

The

Butterfly Effect of Finance

Financial Phases

Questions about money
to ask yourself today

Do you agree with
these?





Word from Wouter

As we explore the concept of transformation, it's essential to consider the profound and natural process of change—much like the metamorphosis of a butterfly. This theme resonates deeply as it reflects the dynamic and ever-evolving nature of our financial landscapes. attooh!'s logo icon also representing the butterfly, as it represents our "clients" lives.

In this context, we delve into the importance of adaptability and foresight in managing our financial lives. Whether you are navigating through emerging opportunities or adapting to economic shifts, our focus is on empowering you with knowledge and strategies to thrive.

We emphasize the significance of preparedness and proactive planning. Through expert insights and actionable advice, we aim to equip you with the tools necessary for financial resilience and success.

Here's to embracing transformation and achieving a flourishing financial future.

Wouter

attooh! CEO



The Butterfly Effect

Have you ever heard of the butterfly effect? In chaos theory the butterfly effect refers to the co-dependence of factors; a small change in one thing may result in significant changes to another. In finance, this is also very true. Please take the time to read and understand this. It is not a cliché, it's a science! Small investments grow over time. The snowball debt repayment method is highly successful! Becoming financially independent isn't this big thing, it's small actions coupled with some planning and patience.

An interconnected world:

Have you noticed how our eco, social and monetary frameworks are totally interconnected and that making negative moves on any of these frameworks can bring about inconvenient outcomes? Let's take a social construct like friendship, perhaps you've neglected a certain friend.

So to make up for the time lost, you decide to spoil this friend, taking them on an extravagant outing. This expense you didn't budget for, impacts your financial wellness. Every sphere of our life affects another one, and we need to be aware of the consequences of all of our actions.

Investments:

R5 a day can make you wealthy! Believe us. A small start seems insignificant, but it really isn't. This is the case with the compounding effect wherein a small amount invested over a period of time gives great returns. Interest on interest!

Preparation:

Having a last will and testament seems like a small, trivial thing, but the effects thereof is MAJOR in the long term. It relieves so much pain and pressure from your loved ones. This is one of the most underrated and most IMPORTANT bits of admin you'll ever do.

Health:

We all want to lose weight, look and feel better about ourselves! We want the results NOW! But that isn't how it works. Just going for a 20 minute walk every day, gets you closer to the goal, without a miracle, without suffering. The butterfly effect is SO significant in our mental and physical wellness spheres, small changes lead to massive outcomes in the long

term. A butterfly flaps its wings, and somewhere in the world a tsunami starts. Small actions lead to GREAT reactions. Start today, start saving, start investing, start working on your health, start working on your relationships. Nothing major, just small actions. You'll be amazed a few years from now how the butterfly effect turns out for you!

“MAKE **BIG**
CHANGES IN
SMALL STEPS”



FINANCIAL PHASES

EVERY BUTTERFLY GOES THROUGH METAMORPHOSIS

Have you ever noticed that the attooh! logo includes a butterfly? Do you know what it means? Well, this butterfly is the metaphor of the financial lifecycle, which we believe every individual goes through on their quest to financial independence. In life there are seasons, in your finances, there are phases. You can morph into a beautiful, free flying financial butterfly, if you know how to act within each stage and how to transform holistically. Here's the overview and also a few tips on how to transition.

WEALTH PROTECTION

Protect the little that you have!

The first of the four stages of wealth is the wealth protection stage. During this stage, you need to protect yourself and your wealth. At this stage, your most valuable asset is your human capital. Your human capital is the value of your future earnings. If you were in a car accident and paralysed and would not be able to work again, then your entire wealth creation journey comes to a halt right? So - we should PROTECT WHAT WE HAVE!

MUST HAVES:

1. Emergency fund
2. Get rid of bad debt
3. Insurance (health, life & income protection)
4. Savings

If you've ticked these 4 off and you're able to save some money (even if it's just a little bit) you'll be ready to transition into the next phase.



WEALTH ACCUMULATION

Let's make more!

Once your wealth is protected, you will need to grow your wealth. For this, you will need to invest your savings. Investing will make your money grow faster. It is essential if you want to accumulate wealth at a faster pace. We want to make what we have, MORE! Here's how:

MUST HAVES:

1. Save more money (either spend less money or earn more money to be able to do this)
2. Diversify investment portfolio (invest in different vessels and maximise your returns)
3. Try to optimise your taxes (make good use of tax-advantaged retirement accounts)

Once you are protecting your wealth and accumulating more wealth, you can start thinking of preserving wealth.

