

THE CAPPUCCINO FACTOR



We may not all be aware of how much we spend on coffee (or other incidentals) each month. Research tells us that it is likely to be about £100 per month which is spent – or perhaps we should say ‘wasted’ on just buying coffee.

We also know that the average person in the UK spends £13 per week on the lottery and scratch cards and games of chance. They do that with a one in 14 million chance of being wealthy – but there is a better way!

BY INVESTING YOUR MONEY, YOU COULD HAVE A 100% CHANCE OF BEING WEALTHY IN YOUR LIFETIME.

SO HOW DOES THAT WORK THEN?

We will go through the method needed to turn £13 per week – or just £1.67 per day into a million or so.

All you need to do is to save £1.67 per day for your working life (for us that means from the ages of 18 to 65) into an investment fund which produces 11.7% return (or 12% just to make it simpler), and you will end up with:

£1,225,514..... and 31p!

I have used 11.7% because that is the return generated by the FTSE, on average over the last few decades and so it is achievable over time.

Of course, if you want to end with £2.5 million you save two lots of £1.67 – that’s £3.34. If you want to do it in half the time, then again save twice the money - £3.34.

Grab a coffee! and take a look over the page...

SO HERE GOES!

- 1 **START TODAY!** By putting £1.67 into a cup, tray, box or whatever takes your fancy.
- 2 Do that with another £1.67 tomorrow and **EVERY** day - yep even Saturday's and Sunday's - and keep doing it.
- 3 In the meantime, go to www.trustnet.com and select '**Investments**'
- 4 Then select '**Passive Funds**' then '**UK Equities**' and in the grey 'Refine you list by selecting benchmark' box (left hand side) select '**FTSE All Share**'.
- 5 Expand that box further by clicking '**Refine your list further**' just below and select '**Unit Trusts**' in the '**Legal Structure**' dropdown menu. This will give you a list of about 10 potential choices displayed in the chart below.
- 6 Look at the far-right column if the chart: that says **OCF** (ongoing charges figure) which is the annual management fee plus any ongoing charges: this should be **1% or less**.
- 7 In the performance tab of the chart it shows **RiskScore** (the higher the score the lower the risk, this should be over 90 at least) and **tracking figures** (0 means it is tracking the market exactly, this should be close to 0 or higher).
- 8 Either pick a fund based on their fees (step 6), tracking or risk (step 7) or all three. All 10 of these funds should be good funds.
- 9 Make sure that the fund you have chosen offers **accumulation units** (fund name will include 'Acc') or one where you can **reinvest the dividends** as you go - as all the money needs to be compounded (you may need to contact the fund manager or check their website to find this).
- 10 Look at the left column of the chart this is the fund name, click this to view the contact details of the manager and their website: check the fund reinvests dividends and allows small amounts of money to be invested monthly.

If they do then get an application form from them, set up a fund with them and

YOU'RE OFF!

If they don't then pick another fund from our potential 10.

With wealth, health and happiness,

