# IFB231: Back to the Basics (UPDATED)

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I love this podcast because it crushes your dreams and getting rich quick. They actually got me into reading stats for anything you're tuned in to the Investing for Beginners podcast led by Andrew Sather and Dave Ahern with a step-by-step premium investing guide for beginners. Your path to financial freedom starts now.

D

**Dave**

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All right, folks, welcome to investing for beginners podcast; we have episode 231. And today, we thought, given all the market conditions and kind of everything that's been going on recently in the stock market, basically over the last five or six months, it might be a good idea for us to kind of revisit the beginning basics. And we thought, today, we would talk about some of the basics that we've talked about throughout the show, but maybe condense it all into one show. So you don't have to go back and listen to five or six episodes. So here we go. So let's talk a little bit about kind of the basics and maybe where you should start. So Andrew, would you like to just tell everybody about why maybe why we should invest and talk a little bit about compound interest? A

**Andrew**

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Yeah, I think the compound interest should be at the start of any discussion about investing. And as a beginner, if you can understand compound interest, it kind of opens that world to you and gets you should get you really excited about the possibilities of investing, but also kind of set your expectations that, hey, this is gonna take some time, it's not so much can I make a million dollars tomorrow, but it's, I want to make money. And as that grows, it becomes a lot over time. The more it grows, the more it grows, if that makes sense. So the illustration I like to hear all the time is the snowball.

Basically, if you were to push a snowball down the hill, it takes a lot of time; in the beginning, to start molding the snowball pushing takes a lot of effort. But once it gets going down the hill, it starts to pick up snow as it rolls; the more snow it picks up, the more snow picks up. And that's really how your money works

when it comes to investing. That's how companies grow. That's how your investments will grow. As long as you're reinvesting the dividends that you receive, then you will start to see that compounding. Another kind of illustration I like to think of is I've seen it as a meme.

So I understand in podcast form, it's kind of hard to maybe push a visualization out to you. But there's this meme where there's this guy who's putting dominoes down. And that's like each Domino is like multiples bigger than the next Domino. And so, if you can think of compound interest in that way, it starts out really small. But as it progressively multiplies on itself, near the end of it, you will have this huge amount. And that's how people like Warren Buffett have built their wealth. And that's how a lot of regular people can build really nice retirements through this idea of compound interest.

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**Dave**

2:29

Yeah, it is such an essential idea that I think it is not taught enough. And it's not talked about enough about the impact that it can have. And Andrew mentioned, Warren Buffett, I'm going to share some numbers with you to kind of maybe illustrate a little bit of how some of this can kind of work. So, for example, Warren Buffett became a billionaire when he was 56. So he had been investing for about 2530 years at that point when he first became a billionaire. And that's big-time numbers billionaire. I mean, most people want to become a millionaire; he became a billionaire. So that's kind of rarefied territory. So here's some statistics kind of building on that. So after he was 60, he was worth 3.8 billion.

So it had gone from 1 billion to 3.8 billion in only four years, which is kind of nuts. By the time he was 70, that 3.8 had jumped to 35 point 7 billion. So you're starting to see this snowball that Andrew was talking about. He's currently 91. And now he's worth approximately $117 billion. So in 20 years, it's gone from 35 point 7 billion to 117 billion. So he's earned 99% of his wealth and what he's worth now after he turned 50. So when Andrew and I talk about compound interest, and we talk about dividends, and reinvesting and reinvesting dividends, you may look at those pennies, or even dollars and think, yeah, big deal, whatever. These are the kinds of numbers that you can get to by doing the things that we're talking about.

And a lot of cases, there's study after study after study of people that have invested $300 a month for decades, and then they stop, and they pass away, and a relative takes over the account. And they discover that this person is now worth, you know, three and a half million dollars, even after they stopped investing because of the impact of compounding, and it continues to build on that wealth. And so you have to start with pebbles to get to the Hoover Dam. And it just takes time to get to those things. And eventually, over time, the compound interest will bear fruit, and you know, Albert Einstein, of course, the famous quote and whatnot. It really is it is one of the wonders of the world that I don't think people really understand how much it could impact their lives. And I think that kind of segues us into talking about how do we start to kind of build this wealth and Thinking about something like dollar-cost averaging. So would you like to inform the good folks about dollar-cost averaging, and we can chat about that a little bit.

