rupee

FOREX TRADING

- Foreign trading is the process of changing one currency into another for a variety of reasons, usually for commerce, trading, or tourism



WHAT ARE COMMODITIES?

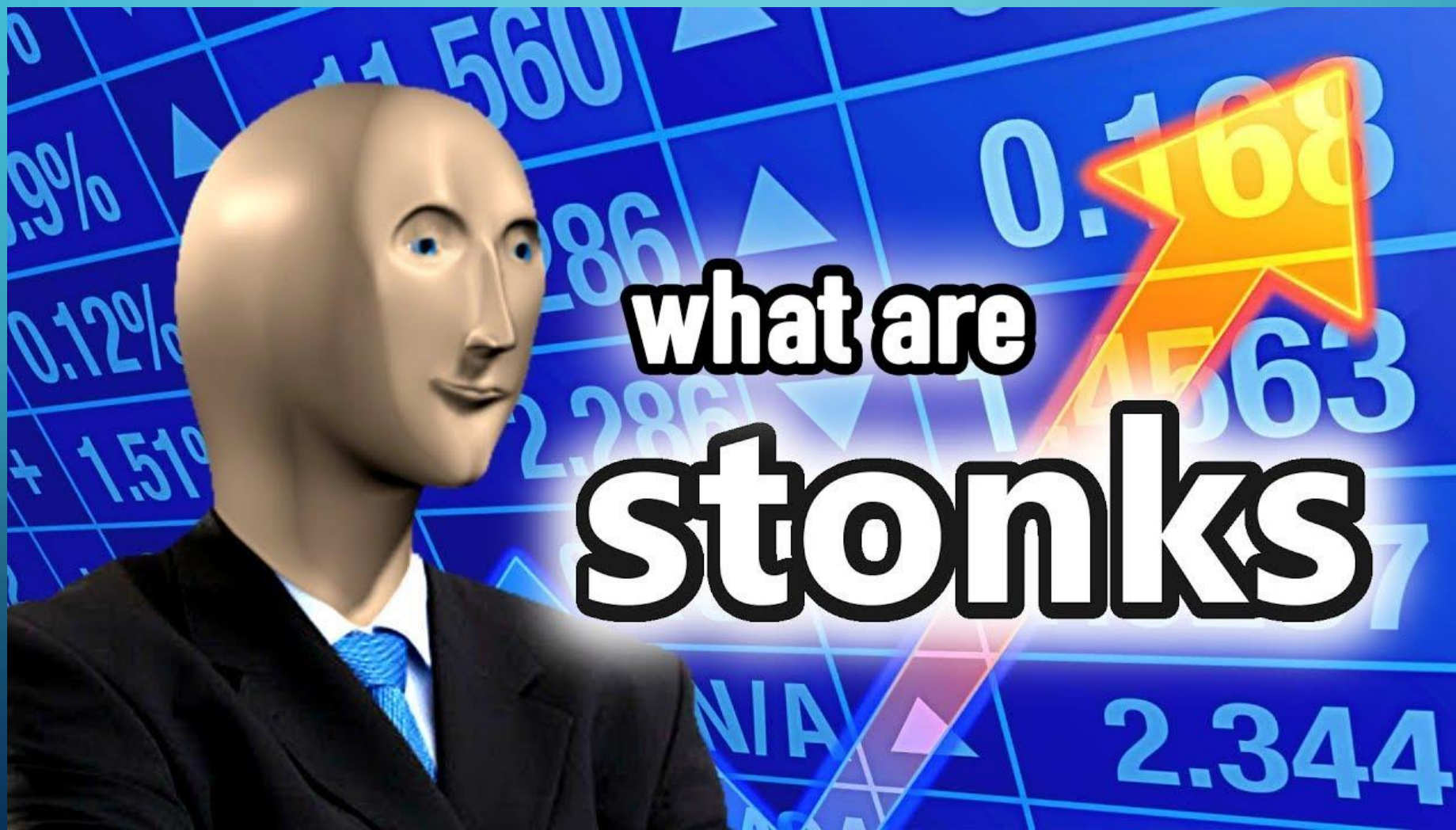


COMMODITIES

- A commodity is a basic good used in commerce that is interchangeable with other goods of the same type
- When they are traded on an exchange, commodities must also meet specified minimum standards, also known as a basis grade.



WHAT ARE STOCKS?












