

The background is a dark blue gradient. In the corners, there are white, stylized circuit board traces with circular nodes, resembling a network or data flow diagram.

MAKE MANAGE AND MULTIPLY

Understanding how to *Multiply* your
Money on the Stock Market

AGENDA

1. Bernard Lawrence “Bernie” Madoff
2. Online Banking and Brokerage Account
3. Protection for Investors and General Public
4. Indexes for the Stock Market
5. What does Multiplying your money look like?
6. What is Cryptocurrency
7. What is a Stock Market Correction

(1)

BERNARD LAWRENCE “BERNIE” MADOFF

- Bernard Lawrence "Bernie" Madoff was an American financier who executed the largest Ponzi scheme in history, defrauding thousands of investors out of an estimated \$65 billion over the course of at least 17 years.

BERNARD LAWRENCE “BERNIE” MADOFF

KEY TAKEAWAYS

- Bernie Madoff was a money manager responsible for one of the largest financial frauds in modern history.
- Bernie Madoff's Ponzi scheme, which ran for decades, defrauded thousands of investors out of tens of billions of dollars.
- Investors put their trust in Madoff because he created a front of respectability, his returns were high but not outlandish, and he claimed to use a legitimate strategy.
- In 2009 Madoff was sentenced to 150 years in prison.

(2)

ONLINE BANKING BROKERAGE ACCOUNT

Online and mobile banking allow you to easily bank wherever and whenever. It is banking on your schedule and when you need it most. Online banking and mobile banking are both feature-rich and offer benefits that can't be found offline through traditional banking methods. You also have more control over your finances and instant access to essential financial tools on-the-go. Plus, if you're wondering if mobile banking is free, both mobile and online banking are beneficial free tools for you to use as often as you'd like. You have peace of mind knowing you can access your account 24/7, wherever you are.

ONLINE BANKING BROKERAGE ACCOUNT

Your Online Banking & Mobile App should Have

1. Up-to-date account activity
2. Checking (Investment) account balance
3. Account-to-account transfer
4. Person-to person transfer
5. Bank-to-bank transfer
6. Mobile deposit

ONLINE BANKING BROKERAGE ACCOUNT

Your Online Banking & Mobile App should Have

7. Fraud alerts
8. Two-factor authentication
9. View account statements online
10. Self-service options

(3)

PROTECTION FOR INVESTORS AND GENERAL PUBLIC

1. Money only grows based on the growth of a product, so you must understand the product that produces the growth someone is suggesting.
2. It is always better to invest in something that is globally recognized and not limited in being recognized by a group of individuals.
3. Investing in a Brokerage account is a compounded investment environment. You have the same benefits as Online Banking. At the beginning of investing, you are at your breakeven dollar amount.

PROTECTION FOR INVESTORS AND GENERAL PUBLIC

4. Invest your money in a trusted Brokerage Account that has been in existence for more than 40 years (Charles Schwab 1971 (54 years), Fidelity Investments 1946 (79 years), Robinhood 2021 (4 years), Coinbase 2012 (13 years)).
5. You should invest in a Brokerage company that has a local office to speak to a real person (not entirely virtual).
6. You need to be able to access your money just like your online traditional banking on your phone and computer.
7. Your investment portfolio should move in step (movement up and down) with the Stock Market.

PROTECTION FOR INVESTORS AND GENERAL PUBLIC

8. You must know the language of investing (Realized and unrealized gains and losses, wash sell violation, short-term and long-term capital gains, IRA, and Roth IRA).

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INDEXES FOR THE STOCK MARKET

The heartbeat of the US financial economy is obtained by looking at the performance of these 3 stock market indices:

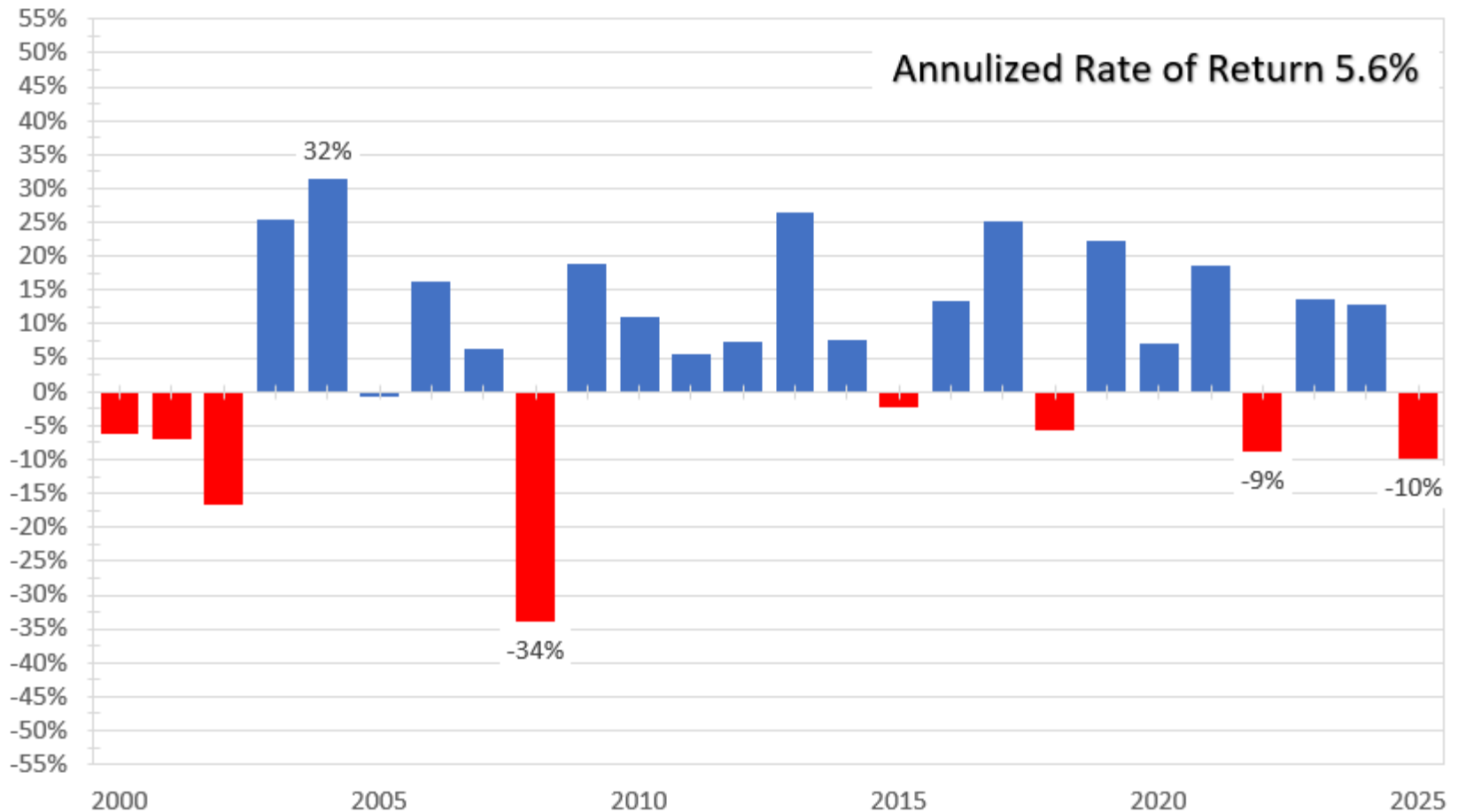
- **Dow Jones** - The Dow Jones Industrial Average (DJIA) is a stock market index that tracks 30 large, publicly owned blue-chip companies trading on the New York Stock Exchange (NYSE).
- **SP 500** – The S&P 500 Index or Standard & Poor's 500 Index is a market-capitalization-weighted index of 500 leading publicly traded companies in the US.

INDEXES FOR THE STOCK MARKET

- **NASDAQ** – The NASDAQ composite is a stock market index that includes almost all stocks listed on the Nasdaq stock exchange. The composition of the NASDAQ Composite is heavily weighted towards companies in the information technology sector.
- **Bitcoin (BTC)** - The first digital currency and remains the most valuable and widely recognized digital asset today. Conceptually existing for over 40 years, Bitcoin made it a reality in 2009, and its journey since has been both volatile and revolutionary.