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**Andrew**

5:07

Sure. $1 cost averaging it's basically a commitment that you are going to set this habit to invest regularly consistently. I personally like to recommend people to do it monthly. And I say that you know, regardless of where your income is, try to at least hit $150 a month. With today's cell phone bills, some of you pay that much or more on the cell phone bill. So if you can afford a cell phone bill that much, you can afford $150 to potentially change your life. So if you do something like dollar-cost averaging, it just means again, you're putting the same amount of money into the market, no matter what the markets are doing, no matter where your finances are, you just make this habit and every day, you're going to show up, and you do that through putting money into the market.

And so where the magic of that comes is, if you do this, you don't have to worry about the market being up or being down or where it's gonna go next year because you're automatically gonna buy more when the markets down, then you're automatically gonna buy less when the market is up. Because if I take my $150, if I have a stock that's trading at $10, I'm gonna get 15 shares of that; if the stock goes all the way up to $100, I'm only going to get one a share and a half. So I'm buying fewer shares. But if the stock goes from 10 to like $2, I can pick up 75 shares. So like, the lower the stock goes, that you're buying, and you could use this to think about the stock market, the lower the stock market goes, the more shares you can pick up, and we didn't do anything different other than set a habit, and consistently stick with it.

And you know, Andy Schuller, our buddy, Andy Schuler likes to talk all the time about if you want results, you got to measure it. And if you measure the fact that you're always putting money in every single month, you're gonna get those results. And I just, I don't know any other kind of secret to be able to deal with the volatility of the market, being able to deal with having peace of mind that, you know, what's the market doing today or tomorrow and really just kind of setting yourself up for success in any other way, then really just continually putting money into the market, regardless of where it is, because that goes to the compound interest idea. And that also kind of helps you ride those ups and downs and even take advantage of them because you're always putting in a certain amount of money. Yeah,

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**Dave**

7:35

exactly. And I think a lot of people, when they think about investing, get scared about where the market is and whether they should buy in now or buy it. Now, the idea of the dollar-cost averaging kind of eliminates that fear. And because you're continually adding money to the market, you're going to continue to see growth, and sometimes you're gonna see things go the wrong way. And that is part of investing in the market. But the other thing is, is that think about most of us, a lot of us have or have had 401, k's and the 401k functions in exactly the same way that we were just talking about. It's an automated program that is set up through your company to invest in the market on a regular schedule.

And depending on how you get paid and how you set it up. It can be anywhere from every two weeks, it could be, you know, 26 times a year, if you get paid every two weeks, like clockwork, or it could get once a month, it really depends on how you have it set up. But it's the exact same idea. And so if you're somebody that likes to have control of your own money and wants to invest using your own ETFs or your own individual stock picks, then following the same idea that 401 K's use is exactly the right way to do it. And the other thing is, is an Andrew touched on this too is it starts to create a habit of putting money into the market. And one of the things, when I was a banker that I heard all the time was that I would do it at the end of the month when I have money at the end of the month. Well, the blunt fact of the matter is we never have any money at the end of the month. And a better way that I have found that works well for me. And I think it

would work well for other people is to make it a bill is to think of it as a bill or something you have to pay. Just like your phone bill, your car bill, or anything else that you have to pay, investing money in the market is something that's critical to your future self, and you'll thank yourself later someday. And all those kinds of things. Creating those habits will help you get through some of the hard times that the market will go through. And Andrew and I are not prognosticators; we cannot predict when we will have another bear market. We may be having one right now. Who knows?