**what are
stonks**

STOCKS

- A stock (also known as equity) is a security that represents the ownership of a fraction of a corporation
- This entitles the owner of the stock to a proportion of the corporation's assets and profits equal to how much stock they own
- Units of stock are called "shares"
- By owning stocks you can earn dividends

INVESTMENTS TO EARN \$1,000/YEAR IN DIVIDENDS

YIELD		SHARES
3.30%		\$30,303 610 SHARES
3.93%		\$25,445 438 SHARES
4.47%		\$22,371 641 SHARES
4.54%		\$22,026 398 SHARES
4.59%		\$21,786 356 SHARES
4.73%		\$21,142 625 SHARES
5.35%		\$18,692 153 SHARES
5.60%		\$17,857 204 SHARES
7.19%		\$13,908 481 SHARES

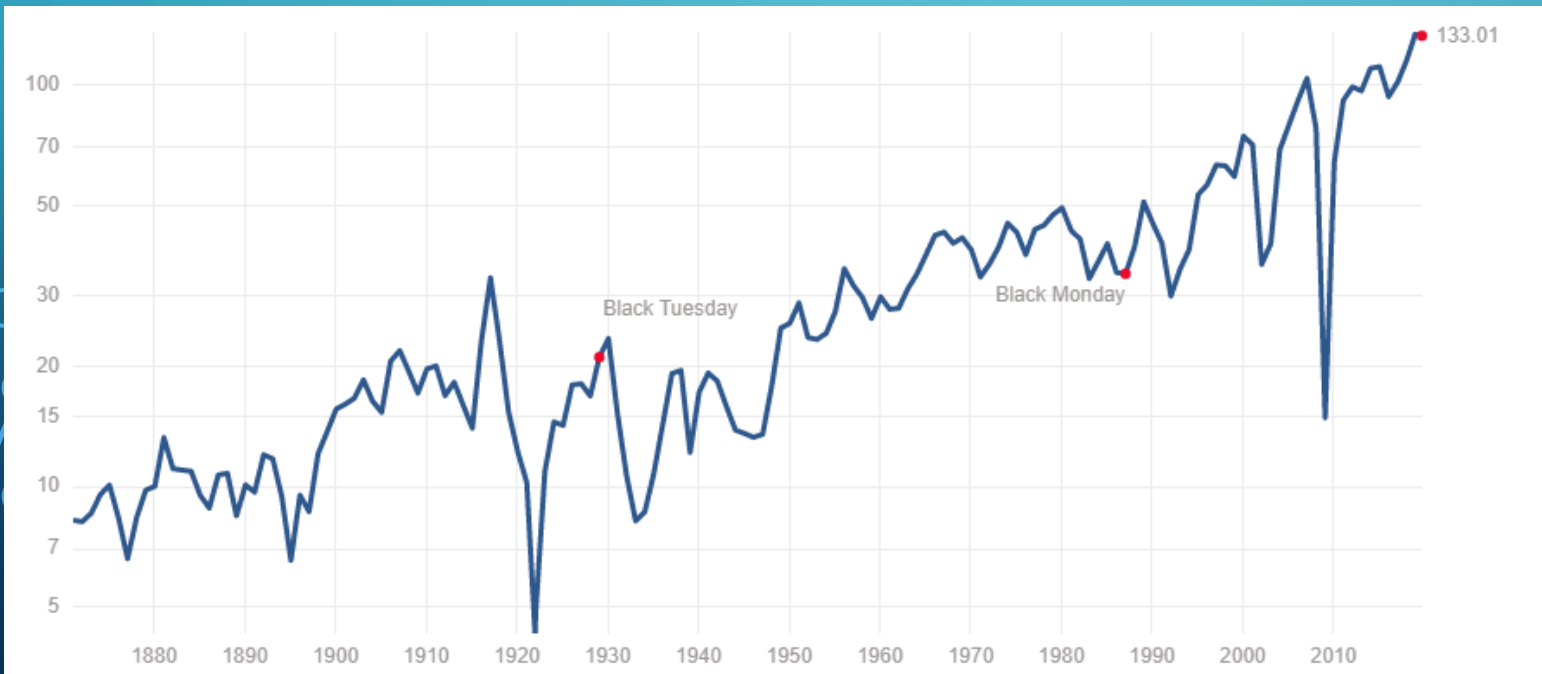


MUTUAL VS INDEX FUNDS

- Mutual fund is a fund that combines the funds of investors who mutually pool their monies to buy and sell securities.
- Investing in a mutual fund is not trading shares of specific companies held by the mutual fund; it is trading shares of the mutual fund company itself

MUTUAL VS INDEX FUNDS

- Mutual fund is a fund that aims to match the performance of a particular market index, such as the S&P500 or Russell 2,000
- Safest way of investing as it will always end up in a plus



S&P500 in past 150 years

Current price today: \$4,594.62

What's the Difference?



vs.



