

Solomon's Investing Starter Kit

Five sections. One path from saver to invested — the slow, proven way.

"Dishonest money dwindles away, but whoever gathers money little by little makes it grow."

— Proverbs 13:11

This kit walks the full journey: why saving alone is not enough, the first steps in the right order, what diversification actually means, an honest readiness check, and the patience that makes all of it work. No jargon, no hot tips — the same principles Solomon wrote, applied to modern markets.

1 SAVE VS INVEST — WHY THE SAVINGS ACCOUNT IS NOT ENOUGH

Ship your grain across the sea; after many days you may receive a return. — Ecclesiastes 11:1

A savings account is a buffer, not a wealth builder. Most years, inflation quietly eats more than savings interest pays — money that feels safe is slowly shrinking. Saving protects you from emergencies. Investing is what protects your future from inflation. You need both, in that order:

THE ORDER OF OPERATIONS

- | | |
|-------------------------|--|
| 1 • Buffer first | One month of essentials saved before anything else — then build toward three. |
| 2 • Kill expensive debt | Clearing 20% interest debt is a guaranteed 20% return. Nothing on a market beats it. |
| 3 • Then invest | Everything beyond the buffer and the debt payoff goes to work across the sea. |

2 FIRST STEPS — OPEN THE RIGHT ACCOUNT

The account type decides whether your growth is taxed. Fifteen minutes, once.

COUNTRY	ACCOUNT	WHERE TO OPEN
UK	Stocks & Shares ISA	Vanguard UK · Freetrade · Moneybox
Canada	TFSA (then RRSP)	Wealthsimple · Questrade
USA	Roth IRA (take 401(k) match first)	Fidelity · Vanguard · Schwab
Elsewhere	Local tax-advantaged account	Search "[country] tax-advantaged investing"

Account opened and verified — ID uploaded, bank linked

This is the only administrative step. Everything after is one decision and one automation.

3 DIVERSIFICATION — WHAT IT REALLY MEANS

Invest in seven ventures, yes, in eight. — Ecclesiastes 11:2

Diversification is not owning many clever things. It is owning a small piece of almost everything, so that no single failure can reach you. One low-cost global index fund does this in a single purchase — thousands of companies, dozens of countries, every major industry:

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FUND	COVERS	TYPICAL FEE
Vanguard FTSE Global All Cap	~7,000 companies, developed + emerging	0.23%/yr
iShares MSCI World ETF	~1,500 large/mid-cap, 23 countries	0.20%/yr
Vanguard Total World (VT)	~9,500 companies worldwide	0.07%/yr

Rule: one global fund, fees under 0.30% per year. Every extra 0.10% in fees compounds against you for decades — a 1% fee difference can cost a fifth of your final portfolio.

4 THE READINESS CHECK

Tick all six before your first contribution. Skipping these is why beginners sell early.

- No credit-card or payday debt outstanding**
- One month of essential expenses saved — building toward three**
- I know my monthly investable surplus, even if it is small**
£50/\$50 started now beats £500/\$500 started in ten years. The habit outranks the amount.
- Account opened; one global index fund chosen; fee confirmed under 0.30%**
- Contribution automated to leave on payday — before lifestyle spending**
- Dividend reinvestment (DRIP) switched on**
Reinvested dividends are where compounding quietly accelerates.

5 PATIENCE — THE PART THAT ACTUALLY BUILDS THE WEALTH

The market rewards the patient and punishes the reactive.

THE PATIENCE RULES

Do not check daily	One look per month. Every extra look is a chance to make an emotional decision.
Never sell in a drop	Every major crash in history has been followed by full recovery. A drop means your monthly contribution buys more.
Raise it with raises	Add 1% to the contribution with every pay rise. Set the reminder now.
Think in decades	Same £200/month: started at 25 → ~£524k by 65; at 35 → ~£243k; at 45 → ~£104k (7% illustration).

Illustrative only — assumes 7% annual return with monthly compounding. Markets vary and all investing carries risk. Past performance does not guarantee future results. This kit is education, not financial advice.

"There is no perfect moment to start. There is only now — and later. Later always costs more."

— HOUSE OF WISDOM

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