But we can't predict it. What we can tell you is that by continually putting market money into the market on a regular basis, you will succeed in the long run. And that's really one of the advantages that we have as individual investors, whether we're investing With our 401k, or doing it on our own, is we have the advantage of being able to control when we put the money into the market and how long we continue to put money in that market. And studies have shown that the market over a long period of time is going to go up. And it may go up anywhere from eight to 10%. I think over the last 100 years, including dividends, it's been in the eight to 10%, depending on which study you look at. And those are fantastic returns over a long period of time. And you think about putting the same amount of money in a savings account in a bank right now, which you know, is earning point oh, 1%. That's not so great.

So the other thing that I want to throw out there, too, is when you think about investing in the stock market, most of the wealthiest people in the world have owned businesses. You know, think about that for a second. Elon Musk, Love him or hate him, is one of the richest men in the world right now; he owns businesses. He's not, you know, some wealthy magnate that, you know, inherited his money, he created businesses, that he has generated wealth for himself, Jeff Bezos, same thing. Bill Gates, same thing, Warren Buffett, all these people that you list, if you look at the top 100, or even the top 10 successful, richest people in the world, they're all going to people-owned businesses. And that's what you do when you invest in the stock market is you are taking, you are participating in this in the ownership of those companies, whatever the company is that you're investing in. And so that's how we can, I guess, generate greater wealth. So all the things that we're talking about here with $1 cost averaging and compound interest and owning stocks are the best way to generate wealth for yourself and dollar-cost averaging. The last thing I'll say about that is it helps you weather the ups and downs. And right now, we're in a bit of a downturn. And that's why I wanted to kind of hammer this a little bit. This is actually the best time to be buying in investing in companies because they're selling at a discount. And all of us love sales.

I don't care what it is you're buying, whether it's socks or shoes, or a book or a car, we want to discount we want to sale, and why would we buy those things on sale, but not investments for our future. And that's what when a market is down like this; it's offering you discounts. What you think you have to do to balance that out is be okay with buying a company and seeing it go down for a little bit because it will rebound if it's a great business; over time, it will rebound. And that's how you can benefit from taking advantage of when there are downturns in the market. And by consistently putting money in with the dollar cost average. That's a great way to kind of overcome some of those fears.

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**Andrew**

12:34

And that's very well said. I guess the next part of that is there is a risk when it comes to investing in the stock market. And so you can't just put all of your money and dollar-cost averages into one single position because

there's risk in that too. And so, the way to kind of mitigate that risk is through diversification. So how would you describe diversification and maybe why it's important?

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**Dave**

12:59

Okay, so this is a great question. I think the easiest way that I can visualize diversification is by investing in companies or ETFs or index funds that are not related to each other. In other words, don't go out and buy Wells Fargo, Citibank, Bank of America, or JP Morgan and call it a day. Instead, it would be better to buy JPMorgan, Apple, and Costco, just, for example, not investment advice, but just they are three completely unrelated businesses. And by spreading your bets over a wider group of businesses or ETFs are indexes, you help alleviate any sort of risk that could be involved at any different time. There may be sectors in the markets that will be unloved for whatever reason; sometimes, it's justified, sometimes it's not. And right now, Tech is a bit unloved. And it's getting hammered right now.

Whereas financials have done better recently. And prior to that, it was kind of the reverse. And so by spreading your bets and having maybe a choice in each of those, you can benefit when those do well. And you can help mitigate the struggle you may have in the other one. And so, by spreading your bets, you can help, I guess, alleviate the risk of concentrating all of your investments in one area and then having that area be punished for whatever reason, and that can really help your returns over a long period of time. Does that help explain it in a simple, clear, concise way?

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**Andrew**

14:36

Yeah, for sure. Okay, if I were the kind of ticket, I tend to look at worst-case scenarios. I think when you put your hard-earned money to work there, you want to think about what's the biggest risk; the biggest risk is losing all of that money. And so we have to keep in mind when we own businesses, sometimes businesses go bankrupt. So this isn't something that happens with every business all of the time. It's actually true. Pretty rare, but it does happen. And so we can't fall in love with one single business and think that's going to lead us through all the success and happiness that we are pursuing.