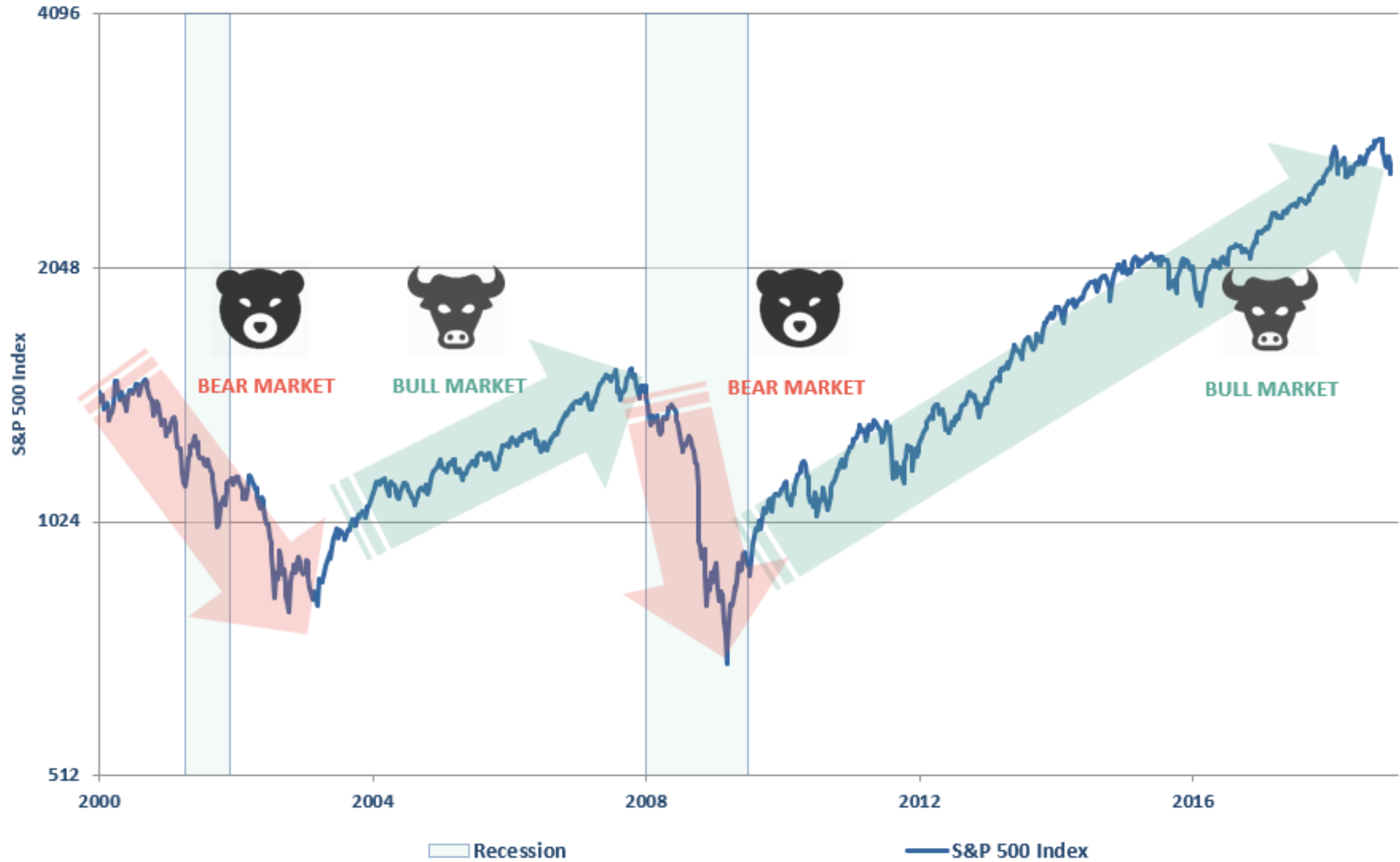
Pessimism
Markets falling
20% fall from recent highs



Optimism
Markets rising
20% rise after two 20% falls



Bull Vs. Bear Market



WHAT ARE CRYPTO CURRENCIES?























CRYPTOCURRENCIES

- A cryptocurrency (or “crypto”) is a digital currency that can be used to buy goods and services
- Much of the interest in these unregulated currencies is to trade for profit, with speculators at times driving prices skyward.

- Cryptocurrencies work using a technology called blockchain
- Blockchain is a decentralized technology spread across many computers that manages and records transactions. Part of the appeal of this technology is its security.



#	Name	Price	24h %	7d %	Market Cap i	Volume(24h) i	Circulating Supply i	Last 7 Days
☆ 1	 Bitcoin BTC Buy	\$57,389.16	-5.62%	-2.44%	\$1,083,865,216,157	\$31,704,894,972 552,454 BTC	i 18,886,237 BTC	
☆ 2	 Ethereum ETH Buy	\$4,366.70	-6.89%	-2.25%	\$517,613,800,296	\$18,863,770,602 4,319,910 ETH	118,536,482 ETH	
☆ 3	 Binance Coin BNB Buy	\$626.34	-4.97%	-8.07%	\$104,474,786,672	\$2,532,733,658 4,043,683 BNB	166,801,148 BNB	
☆ 4	 Tether USDT Buy	\$0.9991	-0.17%	-0.07%	\$73,054,015,456	\$75,451,541,318 75,520,975,896 USDT	73,121,243,702 USDT	
☆ 5	 Solana SOL	\$210.40	-10.72%	-5.58%	\$63,972,501,704	\$2,258,476,493 10,734,044 SOL	304,047,283 SOL	
☆ 6	 Cardano ADA	\$1.59	-5.87%	-12.30%	\$53,095,241,631	\$2,198,088,131 1,379,133,994 ADA	i 33,313,246,915 ADA	
☆ 7	 XRP XRP	\$0.9833	-5.73%	-7.22%	\$46,372,023,263	\$2,855,493,511 2,903,952,370 XRP	i 47,158,974,920 XRP	
☆ 8	 USD Coin USDC	\$1.00	-0.02%	-0.09%	\$38,396,870,566	\$4,707,527,992 4,707,378,640 USDC	38,395,652,385 USDC	
☆ 9	 Polkadot DOT	\$36.16	-7.77%	-10.86%	\$35,765,417,283	\$1,341,400,096 37,039,663 DOT	987,579,315 DOT	
☆ 10	 Dogecoin DOGE	\$0.2213	-10.58%	-1.70%	\$29,276,855,707	\$1,655,219,927 7,480,829,540 DOGE	132,317,865,089 DOGE	

WHAT IS NFT?



NFT

- Is a non-fungible token
- It means that it's unique and can't be replaced with something else
- For example, a bitcoin is fungible — trade one for another bitcoin, and you'll have exactly the same thing
- A one-of-a-kind trading card, however, is non-fungible. If you traded it for a different card, you'd have something completely different

NFT



- NFTs can really be anything digital (such as drawings, music, your brain downloaded and turned into an AI), but a lot of the current excitement is around using the tech to sell digital art
- NFTs are designed to give you something that can't be copied: ownership of the work

Top 10 NFT Sales

Oct 18 – 24, 2021

Bored Ape #8585

\$2.68 million

696.96 ETH



CryptoPunk #4992

\$1.79 million

450 ETH



CryptoPunk #4626

\$1.02 million

248.88 ETH



Bored Ape #820

\$865.670

210 ETH



Fidenza #30

\$760.770

199 ETH



Dankrupts by XCOPY

\$1.91 million

469 ETH



CryptoPunk #273

\$1.02 million

265 ETH



CryptoPunk #7331

\$924.650

225 ETH



CryptoPunk #7434

\$785.040

208 ETH



Bored Ape #6696

\$729.010

188.88 ETH

The background is a dark teal gradient. In the corners, there are decorative white line-art patterns resembling circuit boards or neural networks, with lines connecting to small circles.

WHAT IS THE DIFFERENCE BETWEEN SAVING AND INVESTING?

WHAT IS THE DIFFERENCE BETWEEN SAVING AND INVESTING?

- Saving — putting money aside gradually, typically into a bank account. People generally save for a particular goal, like paying for a car, a down payment on a house, or any emergencies that might come up
- Investing — using some of your money with the aim of helping to make it grow by buying assets that might increase in value, such as stocks, property or shares in a mutual fund.



WHICH ONE IS BETTER?

