

Wealth Wisdom For Ladies

Personal Insights to Building Wealth

Aneshia Y. Smith



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**Publisher: ITATI
P. O. Box 19718
Atlanta, GA 30325
Tel: 404-824-1142
Email: ITATISocks@aol.com**

1 The Chicken or The Egg.....	4
2 Dreams.....	6
3 The Middle Class - What It's Like To Be Broke At A Higher Level	9
4 The Psychology of Wealth.....	13
5 Compound Interest – It Can Feed You Or It Can Eat You...Bon Appetite'	15
6 Tax Deductible – What Does It Really Mean?.....	18
7 Roth IRA vs. Traditional IRA.....	21
8 True/False – Common Myths About The Stock Market.....	25
9 Money, Money, Money, Money...Money! – Making Money In the Stock Market No Matter What.....	29
10 You Can Be Right or You Can Be Rich.....	34
11 ETFs or Mutual Funds: Which One is Right For You?.....	37
12 How Would You Like To Pay My Mortgage?	38
13 Balancing Spirituality And Financial Prosperity.....	39
14 The Light At The End Of The Tunnel...And It's Not A Train.....	41

1 The Chicken or The Egg

Ladies, can I be honest? Let's be honest. Don't put all of your eggs in one basket. How many of you have heard that saying before? Yeah, I know. Your mind is going "I know that already." Well, that's part one. Don't put all of your eggs in one basket. Now here's part two...**ESPECIALLY** when you are not the one holding the basket.

Now, what do I mean by this?

If your job or self-employed **business** is the only income you've got, you could be in TROUBLE....and most of you don't even know it yet....or maybe, just maybe, you do. Maybe, just maybe that's why you are reading this e-book today. You realize you've been doing the same thing over and over again, and what you've been doing isn't working anymore.

Anyone know the definition of insanity? Help me out here, ladies....doing the same thing over and over again and expecting different results. So of course, you have got to do something different if you want to reach your financial goals...a little extra spending money per month, financial freedom, more time to spend with your family...whatever that may be.

Most of you make your money from active income. You trade your **time** for money. Have you thought about what would happen if you could no longer perform your role? What happens to that income?

Hello, my name is Aneshia Smith. And I love my life. I spend my time training ladies on how to trade and invest in the stock market, and I love every minute of it. I also own an engineering business and invest in real estate. I wake up everyday excited about the new adventure I am going to experience.

But there was a time when it wasn't so. There was a time when I was unemployed and staying with a friend, sleeping on her couch. There was a time when I thought about giving up on life, because I felt like such a failure. Even though my friends and family thought I had everything under control, I had never felt more out of control. I felt desperate and helpless.

Then, I discovered a secret. It was as if I finally saw the light at the end of the tunnel...and it wasn't a train. I started to see a bright future ahead of me. Gradually, things began to get better. I moved into my own place and eventually bought another home. I have been on the financially illiterate path. And I have been on the financially enlightened path. And I would much rather be on the enlightened path and on my way to financial freedom than to be living from paycheck to paycheck and worried about whether I will be the next one to get laid off.

Now my life is so amazing that I just have to share this secret with you. I am so passionate about this because I know that you too can reach your financial goals and live the life of your dreams. All that you need to do is take the first step: choose to make a personal commitment to your financial freedom path.

2 Dreams

When your girlfriends talk about their financial dreams, what do they say? Many say, “Oh, I would like to be a **millionaire**.” Or some will say, “I would like to have enough money in the bank so that I can retire.” Still, others may say, “I would like to have enough money to pay my bills every month.” But very few say, “I would like to be financially free.” And for those that do say it, the question I have for them is “Well, what exactly do you mean by ‘financially free’?”

Ladies, I have news for you. If your goal is to be financially free, then I will bet you that you are closer to your goal than you thought. And it all boils down to your perspective. First of all, to be truly financially free, it is important for you to understand the difference between active income and passive income. Most ladies generate active income. You trade your time for money in the form of a job, whether you have a manager to whom you report or even if you are self-employed. Whether you are a doctor, an attorney, an engineer, an accountant, or a school teacher, it does not matter. Whether you are an employee or self-employed, it does not matter. And even as a person of “status” as in the case of a doctor, attorney, engineer, or CPA, you may get paid more than average money for your time. But either way, when you get paid based on your time, your income will be limited. Why? Because nobody gets more than twenty-four hours in a day.

Now, you may be able to control how much you get paid per hour in the case of someone who is self-employed. Or maybe you get paid per transaction, as in the case of a real estate agent. Either way, you still have to **invest** your time in order to make the transaction happen. That is one of the reasons why time management is so critical for people who only generate active income. Because for them, time is money.

Now, ladies, ask yourself this question. What happens if you stop performing your duties? Certainly, I am not wishing any ill will on anybody, but what happens to your income if you were to become sick or disabled or have an accident? I have friends who are professionals who have had health challenges. If it were not for their employer's health insurance, their income would have been zero. And even long-term disability does not pay you the equivalent of your full salary in most cases.

One of my mentors used to be a chiropractor until he injured himself while helping a friend move a boat. He even had his own practice. But, at the point of his injury he was no longer able to generate income as a doctor. He had to find another way to support his family. Think about this situation for a moment. What if this was **you**? What would you do?

If you want to be financially free, it's time for another alternative. And it's called passive income. Now, what is passive income you might ask? Well, it is income that flows to you without requiring your time. You are no longer trading your time for money. This is how you make money when you sleep, or when you are on vacation, or when you are doing anything else but work. This is the key to unlimited income because it no longer depends on your time. Ultimately, you are now leveraging your time by an infinite amount.

Now, it no longer matters if something were to happen where you could no longer perform your regular work duties, because **passive** income flows to you regardless of whether you are able to do physical work. This leads me to how I would answer the question I mentioned earlier: "Well, what exactly do you mean by 'financially free'?"

Financially free means you are generating enough passive income to pay for your expenses.

Now ladies, notice I did not put any limitation on what the expenses could or could not be. Quite frankly, it really does not matter. And this is why I said defining financially free all boils down to your perspective. Depending on who you ask, some will say that it is a bad idea to have debt. Well, in the absence of judgment, a debt payment is an expense, no more, no less. And regardless, if you are generating enough passive income to pay for this expense, then you are financially **free**. Think about it, if you have freed up your time such that you only worked if you chose to, could do anything you wanted with your time and still handle your financial obligations, then does it really matter that you have a debt payment? That is for you to decide.

What are some examples of passive income businesses, you ask? Vending machines, parking lots, any business with a network or multi-level marketing business structure, real estate, and the stock market are just a few ideas for starters.

Dreams are so important. If it weren't for dreams, then why would you be willing to do whatever it takes to reach your financial goals? Why not just be content to be part of the middle class?

3 The Middle Class - What It's Like To Be Broke At A Higher Level

A few years ago, I was making more money than I had ever made before, but I did not know where it was all going and why I did not have much left at the end of the month. I was struggling with **money**. Ladies, can you relate? Here I was this engineer who could talk to you about anything technical...because I was taught how to analyze and solve problems in school. But one thing they never taught me was how to become wealthy, or how to grow the money that I make.

How someone spends their money tells you what financial mindset they have. And remember this: your thoughts create your reality.

But before I go into that, I want to give a brief description of the following financial terms from the perspective of the rich, and not necessarily from the perspective of a traditional bank: assets, liabilities, income, and expenses.

Assets are something that pays you. Investment properties, bank accounts, and company stock are examples of assets that pay you. Some would debate that your personal home is an **asset**. However, within this paradigm, unless you are able to rent out a room or the basement in order to generate income, your personal home is not truly an asset. Liabilities are something that costs you. Credit card debt, cars, and bank loans are examples of liabilities. I include cars as a liability, because unless you rent it out, it does not pay you. Even if you own it free and clear, I still count it as a liability because it does not generate any income for you. Speaking of income, **income** is money you bring in. As I mentioned in an earlier chapter, this includes active and passive. Active income is income you generate when you exchange your time for money. Passive income is income that your business generates “while you

sleep.” And finally, **expenses** are money you spend. They include rent or mortgage, car payment, credit card payments, and food just to name a few.

Now, back to the financial mindsets. The poor buy “stuff,” things they may not even need necessarily. They’re attracted to the “Save you money” ads. But what they fail to realize is that they must spend money in order to save money. They spend \$1.00 to save \$0.20. So, the end result is that they have spent money nonetheless, in this example, \$0.80.

The middle class buy **liabilities** which generate expenses. As their income goes up so does their expenses, hence the phrase Robert Kiyosaki uses in his book “Rich Dad, Poor Dad” known as the “rat race.” And THAT is what happened to me. When I made more money, I went out and bought a nicer car, a little BMW Z3 convertible. I did not need the car, but I wanted it. So instead of taking the additional money and buying income producing assets, such as investment properties, like the rich would do, I bought the car, a larger liability. And I remember a few years ago living in beautiful southern California, watching the sunset over the Pacific Ocean, cruising around in my convertible BMW with the top down, trying to be cute, as they say....BROKE! I was broke at a higher level. I had these things, but I didn’t really own any true assets. Which brings me to the rich.

The rich buy “true” assets which generate passive income. And they then use this passive income to pay for their expenses. They basically create a financial freedom wheel. Also, the rich define wealth using net worth; the middle class define wealth using annual income. Your net worth is your assets minus your liabilities.

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