



OPENING UP NEW MARKETS WITH THE DUTCH CARRIBBEAN SECURITIES EXCHANGE

INVESTORS' CORNER

Planning, Investing and Steps towards Wealth Creation

Part 1

"Wealth is largely the result of habit."

John Jacob Astor

Taking a family vacation or even a romantic trip to Cancun normally takes weeks and weeks of preparation. I am sure you have seen your "better half" traversing the internet, well in advance, for that affordable flight; maneuvering through hotel/flight/car rental packaged deals; or cross referencing Trip Advisor's reviews and ratings to land the best bang-for-your-buck "10 things to do/places to see" on your trip. In essence, weeks and weeks, perhaps months of planning and strategizing, most times than not go into that perfect trip; and rightly so, I understand that you want your family to enjoy the very best that you can afford.

However, when it comes to financial planning, we hardly see that type of preparation. Actually, most persons do not plan at all or if they do it is when they are hitting that midlife crises mark and they start to become concerned about their retirement or what they would like to leave as an inheritance for their loved ones. On average, the closest we come to financial planning is when we want to buy a car or if we are lucky enough to have a great companion and we are able to pool our resources, we financially plan to buy the house we can afford now, so that we can eventually afford to buy the house of our dreams years thereafter!

If we do the math, I think we will agree that the short term, short-lived fun we experience on a well-planned vacation is nothing compared to the potential long-term and far-reaching rewards that one could experience from a well-planned and consistently executed investment strategy.

To create wealth, requires planning; it requires a plan of investing.

But before, indulge me a bit. I have been writing a lot about wealth and wealth creation, but what exactly is it? Wealth is defined as the plentiful supplies of a particular resource. The resource depends on what you value most for yourself and your family. For me, wealth is being able to afford a healthy lifestyle of work and family life balance. This means, to afford to spend at least 4 hours of quality time each day with my daughter, to go to the gym for an hour and to work for only 4 hours each day while still being able to contribute 5% of my income to my charity. All this, without being financially stressed about how I am going to pay all my bills. For others, wealth means being able to start and run a successful business without having to break the bank, for some it may mean to not be financially

worried if sales are slow for 3 consecutive quarters for the family business that your granddad had started and which you desire to pass on to the grandson to manage!

Whatever your definition, the underlying basis of it all, is the need for a certain degree of financial independence. To get to that level of independence, investing is a necessary component; i.e. to plan financially through an investment strategy.

Part 2 of this edition will discuss the tips to get us started.

“Wealth is not about having a lot of money; it’s about having a lot of options.”

Chris Rock

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