INDEXES FOR THE STOCK MARKET

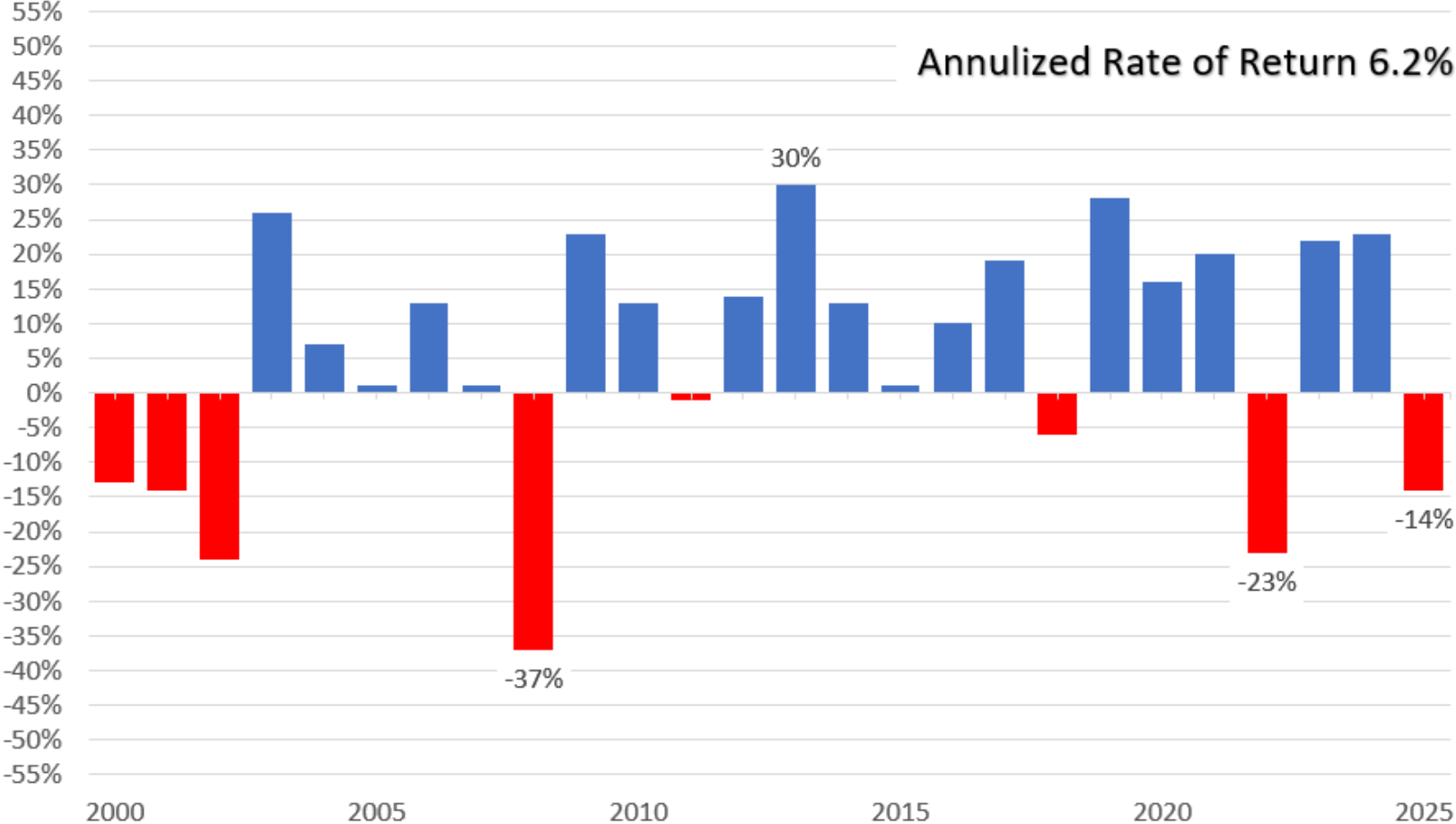
Dow Jones Performance (2000 - 2024)