SAVING VS INVESTING



SAVING

- ✔ Less Risk
- ✔ Simpler To Do
- ✔ More Liquidity
- ✗ Loss To Inflation
- ✗ No Opportunity



INVESTING

- ✔ Beats Inflation
- ✔ Compounding Effect
- ✔ Bigger Opportunities
- ✗ Risk of Losing Money
- ✗ Requires More Skills

Investing gives your money the potential to grow faster than it could in a savings account.



Simple Interest

\$10,000

5% per year

Over 40 years



\$30,000



Compound Interest

\$10,000

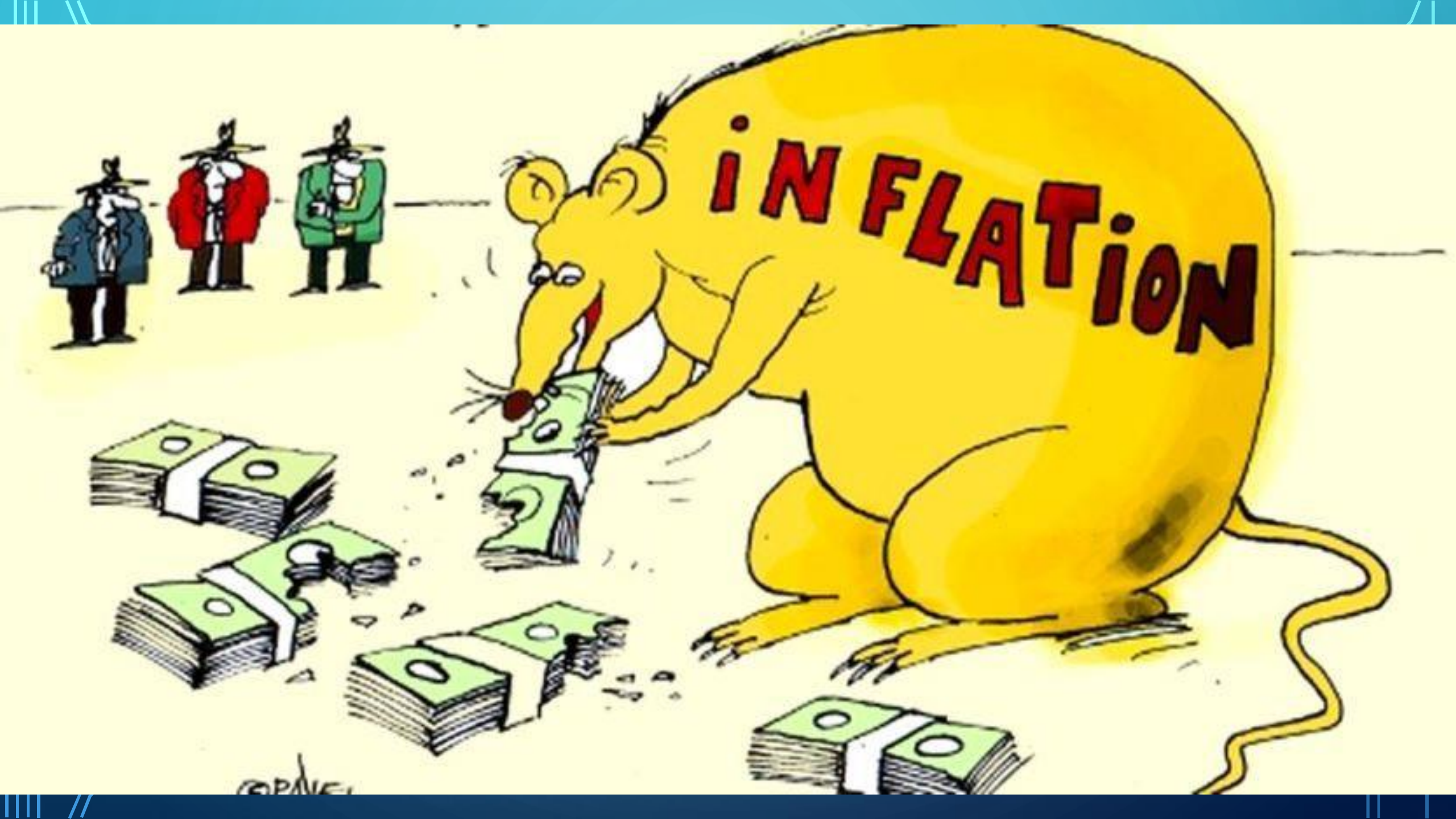
5% per year

Over 40 years



\$70,399





How *Inflation* Has Changed the Price of a Cup of Coffee Over Time





ANY QUESTIONS?



WORKSHEET



THE END