But we have to remember that throughout history, there have been businesses that people considered, you know, like the best of the best. And Ron was a good example of a business like that; people loved that company; they thought it was stable, it was big, it was provided so many jobs that had such great profits, and it just kept going up, up and up. And it turned out it was a fraud. So that kind of stuff does happen. And that's why you don't want to put all of your money into one investment; you definitely want to spread it out in order to not only help your returns but also keep yourself from a worst-case scenario.

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**Dave**

15:45

Yeah, that's a great insight. So other sectors, like if you were to build a portfolio, kind of from scratch, are there may be a number of companies or investments that you would want to start with? Is there too big or too small? What are your thoughts on that?

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**Andrew**

16:01

I thought, so I've kind of evolved over time, the general framework is you want to have a portfolio of 15 to 20 stocks, a lot of investors have kind of held that as gospel, even like people who trade positions, they'll talk about a 5% position size, that's just a 20, stock portfolio 5%. So that tends to give you most of the diversification that you need from the perspective of volatility. In other words, if I have two stocks or three stocks, my portfolio is probably going to have a lot more volatility; it's going to move up and down probably even more than the market does. Once you get to the 15 to 20 range, your portfolio will probably move around the same amount that the market does. Now the market is Rocky, especially when there's fear. And so it is like a roller coaster.

So you do want to make sure that you are staying invested and you're not jumping out of the roller coaster at the wrong times. But that's diversification to kind of reduce volatility. That's a general idea. I personally manage a portfolio for something like the 50 positions; it doesn't sound too crazy. For somebody like me, you know, anything above that starts to become questionable. And it really comes down to how well you can know the businesses that you own and even just keep up with the changing world around you. But the advantage to having more positions than just 15 or 20 is that you get more chances to get one of those businesses another kind of like once in a generation type businesses as you know, an Apple or Google or a Tesla, one that might really drive the returns of your portfolio for a very long time, the more in general, if you have more positions, you have more of a chance to get one of those. But then you also have the downside of picking too many bad businesses.

So it definitely is a delicate balance. I would say if somebody's first starting out, the way I've recommended it from the beginning is you do the dollar-cost averaging, which we've already touched on, which means I'm committing to this dollar amount, I'm going to put that in every month. And then every month, it's a new stock if you're gonna buy individual stocks. So you think about after ten months, you have ten stocks that are pretty decently diversified. After two years, you'll have around 24 stocks, give or take; that's a nice full diversified portfolio. And then, from there, you can continue building a portfolio as you continue the dollar cost average. But if you're starting from scratch, and you just want to build from scratch, that's a really, really great way to do it.

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**Dave**

18:32

Yeah, I would totally agree with that. And if you look at some of the better investors out there, quite a few of them have larger portfolios; they have lots and lots of companies that will be in their portfolios. I think Joel Greenblatt has upwards of 200 Right now, you know, Warren Buffett has a 50 or 60, maybe even more, I'm

not sure. But there are the rare occasions, you know, there's the nice problem the world that will you know, he's nuts, and he has like two or three companies in his portfolio. I think right now; he literally has one in the United States. He has others outside of the United States.

But right now, our portfolio is one; it's micron. And that's it. But to think about that kind of concentration, you really have to have some serious insight into what's going on with that business, as well as a lot of conviction about the success of that business. And the other thing about that is that's what he does for a living. And this is, yeah, he's one of the smarter guys in the world, probably. And he is able to make those decisions based on his beliefs that that particular company or a few companies are going to be successful. And he doesn't always hit the mark. He's missed a few times, which is it's okay. And it's understandable. None of us can be perfect, even you know, Uncle Warren and Uncle Charlie have made mistakes in the past as well.

So the thing you want to think about is if this isn't what you're doing, and you don't have time to spend, you know, analyzing to have Have a three or four stock portfolio and have absolute conviction that Tesla, if this, for example, is going to drive you to success for your investment future for the next 30 to 50 years, then using an idea like diversification is a great way to kind of hedge your bets, that, you know, there are going to be times where you're going to find a company, that may not be the best investment. And that's going to happen, and it's part of the biz. But as you get more experienced, you'll get better at finding those things and choosing better choices. And you'll learn to kind of grow from there. But limiting yourself to one to two, three companies, it can be dangerous because if those particular companies go south for whatever reason, let's say that you, you know, by happenstance just happened to pick the next Enron and you put a third of your wealth into that company, then a third of your wealth is poof, it's gone. It takes a lot of guts to invest in that kind of situation.