WEALTH PRESERVATION

Live from your investments

The third of the stages of wealth is the wealth preservation stage. This is the stage where you live from your investments. During this stage, you want to preserve your wealth. You want your wealth to last as long as possible because you will live from your wealth. If you haven't protected your wealth and accumulated more of it, you'll struggle in this phase, and your retirement will be stressful.

MUST HAVES:

1. Minimise taxes & investing fees
2. Pay off mortgage
3. Make use of retirement benefits (make sure that you've planned and saved accordingly)

We want your money to last long! To give you a life of security (and maybe even luxury) when you are no longer capable to create more wealth by earning more income. So - get to this stage prepared and prepare to be amazed! Finally, we get to the wealth distribution phase, when you give your wealth away.

WEALTH DISTRIBUTION

I've built an empire, now what?

The last of the four stages of wealth is the wealth distribution stage. It is probably the stage that people like the least to talk about. Indeed, this stage is related to your death. When you are reaching the last years (or decade) of your retirement, you may want to talk about what will happen to your wealth after your passing. Most people do not like to talk about that. But most people would not like to see a lot of their wealth wasted either.

MUST HAVES:

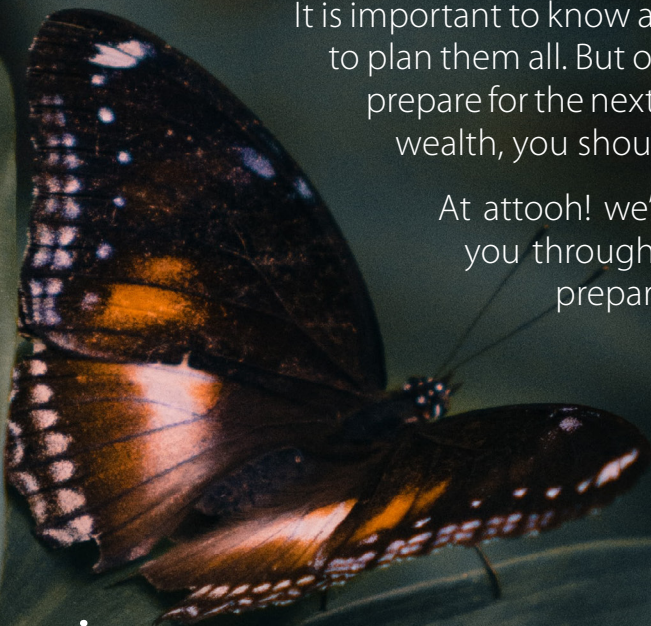
1. Distribute your assets fairly (get a last will and testament early on in life)
2. LEAVE A LEGACY

While you are still alive, the ultimate form of wealth distribution is when you've created so much wealth, you're all set, and you can give some of your wealth away to those that need it most. Giving back gives our lives purpose and meaning. Make sure to reinvest some of your money, into the lives of others. Once you're no longer on this earth, make sure that your hard work and financial planning benefit the lives of your children, grandchildren and even underprivileged people. Leave a real legacy!

The four stages of wealth are equally important. If you are not prepared for one of these stages of wealth, you may encounter issues or stay longer than necessary in one stage.

It is important to know and prepare these stages. You do not need to plan them all. But once you are in a stage, you should already prepare for the next one. For instance, if you are accumulating wealth, you should be prepared on withdrawing it later.

At attooh! we'll meet you where you are at! We'll take you through each stage and make sure that you are prepared for the next. We'd love to see you fly in financial freedom, like a butterfly in the wind.



Questions

about money to ask yourself today

1 "Is What I'm Doing Today Helping Me Get Closer to Financial Freedom?"

2 "Is My Money Being Spent on the Things That Truly Matter to Me?"

3 "What Was The Last Item I Regretted Purchasing?"

4 "What's Holding Me Back From Taking Action?"

5 "How Would My Budget Look Without Debt Payments?"

6 "Am I Listening to the Right People?"

7 "How Can I Improve My Financial Literacy?"

8 "What's My True Hourly Wage?"

9 "What Can I Do to Increase My Income?"

10 "If I Died Today, Would My Family Be OK?"

11 "Am I Setting a Good Example For My Children?"

12 "Where Do I Want to Be One Year From Now Financially?"



DO YOU AGREE WITH THESE?

"Time is more value than money. You can get more money, but you cannot get more time."

- Jim Rohn

"Finance is not merely about making money. It's about achieving our deep goals and protecting the fruits of our labor. It's about stewardship and, therefore, about achieving the good society."

- Robert J. Shiller

"Wealth is the ability to fully experience life."

- Henry David Thoreau

"Money cannot buy peace of mind. It cannot heal ruptured relationships, or build meaning into a life that has none."

- Richard M. DeVos

"You can be young without money, but you can't be old without it."

- Tennessee Williams



Designed by:

