FINANCIAL LITERACY SERIES — LESSON 4

Investing 101

Make your money work while you sleep, train, and compete.

IRONCLAD NIL
ATHLETIC WEALTH ADVISORY

3–4 MIN READ • LESSON 4 OF 6

KNOW THE DIFFERENCE

Not all money moves are investing.

One builds wealth slowly and surely. The others look exciting — and usually end badly.

INVESTING

What it is:	Buying ownership in real assets — companies, real estate, funds
Time horizon:	Years to decades
Risk:	Managed through diversification
Avg return:	7-10% per year historically
The vibe:	Boring — and that's the point

VS

GAMBLING / SPECULATION

What it is:	Betting on short-term price movements (crypto flips, meme stocks, day trading)
Time horizon:	Hours to days
Risk:	Total loss is common
Reality:	90%+ of day traders lose money
The vibe:	Exciting — and that's the warning sign

ASSET CLASSES

4 ways to put your money to work

Each behaves differently — together they make a powerful portfolio.

Stocks

You buy a tiny piece of a real company.

- When Apple, Nike, or Amazon grows — you grow too
- Highest long-term returns (~10%/yr avg)
- More short-term ups and downs

Bonds

You lend money to a company or government.

- They pay you back with interest (like a loan)
- Lower returns (~3-5%/yr) but much steadier
- Good for stability and balance

Real Estate

Physical property that generates income.

- Rental income + property value appreciation
- REITs let you invest without being a landlord
- Hedge against inflation

Commodities

Physical goods: gold, oil, agricultural products.

- Gold holds value when markets drop
- Good inflation hedge
- More volatile, harder to predict

DIVERSIFICATION

Don't put all your eggs in one basket.

Spread your money across different asset types so one bad investment can't wipe you out.

The Golden Rules

- Never put more than 5-10% in one single stock
- Index funds = instant diversification across 500+ companies
- Add international stocks for global exposure
- Rebalance your portfolio once a year
- The more diversified, the smoother the ride

NIL athletes: resist putting your NIL money in one team's stock or a friend's startup — diversify first.

REAL DATA · 2016–2025

Even the Swoosh couldn't beat the index.

$10,000 invested — trailing 10-year period. Where did it end up?

Nike (NKE)

Single stock · 10-yr annualized return

-1.15%

$10,000 invested grew to:

$8,908

VS

S&P 500 (VOO)

500 companies · 10-yr annualized return

+15.52

$10,000 invested grew to:

$42,323

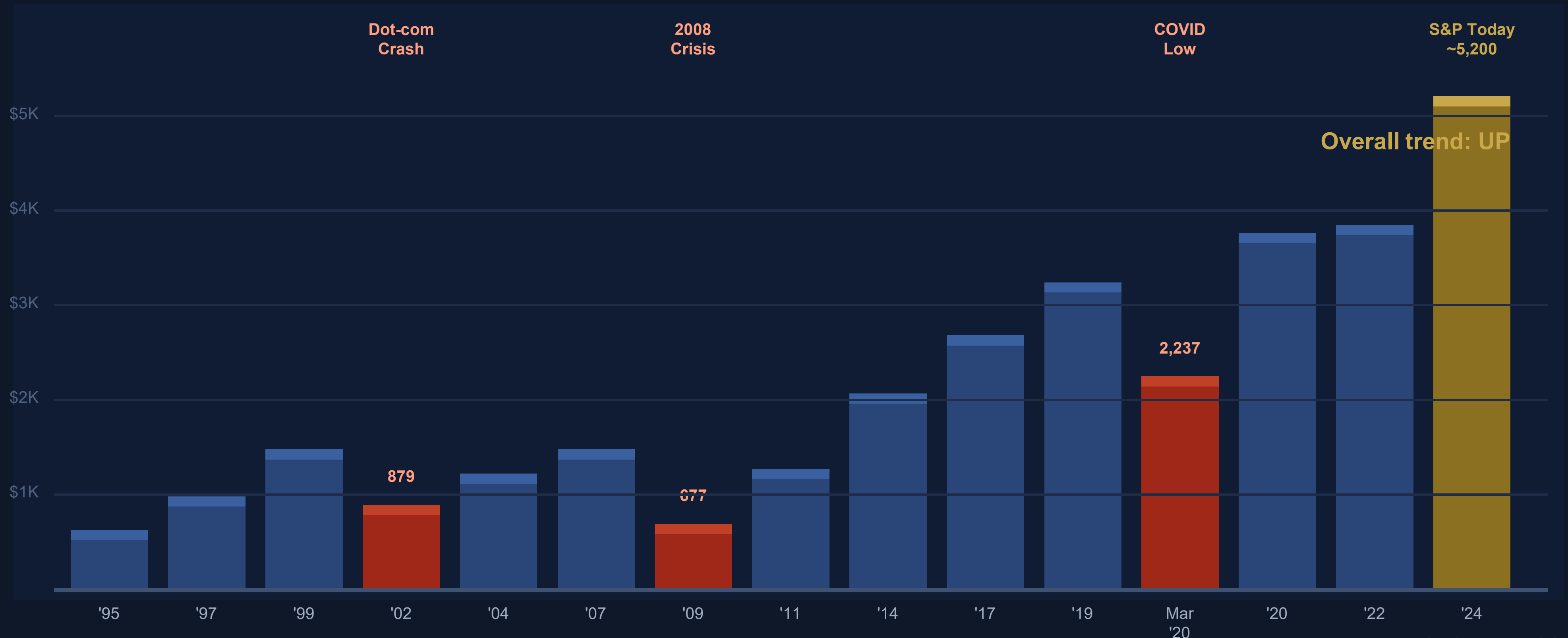
A simple index fund outperformed one of the world's most iconic brands many times over.

Nike: ycharts.com/companies/NKE/performance/price | S&P 500: ycharts.com/companies/VOO/performance | 10-yr annualized returns

THE LONG GAME

The market always goes up.

Short term: unpredictable. Long term: it has never failed to recover and hit new highs.



S&P 500 Index — 1995 to 2024 | Source: historical market data

THE CORE STRATEGY

Buy low. Sell high. And never panic.

BUY LOW

The best time to buy is when everyone else is scared. Market crashes are sales — on the same companies that were worth more yesterday.

In March 2020, the S&P 500 dropped 34% in 33 days. Investors who bought MORE came out way ahead.

SELL HIGH

Patience is the strategy. You don't actually lose money until you sell. Let the market recover — it always has.

Every single market crash in history has been followed by a full recovery. Every. Single. One.

NEVER PANIC

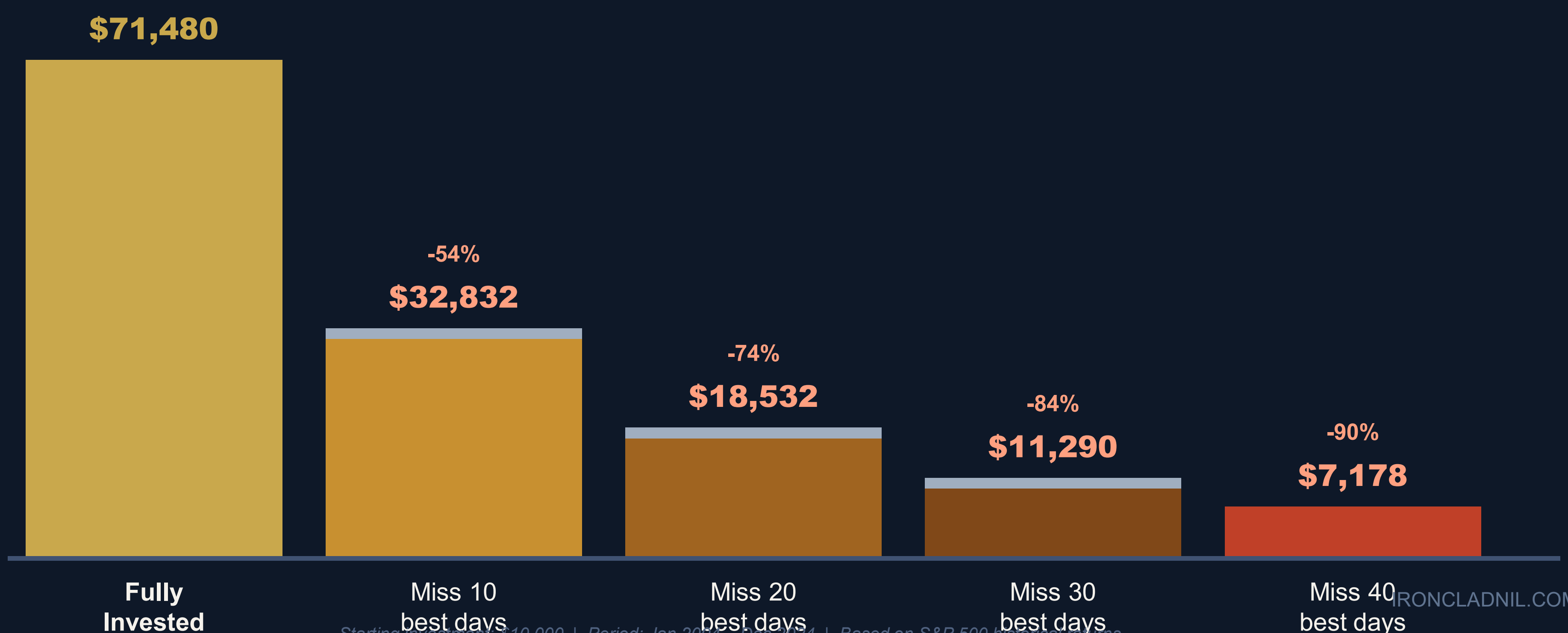
Selling when the market drops locks in your loss. The investors who got hurt in 2008 were the ones who sold at the bottom.

The best investors don't react — they stay the course and buy more when they can.

STAY INVESTED

Time IN the market beats timing the market.

$10,000 invested in the S&P 500 from 2004–2024 — what happens if you miss the best days?



Starting investment: $10,000 | Period: Jan 2004 – Dec 2024 | Based on S&P 500 historical returns

COMPOUND INTEREST

Start at 21. Not 31.
The difference is enormous.

Athlete A

Starts investing at 21

$5,000/year for 40 years

Total invested: $200,000

$1,398,905

at age 61 at 8%/yr

VS

Athlete B

Starts investing at 31

$5,000/year for 30 years

Total invested: $150,000

$611,729

at age 61 at 8%/yr

Athlete A invested $50K MORE but ends up with $787,176 MORE — because time is the secret ingredient.

Your money should work as hard as you.

We build your investment strategy.

IroncladNIL works with you to build a personalized investment plan that matches your income, your goals, and your timeline.

- **Set up your first diversified investment account**
- **Choose the right index funds for your situation**
- **Automate your investing so it happens every paycheck**
- **Review and rebalance your portfolio every year**

Book Your Free Strategy Session

What's in This Series

Complete Lesson 1 — Budgeting

Complete Lesson 2 — Taxes

Complete Lesson 3 — CEO Mindset

HERE Lesson 4 — Investing 101

Next Lesson 5 — Investing 102

Next Lesson 6 — Protecting your Plan

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Athletic Wealth Advisory