And as much work as I will put into companies learning about different businesses or whatnot, I don't have the conviction to put a third or half of my wealth into that company because I just don't feel like I have the insight or wherewithal to understand it that well. Now, if I worked for the business, if I was the owner of Tesla, sure, all my wealth into it, no problem, because I built the company, I know it. But as an outsider, I don't feel like I would have that, I guess, that conviction. So it's ideas like diversification that can help mitigate risk. Because there is a risk when you're investing in the stock market, there's no easy way to get around it. And when you're investing in companies, not all companies are going to succeed. And there's a lifecycle that's involved. And there's, of course, us humans, the human element, which we can make bad choices. And we do from time to time. And we have to learn from those choices. But it doesn't mean that we can't try to do things like diversification to help mitigate the bad choices that we may make from time to time, and impulsive shopping, you know, Mr. Market or Mrs. Market, they're going to come shopping every day. And they're going to present you with opportunities to buy or sell things. And it's our choice whether we want to avoid them or not. And something like diversification can help alleviate some of that risk of avoiding any sort of, you know, judgment calls that we may or may not make.

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**Andrew**

22:18

And the easiest way to get diversification, if you're the type of investor who really wants to be handed off, is you can just buy something like an s&p 500 index fund. And that gives you an ownership stake in the 500 businesses that are in the s&p, which, when people say the market is generally referring to the s&p 500, is very similar to the fortune 500. So that's a really easy way to do it, too. You just have to remember, if you're

doing that, that you're gonna hold on for the long term, which I think is a message that doesn't get hammered on enough. But I digress. So maybe finish off our conversation.

Hopefully, if you're an absolute beginner, you found some value in some of this. There are definitely like different types of investors, and really a million different ways to manage your wealth to create wealth to be an investor. What are some of the main types? Maybe we can go over that? And then, what are the more common options that people choose when it comes to building wealth and pursuing financial freedom?

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**Dave**

23:17

Yeah, absolutely. So before you start investing is really important to kind of decide what kind of investor Are you like, how much time and effort do you really want to put into this, and the more effort and the more time you put into it, the more you can, I guess, branch out your choices of the kinds of things that you want to invest in. But let's say that you're somebody that knows, okay, you know, you've you're listening to our show, and you say to yourself, I really want to invest, but I literally have no time to do this, I have five kids two jobs, and I travel for a living or you know, whatever it may be, he just really don't have the time, then utilizing your company's 401k is probably the perfect absolute greatest way to start. Most companies offer a match, which is free money. And they give you limited choices.

They also offer you dollar-cost averaging as a general rule. And it also helps you diversify because you can create a portfolio based on the choices that your 401k offer. And then it can become, in essence, kind of a set it forgets it kind of idea where you're investing every week, every month, every two weeks, however, your pay cycle goes, and you're putting money in regularly that will continue to compound and grow. So all the great things that we talked about prior with compound interest, dollar-cost averaging, and diversifying the 401k can take care of all of that for you. And it's also something where you don't have to spend hours and hours and hours reading different blogs or different 10 KS or just all this extra work if that's not something that really appeals to you because, you know; frankly, it won't appeal to everybody, and we understand that but investing in your 401 K is an absolute must if you have the option to do it simply for the fact that it's free money that you don't want to turn down with that company match. So I think that kind of covers that maybe we could move on to, I guess a next idea, which is, maybe you want to start investing, you're interested in maybe a combination of something like maybe what the 401k could offer. But you also want to do individual stocks. But you are hesitant because you either don't know much about how businesses work, you don't understand finance, and you really don't want to spend a lot of time figuring it out. If it's just not something that interests you, then you can seek out professional help.

