

Investing for Beginners — Workbook

This workbook turns the course into a real, funded investment plan that is yours. Each section maps to a course module, moving from understanding the instruments, to seeing how fees and compounding decide your outcome, to choosing accounts and a broker, to placing your first order and automating it. Use your own real numbers rather than examples, and let the included spreadsheets handle the arithmetic so you can focus on the decisions. Nothing here is personalized financial advice; it is an educational framework for organizing your own choices.

What Investing Actually Is

Separate your money by time horizon, confirm your foundation is in place, and put plain definitions into your own words.

Worksheet: Sort Your Money by Time Horizon

List your savings and where each pool currently sits. Money needed within three years belongs in cash savings; money for five-plus years is what you can invest. Be honest about your emergency fund and any high-interest debt before deciding what is investable.

Cash for this month's spending (checking balance)

Emergency fund balance and how many months of expenses it covers

Money earmarked for a goal 1 to 3 years away (keep in savings, not invested)

Highest-interest debt balance and its interest rate

Total money I will not need for 5+ years (my investable amount)

Checklist: Pre-Investing Foundation Check

- Confirm I have a starter emergency fund of at least one month of expenses in a high-yield savings account
- Confirm I carry no credit-card balance charging more than about 8 to 10 percent, or have a payoff plan
- Verify the money I plan to invest is genuinely not needed for at least 5 years
- Accept in writing that invested money can fall 20 to 30 percent temporarily without it being a mistake
- Decide a sustainable monthly amount I can invest without touching emergency cash

Exercise: Define the Five Building Blocks in Your Own Words

Without copying the course, write a one-sentence definition for each term as if explaining it to a friend. This proves you actually understand what you will be buying.

- What is a stock, and what do I own when I buy one share?
 - What is the difference between a mutual fund and an ETF for a beginner?
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- What is an index fund, and which companies does an S&P 500 fund hold?
- Why does owning a total-market index fund protect me if one company fails?

The Math That Decides Your Outcome

Run the compounding and fee numbers on your own contribution amount so the stakes of starting now and staying cheap become concrete.

Worksheet: Project My Own Compounding

Use the Compounding Projector template or an online calculator with a 7 percent return assumption. Plug in your real planned monthly contribution and current age to see your own numbers, not an example's.

My planned monthly contribution

Years until I plan to use the money (e.g., age 65 minus my age)

Estimated balance at 7 percent return

Total of my own contributions over that period

Growth from compounding (balance minus my contributions)

Exercise: The Cost of Waiting

Using the same calculator, run two scenarios to feel the price of delay before you commit to starting now.

- What is my projected balance if I start this month?
- What is my projected balance if I start in 5 years instead?
- How many dollars does waiting 5 years cost my future self?
- What is one obstacle stopping me from starting this week, and how will I remove it?

Worksheet: Fee Audit of Any Fund I Am Considering

For each fund you might buy, look up its expense ratio on the broker's site or Morningstar and record it. Reject anything broad-market over 0.20 percent when a 0.03 to 0.04 percent equivalent exists.

Fund name and ticker

Expense ratio (annual fee percentage)

Any sales load or 12b-1 fee (should be zero)

Cheaper near-identical alternative and its ticker

Decision: keep or replace

Checklist: Avoid the Return-Killers

-] Reject any fund with a front-end or back-end load (sales commission)
-] Confirm my broker charges 0 dollars in stock and ETF trading commissions
-] Decide whether I am paying a 1 percent advisor fee and whether it is worth it versus DIY index funds
-] Commit to not trying to time the market or jump in and out
-] Write a one-line reminder that missing the market's best days can halve my return

Choosing Accounts and a Broker

Decide which account to fund first in your situation, pick one reputable low-cost broker, and gather what you need to open it.

Worksheet: My Account Priority Order

Work through the funding priority for your own situation and country. Capture any employer match first, then tax-advantaged accounts, then taxable. Note the annual limits that apply to you.

Do I have a workplace plan (401k) with a match, and what is the match formula?

How much must I contribute to capture the full match?

