FREE GUIDE

Start investing from scratch

The first 5 steps

Catallaxis Capital

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BEFORE WE START

This guide is for you if you can set aside some money every month, even a little, and you know that leaving it parked at the bank is not a plan. No prior knowledge required. We are not here to sell you any product: Catallaxis Capital does not manage anyone's money and takes no third-party commissions. We teach people to invest on their own, and this guide is the starting point.

All content is strictly educational and does not constitute regulated financial advice. Each person is responsible for their own investment decisions.

STEP 1 OF 5

Understand what you are *up against*

Try a simple exercise: recall what you paid five years ago for rent, groceries and fuel. Compare it with today. That difference is inflation, and it is not a passing accident: it is a feature of the system.

The dollar, the euro and every other legal tender currency can be created without limit. When central banks issue new money, every unit you had already saved comes to represent a smaller share of the total. More money chasing the same goods means higher prices. The result is a silent tax: it never shows up on your payslip, yet every year it transfers part of your savings to whoever receives the new money first.

> **The practical consequence is the single most important idea in this guide:** leaving your savings in a checking account is not avoiding risk. It is accepting a guaranteed loss of purchasing power, year after year. Not investing is also an investment decision, and it is one of the bad ones.

That is why investing is not a luxury for the rich or a hobby for market geeks. It is a defensive necessity for anyone who saves.

STEP 2 OF 5

Prove you can *save consistently*

This comes first

This is where almost everyone tries to skip the line. Don't.

Before you invest a single dollar, prove to yourself that you can set aside **a fixed amount every month, without fail**, for several months in a row. It doesn't need to be much. What matters is not the number, it's the consistency.

Why does it matter so much? Because investing is exactly the same test, just stretched over years instead of months. If you can't keep the habit of setting money aside when nothing is forcing you to, you won't keep it either when the market drops 20% and everything in you wants to stop. Saving consistently is the dress rehearsal for investing consistently.

> Simple rule: if you haven't yet proven you can save without missing a single month, your "investment" for the coming months is proving exactly that. After that, and only after that, everything else begins.

STEP 3 OF 5

Decide how much to *invest each month*

And pay yourself first

Forget the idea of "investing whatever is left at the end of the month". Nothing is ever left at the end of the month: expenses expand to fill all the available space.

It works the other way around: pick a fixed amount you can sustain for years without choking, and set it aside on payday, before you spend. That is the "pay yourself first" principle. The amount matters less than you think: $100 or $200 a month sustained for 15 or 20 years does more than $1,000 a month you abandon a year later.

> The key word of the whole plan is **consistency**. The perfect amount is the one you will keep contributing through the bad months and through the scary markets. If you are torn between two figures, choose the smaller one.

Know the *real assets*

So where does that monthly money go? The short answer: into real assets, things that cannot be printed from an office. The main ones, each explained in a sentence:

Quality company stocks

When you buy a share you buy a piece of a real business, with its factories, its brands and its profits. Over the long term, owning good businesses is one of the most proven ways to build wealth.

Index funds and ETFs

They let you buy hundreds of companies at once, in a single trade, with minimal fees. Passive investing in indexes like the S&P 500 outperforms most actively managed funds over the long term, and it is the most sensible entry point for a beginner.

Gold (and silver)

Real money for thousands of years: nobody can manufacture it and it depends on no government's promise. Its role in a portfolio is to protect purchasing power when currencies devalue.

Bitcoin

A digital asset with supply capped at 21 million units that no central bank can expand. Volatile in the short term, but with unique monetary properties worth understanding before you dismiss it or embrace it.

What matters in this step is not memorizing products but grasping the criterion: assets that represent real value, as opposed to the complex debt-based products the traditional system likes to package and sell with fees attached.

A starter portfolio needs no more than a handful of well-chosen positions. Sophistication does not produce returns; discipline does.

STEP 5 OF 5

Execute with *consistency*

DCA and compound interest

The last step is the method, and it is deliberately boring.

DCA (Dollar Cost Averaging) means investing the same amount every month, whatever the markets are doing. No guessing whether it is a good or a bad moment. When prices fall, your contribution buys more; when they rise, it buys less. Over the long run this removes the beginner's biggest risk: going all in at the worst moment and bailing out in fear.

And here comes the force that does the heavy lifting: **compound interest**. Your gains generate gains, which in turn generate gains. The numbers surprise everyone the first time:

CONTRIBUTING $200/MONTH AT 8% A YEAR	TOTAL ACCUMULATED	YOU PUT IN
10 years	~$36,600	$24,000
20 years	~$117,800	$48,000
30 years	~$298,000	$72,000

Notice the detail that changes everything: the last 10 years generate more than the first 20 combined. Time does not add, it multiplies. That is why the best moment to start was years ago and the second best is this month.

Illustrative calculation with a constant return. Real returns vary year to year and past returns do not guarantee future ones. Run the numbers for your own case with our free calculator: catallaxis.com/calculator

The three mistakes that break the plan

So you can spot them from a distance:

1. **Panic selling** when the market drops. Downturns are part of the plan, not a malfunction.
2. **Chasing the hype**: the stock or crypto everyone is talking about already went up before you arrived.
3. **Pausing your contributions** "until things calm down". The bad months are precisely when your contribution buys cheapest.

WHAT NOW?

With these 5 steps *you have the map*

What no guide can give you is the concrete execution: what to buy given your situation, where to do it while paying minimal fees, and how to leave the plan running on autopilot every month.

That is exactly what we do in the Catallaxis Capital initial setup: you leave with your portfolio set up, your first investment made and your monthly plan running. We always start the same way: a free 10-minute call to understand your situation and see whether we can help you. No strings attached.

BOOK YOUR FREE CALL AT CATALLAXIS.COM

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