There are lots of advisors out there that, for a fee, can help you learn how to invest, they can take over the investments for you, and they can make suggestions based on your risk profile and what it is kinds of things you want to invest. So it gives you all these different great options that you can still invest in but maybe branch out beyond the 401k. And you're interested in investing in individual stocks that will beat the market as opposed to matching the market. And there's nothing wrong with matching the market at 11%. So just that as fair warning, there's nothing wrong with that. So the professional help gives you an additional, I guess, a layer of options of things that you can do. And they can also help educate you along the way as you're learning more about your investments. And maybe you have a larger portfolio to start with. And so you're not comfortable doing it on your own.

And so there's that kind of, I guess, aware of options. And then the last idea is to do it yourself if you're somebody that I have to have control of my money. And you know, I work hard for this, this is mine, I am going to make the choices, this is the route that you want to go, you want to do it yourself. You want to learn about companies, you want to read about financials, you want to learn how the stock market works, and how you can take advantage of buying great businesses and investing for a long period of time. And so those are really kind of the three main buckets if you will. Do you have anything you'd like to add that I've maybe missed? If somebody wants professional help? Where do they go? If they want professional help? Where do they go? There are lots of options.

There's obviously your bank; wherever you bank, most of them have an investment branch of the bank. And they will have advisors there that can help you depending on different levels of money that you have to invest with. Unfortunately, sometimes they can be elevated levels of account levels. So when I was at Wells Fargo, I believe it was around $50,000 you had to have in the bank for them to consider working with you. So there is that hurdle, if you will, there are also individual brokers that you can work with. Charles Schwab and Fidelity offer investment services, so you can work with them, for example, and they can work with you to craft a portfolio that you can design with them. And of course, all of these people are going to charge you a fee, nothing for free, unfortunately. So there is going to be a bit of a fee, depending on what it is you require of them.

And then there's; also there are the more outside firms like the Edward Jones is of the world I have personally never worked with them before. But they do offer advanced investment services. So if that's something that you want to seek out, those are, I guess, the options that I know of? Gotcha. And what about account options? Oh, boy. So account options, we got lots of account options. So let's talk about those. So you have, I guess, again, going back to kind of the start, you have a 401 k or a 403 b. And these are options, like you said, that can be done through your employer, and they have pre-tax contributions. So you can do basically what that means is that when you invest $100, that $100 is invested pre-tax, so the government's not going to take your taxes out of that $100. They're going to come asking for it when you retire, and you start taking money out of your account. So and the other pro is that it offers a match, depending on your company, like when I was at Wells Fargo, it was 6%. So it really depends on what that is. So there are, I guess, kind of entry levels of those. And then we have the, of course, we have the traditional IRA, as well as the Roth IRA.

And those are tax-advantaged accounts. And I guess the easiest way that I like to think about them is just as a general overview, is that the traditional is basically do you set you to have to decide whether you want to give the government your money now or give it your money. Later, Uncle Sam is going to come to Colin at any point; a Roth IRA is an account where the money is already taxed. So your employer is going to take your taxes out of your paycheck, and then they're going to deposit the money in your account. And then you can choose to make the investments how Do you wish, and that money will not be taxed when you withdraw the money at your retirement time, or traditional is kind of the reverse of that. Uncle Sam will not take money out of your paycheck for taxes, and you can invest that money in your retirement account.

But when you retire and start taking money out of that account, you will have to pay Uncle Sam some taxes at that time. So it really kind of depends on how what your tax situation is. Andrew and I do not tax people. And if this is something that's a curiosity to you, and you're not sure where to go, talk to your accountant because they will give you better advice on how to deal with that. So that's kind of the general overview of those two. And then the last one is the individual brokerage account, which is not a taxable account. And so this means that the money that you put in, you're responsible for any taxes, whether there are capital gains, or whether there's dividends or anything of that relation, but those are standalone accounts that you can open,

and you can invest without any sort of limits on them. So I know there are things I missed, you want to fill in any gaps that I might have missed.