Which IRA will I use first: Roth or Traditional (or TFSA/RRSP in Canada)?

The annual contribution limit that applies to me this year

Will any of this money be needed before retirement (use a taxable account if so)?

My final funding order, written as steps 1, 2, 3

Exercise: Choose One Broker and Commit

Compare two or three reputable low-cost brokers and pick one today. Do not research for weeks; the differences are minor for an index investor.

- Which brokers am I comparing (e.g., Fidelity, Schwab, Vanguard, or Wealthsimple/Questrade in Canada)?

- Does each offer zero commissions, fractional shares, and cheap in-house index funds?

- Which one am I choosing, and what is the single deciding factor?

- Have I confirmed it carries SIPC (US) or CIPF (Canada) investor protection?

Checklist: Account-Opening Document Gather

-] Locate my Social Security or tax identification number
-] Have a government-issued photo ID ready (driver's license or passport)
-] Note my employer's name and address for the application
-] Find my bank account and routing numbers for funding
-] Choose the account type to open (e.g., Roth IRA or individual taxable account)
-] Plan to enable two-factor authentication immediately after approval

Building and Maintaining Your Portfolio

Lock in a simple portfolio with named funds, place your first order, and set the automation and review rhythm that protects you from yourself.

Worksheet: Design My Portfolio

Choose a one-, two-, or three-fund portfolio (or a single target-date fund) and write down your target percentages and the exact tickers at your broker. This is your written plan to follow on the order screen. Portfolio style I am using (one-fund, two-fund, three-fund, or target-date)

My target stock-to-bond split (e.g., 90/10)

US stock fund and ticker (e.g., VTI, FZROX, or SWTSX)

International stock fund and ticker, if any (e.g., VXUS or FTIHX)

Bond fund and ticker, if any (e.g., BND or FXNAX)

Why I chose this mix (one sentence I can re-read later)

Exercise: Place and Confirm My First Order

Fund the account, then place your first buy. Use the Order Ticket Checklist on the included worksheet and record exactly what you did so the process is repeatable.

- Which fund and ticker did I buy, and what dollar amount?
- Did I use a market or limit order, and a whole-share or fractional-share amount?
- Did the order fill, and does the position now appear on my holdings page?
- What surprised me or made me nervous, and how will I handle it next time?

Checklist: Automation and Behavior Setup

- Set up an automatic recurring monthly contribution from my bank
- Turn on automatic dividend reinvestment in account settings
- Confirm the recurring buy is pointed at my chosen fund, not left as idle cash
- Schedule a single 20-minute annual review on my calendar
- Write a one-line investment policy: contribute monthly and never sell during a downturn
- Decide how rarely I will check the balance (e.g., once a month at most)

Worksheet: Annual Rebalance Log

Each year, record your actual percentages versus targets. Rebalance only if a slice has drifted more than about 5 percentage points, preferably by steering new contributions rather than selling.

Review date

Actual stock percentage vs target

Actual bond percentage vs target

Drift greater than 5 points? (yes/no)

Action taken (redirect contributions, sell to rebalance, or nothing)

Did I increase my contribution after an income rise? (yes/no)

Your Action Plan

1. Confirm a starter emergency fund and no toxic high-interest debt, then set your sustainable monthly investing amount.
2. Sort your money by time horizon and write down your true investable total.
3. Run your own compounding projection at 7 percent and the cost-of-waiting comparison to lock in motivation.
4. Decide your account funding order: employer match first, then IRA or TFSA/RRSP, then taxable.
5. Choose one reputable low-cost broker and gather your ID, tax number, employer details, and bank numbers.
6. Open and verify the account, enable two-factor authentication, and transfer your first deposit via ACH.
7. Write down your target portfolio with exact tickers (e.g., VTI/VXUS/BND or a single target-date fund).
8. Place your first buy order once cash settles, then confirm the position appears in your holdings.
9. Set up an automatic monthly contribution and turn on dividend reinvestment.
10. Schedule one 20-minute annual review, write your one-line investment policy, and then leave it alone.