INDEXES FOR THE STOCK MARKET

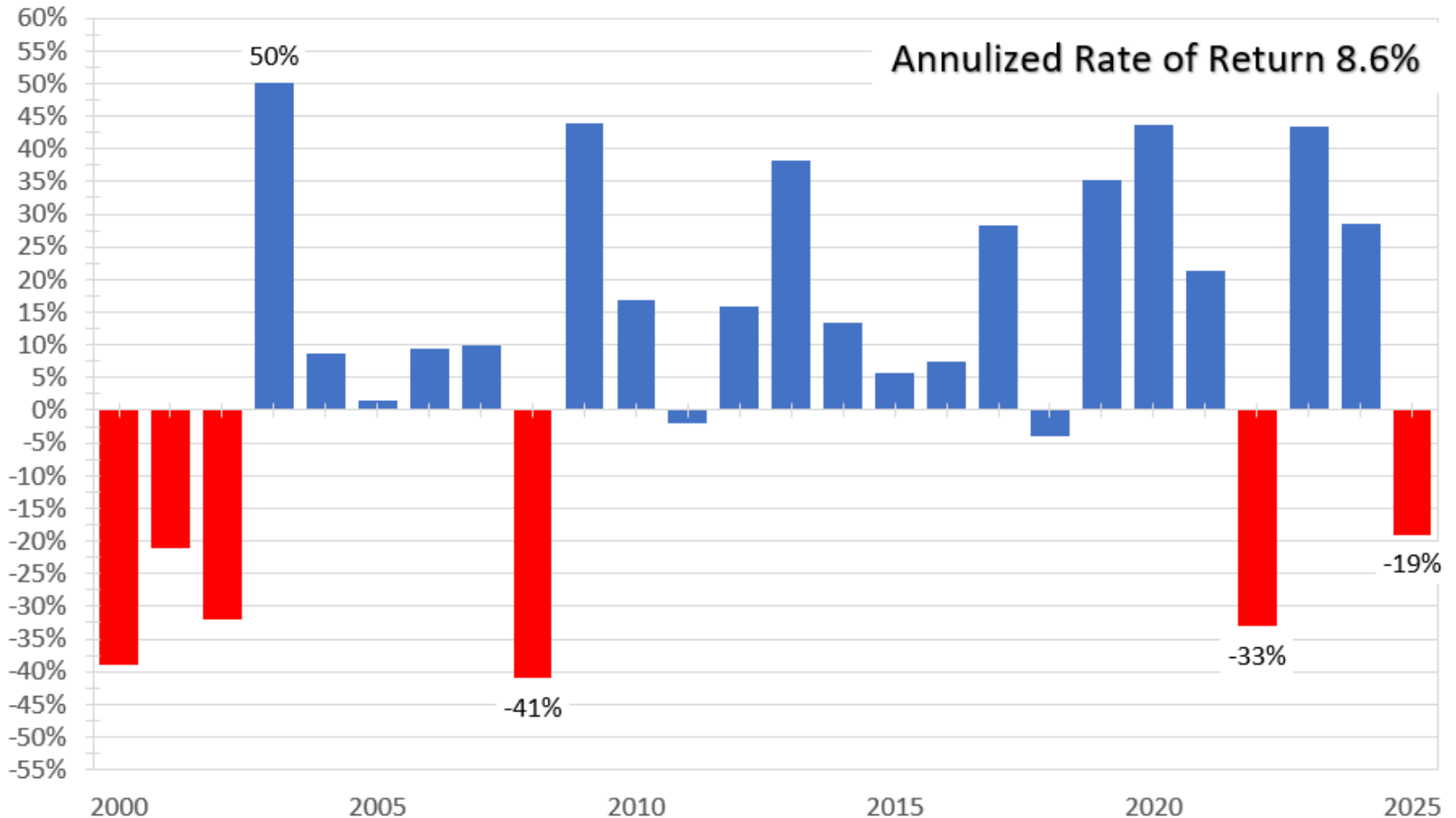
SP 500 Performance (2000 - 2024)

Annulized Rate of Return 6.2%



INDEXES FOR THE STOCK MARKET

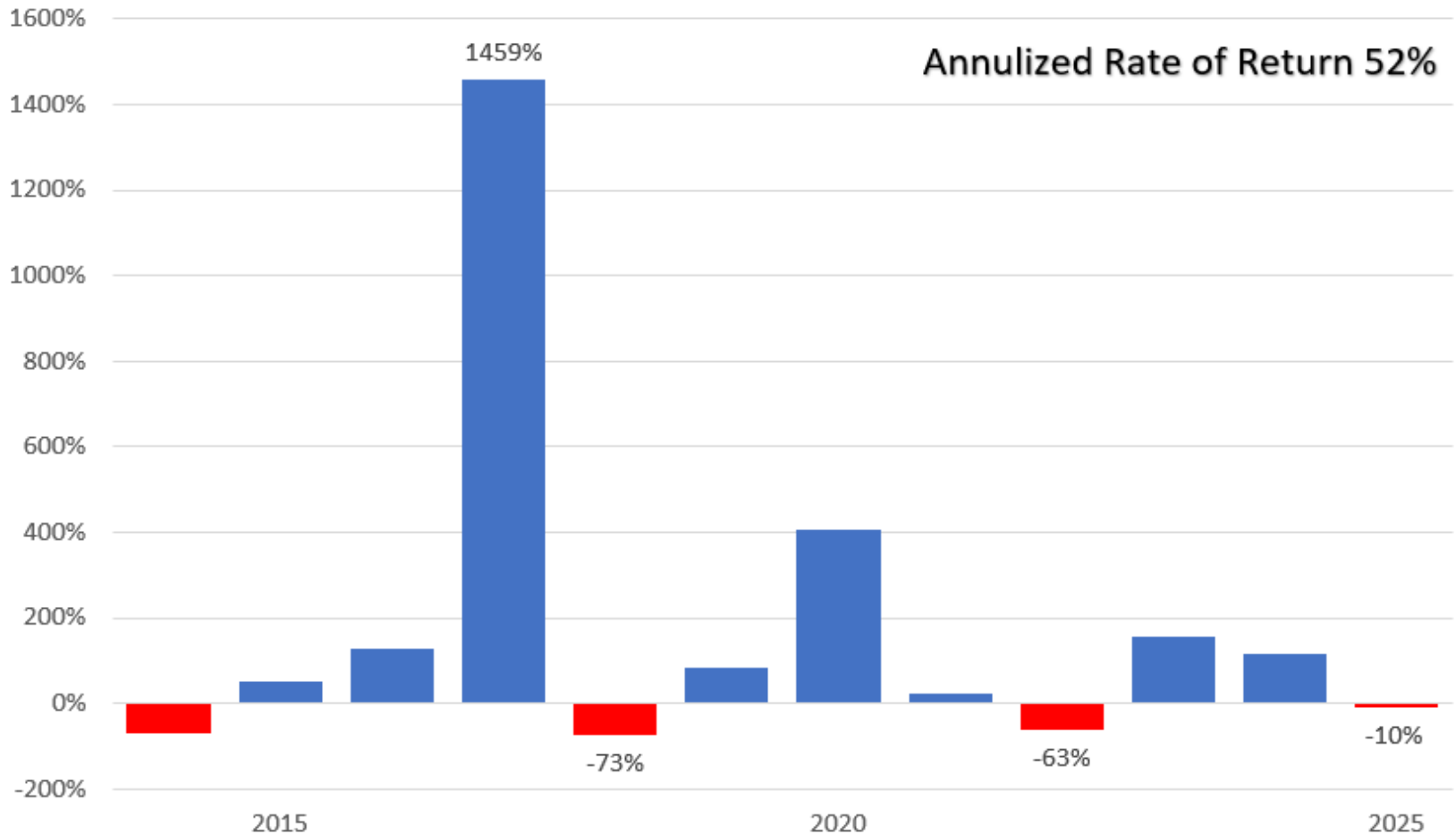
NASDAQ Performance (2000 - 2024)



INDEXES FOR THE CRYPTO. MARKET

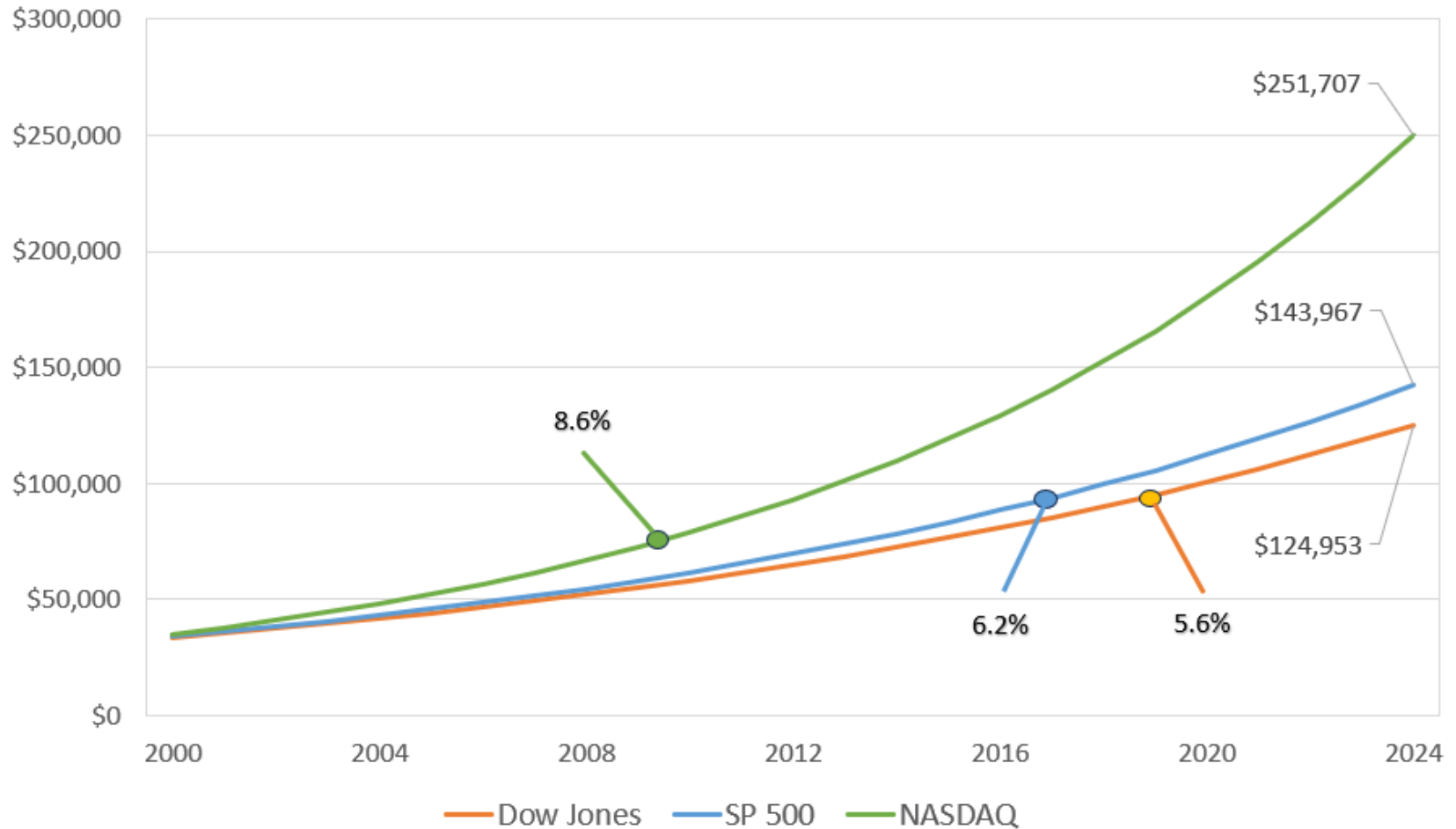
Bitcoin Performance (2014 - 2024)

Annulized Rate of Return 52%

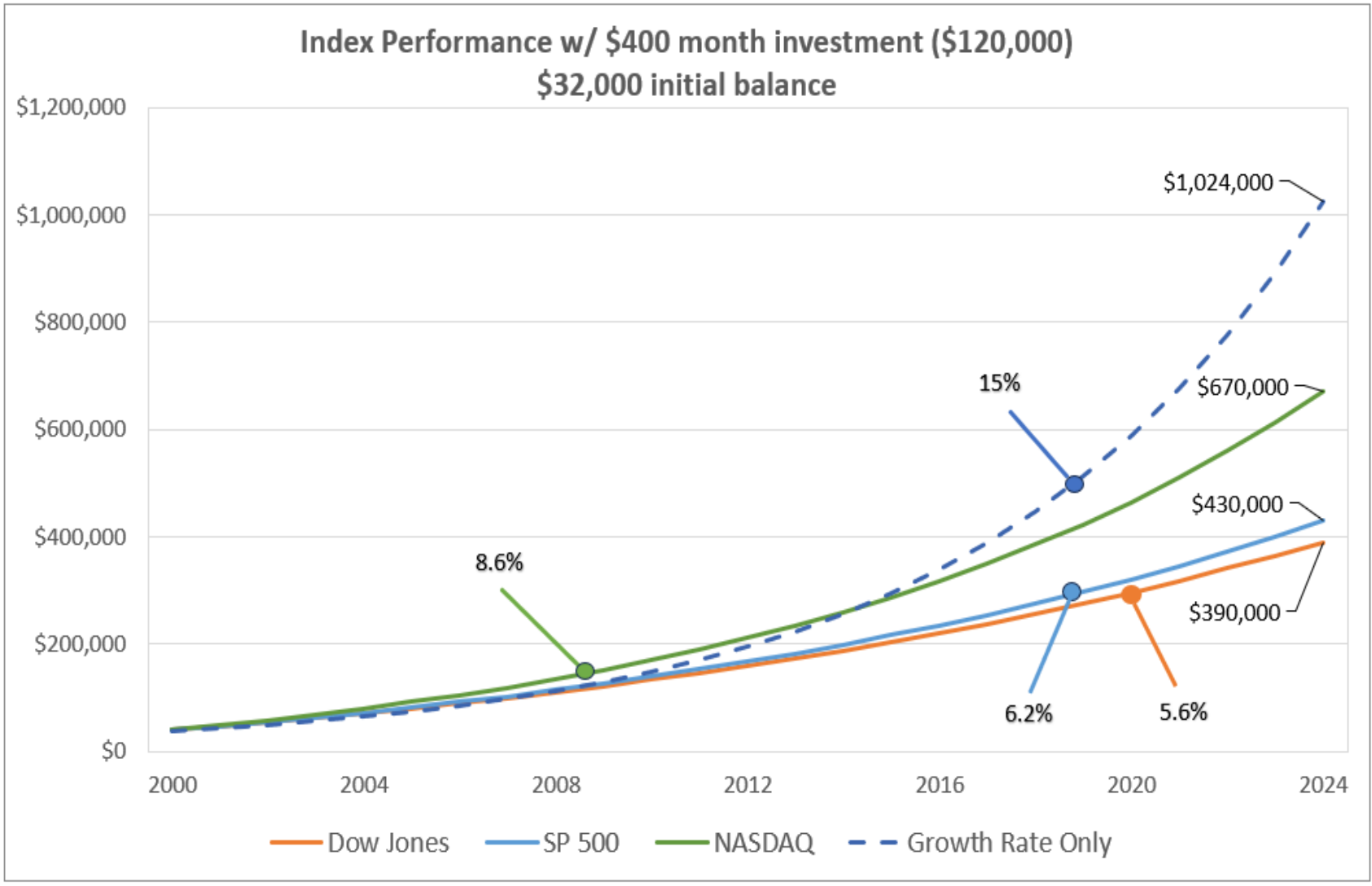


INDEXES FOR THE STOCK MARKET

Index Performance w/ single \$32,000 initial balance at 25 yrs



INDEXES FOR THE STOCK MARKET



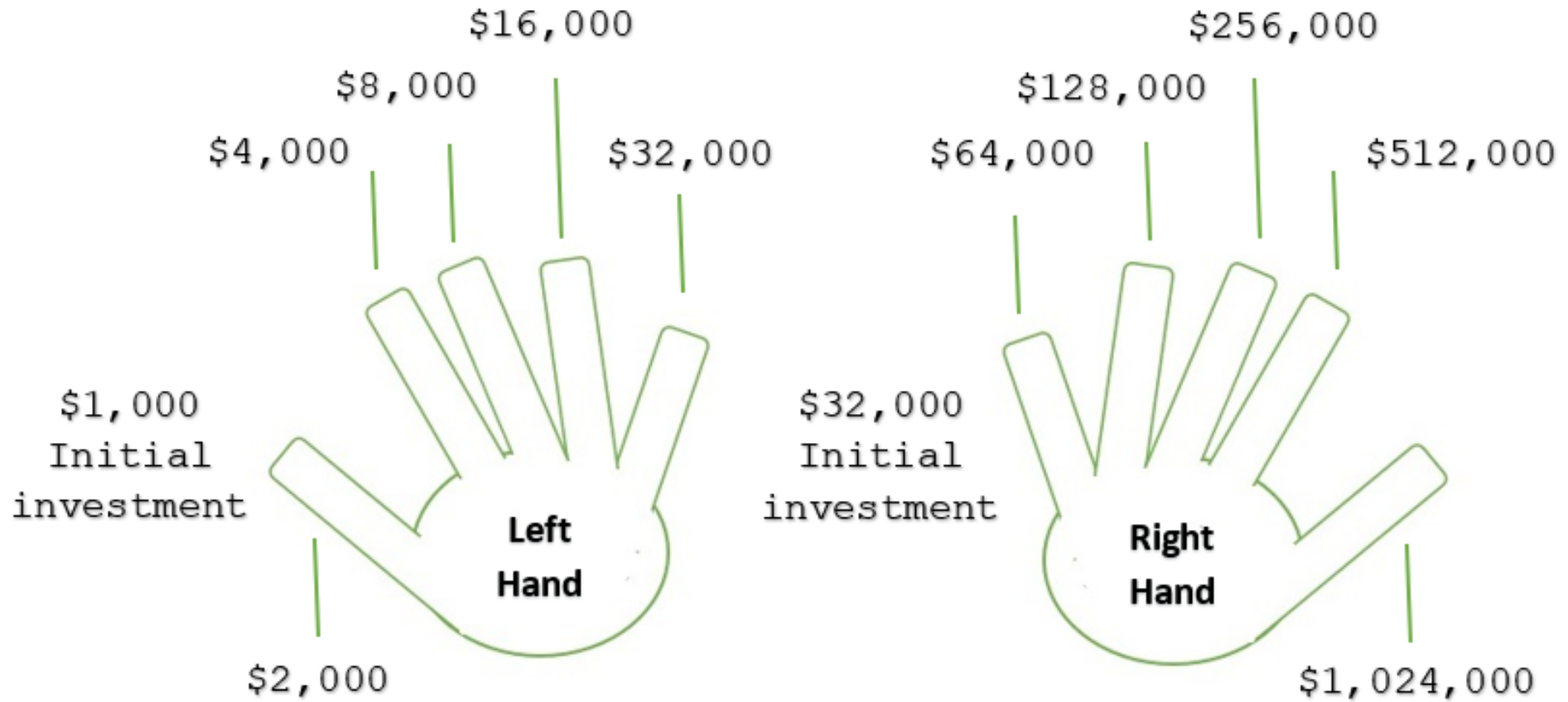
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WHAT DOES MULTIPLYING YOUR MONEY LOOK LIKE

Growing your Savings to reach your Investment Goal has two pieces:

- Your Savings (single investment or monthly investment)
- Time to Reach your Nest Egg Goal

WHAT DOES MULTIPLYING YOUR MONEY LOOK LIKE



WHAT DOES MULTIPLYING YOUR MONEY LOOK LIKE

Law of 72 Chart and the associated error

Years to Double (y)	Growth Rate Equations (percentages)		
	$((\sqrt[y]{2}) - 1) \times 100$ %	Law of 72 %	Law of 72 Percent Error
72	0.97%	1.0%	3.09%
9	8.01%	8.0%	-0.06%
6	12.25%	12.0%	-2.04%
5	14.87%	14.4%	-3.16%
4	18.92%	18.0%	-4.86%
3	25.99%	24.0%	-7.66%
2.5	31.95%	28.8%	-9.86%
2	41.42%	36.0%	-13.09%
1.5	58.74%	48.0%	-18.28%
1.2	78.20%	60.0%	-23.27%
1	100.00%	72.0%	-28.00%

WHAT DOES MULTIPLYING YOUR MONEY LOOK LIKE

Let's take a step back, the first thing you need to understand when dealing with money is to understand the Present Value (PV) equation. This equation helps you understand how to calculate dollar growth with changing interest rates.

$$\text{The equation is } PV = \frac{FV}{(1+r)^y} = (1+r)^y = \sqrt[y]{\frac{FV}{PV}}$$

FV = future value, r = Growth Rate, and y = number of periods.

Let's substitute 2 for FV and 1 for PV:

$$\text{Total Growth Multiplier } (x) = \frac{FV}{PV} = \frac{2}{1} = 2$$

WHAT DOES MULTIPLYING YOUR MONEY LOOK LIKE

This special substituting has significant meaning. You have seen $\sqrt{2}$ in trigonometry as the hypotenuse of an Isosceles right-angled triangle.

The Growth Multiplier can be used for any sales transaction (money, cars, house flipping, lemonade sales, hair, services, ...etc).

Here is what all this math means. This simple math concept can be applied to any product that experiences an Annual Growth Multiplier of 1.41423 and compounded twice would double the investment's value.

1 st Compound	$\$10,000.0 \times 1.41423 = \$14,142.3$
2 nd Compound	$\$14,142.3 \times 1.41423 = \$20,000.5$

WHAT DOES MULTIPLYING YOUR MONEY LOOK LIKE

Let's substitute 3 for y and 2 for x :

$$\text{Growth Multiplier } (1+r) = \sqrt[y]{x} = \sqrt[3]{2} = 1.25992$$

$$\text{Growth Rate } (r) = (1.25992 - 1) \times 100 = 25.992\%$$

Here is what all this math means. This simple illustration showed that any product that experiences an Annual Growth Multiplier of 1.25992 and compounded three times would double the investment's value. See below.

1 st Compound	$\$10,000.00 \times 1.25992 = \$12,599.20$
2 nd Compound	$\$12,599.20 \times 1.25992 = \$15,873.98$
3 rd Compound	$\$15,873.98 \times 1.25992 = \$20,000.00$

(6)

WHAT IS CRYPTOCURRENCY

<https://www.investopedia.com/terms/c/cryptocurrency.asp>

(7)

WHAT IS A STOCK MARKET CORRECTION