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**Andrew**

31:04

Not really; I just know if you're a beginner, it's overwhelming to hear all these different types of accounts. But a couple of things. And I think maybe we'll wrap up; this is something that Dave kind of said all the time. But think of it like eating a pizza; you're not going to eat pizza all at once; you're going to eat it in little bite-sized chunks. So when it comes to your money, nobody's going to care about it more than you do. B is kind of gonna be around for the rest of your life. So I know people are in the idea of like, I don't want to think about it, but in my opinion, you will have to think about it someday, might as well make it now. And see, again, you don't have to get it perfect. And financial freedom means different things to different people.

There's something fulfilling about moving towards financial freedom that we're just kind of trying to share. And that's really what our podcast is kind of really been all about. There's an obviously endless number of topics, account options, and ways you could go; we try to break down the ones that you guys find most interesting with all the questions that we get in. But that's kind of really what it comes down to. And you know, from Dave and I's perspective, I just want to say something about what we provide if you're looking for that next step because I know it's overwhelming. And we hear about how people get paralyzed. They feel like there are so many things that they can say just get paralyzed, and they don't act, but you don't have to get it right 100% The first time, and that's, that's why we offer a free email newsletter, you can go the stock market pdf.com, we're emailing you all the time giving you these little bite-size snippets of advice to be able to help you eat that next chunk of the pizza.

And really, what we always try to stress, at least something that I've really felt passionate about ever since we started this, is like, you just got to get started, you have to get the dollar-cost averaging started. Because you really don't know what it's like until you get your feet wet. And until you get your feet wet, you're not going to make any progress. And remember, we talked about compound interest at the beginning. It takes time. And so, the longer you wait until you make an action, the longer your future compound interest is going to take. And it's sad when you don't take advantage of the opportunities that are there in front of you; I started a portfolio where I said I'm gonna put $150 a month into this portfolio every single month. Again, that's what I recommend for people to start. And I said, Look, I'm gonna start this when I'm 25. And I'm gonna track it till I'm 65; the goal is to hit a million dollars; we don't have to beat the market by much to get there. But if we beat the market by 1% a year, we will get to a million dollars with something as small as $150 a month.

So that's my brand of professional help, trying to help people who want something like that. I write the letters that go along with that journey to be somebody who doesn't have a lot of time and just wants to know enough about the stock to feel comfortable about buying and holding it for a long time. And then trusting me to manage the portfolio for you.D

**Dave**

34:08

I have family members, very close members of my family, who follow that exactly. And then they don't have to think about it. So there again, there are a lot of options. Those are some of the things that we offer. And hopefully, throughout this episode, you've gotten a lot of the basic principles, really the fundamentals; if you don't have these mastered, you're really probably not going to do very well with your investing journey. Yeah, exactly. And I think those are all great points. And I think the last thing that I want to, I guess, say about this is that there I'm probably gonna butcher the quote here, but Warren Buffett likes to say that the best time to plant a tree was ten years ago, the second-best time is now and now is the time for you to start. The sooner you get off the inertia. Get the snowball rolling down the hill; the sooner you can benefit from it. And if we do nothing else today, We hope we encourage you to; if you have not started to, please start today just takes one. And if it's working with Andrew, and his great portfolio and all of his great ideas, that's a great way to start. If it's you want to do it yourself, then obviously do it yourself. But whatever it is that you do, please go out there and start today. And if nothing else, please take that to heart.

A

**Andrew**

35:22

Perfect.

D

**Dave**

35:24

Alright, folks, well, with that, we'll go ahead and wrap up our discussion for today. Thank you guys for listening. Thank you for tuning in for all these years, just passed around 11 million downloads since we started that thing. Say that? No, it's not just the credibility; think about that, how many downloads we've had; it's just nuts blows us away whenever I look at that number, and we thank you from the bottom of our hearts for listening to Andrew, and I talk about something that we love and are very passionate about.

And we hope you guys have enjoyed the show along the way and learned a thing or two as well. So again, check out our website, investing for beginners.com. There's a great search bar at the top of the website. It's easy to search any of the topics that we talked about today. It's a nice encyclopedia for you to help you learn more about the stock market. So without any further ado, we'll go ahead and sign us off; you guys go out there and invest with a margin of safety. Emphasis on the safety. Have a great week. We'll talk to you all next week.

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