

A 10 Year Answer to the Million Dollar Question

Early Elaine			Late Larry		
Age	RRSP Contributions	Market Value	Age	RRSP Contributions	Market Value
25	\$3,000	\$3,270	25	-	-
26	3,000	6,834	26	-	-
27	3,000	10,719	27	-	-
28	3,000	14,954	28	-	-
29	3,000	19,570	29	-	-
30	3,000	24,601	30	-	-
31	3,000	30,085	31	-	-
32	3,000	36,063	32	-	-
33	3,000	42,579	33	-	-
34	3,000	49,681	34	-	-
35	-	54,152	35	\$3,000	\$3,270
36	-	59,026	36	3,000	6,834
37	-	64,338	37	3,000	10,719
38	-	70,129	38	3,000	14,954
39	-	76,440	39	3,000	19,570
40	-	83,320	40	3,000	24,601
41	-	90,819	41	3,000	30,085
42	-	98,992	42	3,000	36,063
43	-	107,902	43	3,000	42,579
44	-	117,613	44	3,000	49,681
45	-	128,198	45	3,000	57,422
46	-	139,736	46	3,000	65,860
47	-	152,312	47	3,000	75,058
48	-	166,020	48	3,000	85,083
49	-	180,962	49	3,000	96,010
50	-	197,248	50	3,000	107,921
51	-	215,001	51	3,000	120,904
52	-	234,351	52	3,000	135,055
53	-	255,442	53	3,000	150,480
54	-	278,432	54	3,000	167,294
55	-	303,491	55	3,000	185,620
56	-	330,805	56	3,000	205,596
57	-	360,578	57	3,000	227,369
58	-	393,030	58	3,000	251,103
59	-	428,402	59	3,000	276,972
60	-	466,958	60	3,000	305,169
61	-	508,985	61	3,000	335,905
62	-	554,793	62	3,000	369,406
63	-	604,725	63	3,000	405,923
64	-	659,150	64	3,000	445,726
65	-	718,473	65	3,000	489,111
66	-	783,136	66	3,000	536,401
67	-	853,618	67	3,000	587,947
68	-	930,444	68	3,000	644,132
69	-	1,014,184	69	3,000	705,374
Totals	\$30,000	\$1,014,184	Totals	\$105,000	\$705,374
	Invested over			Invested over	
	10 yrs.			35 yrs.	

This chart shows the significance of strategy of investing regularly.

However, it is also a compelling illustration of the importance of investing early.

The table depicts scenarios for two Different investors-Early Elaine and Late Larry-each of whom earns an assumed annual return of 9%.

From age 25 to 34, Elaine makes RRSP contributions of \$3,000 each January. Over this **ten year** period, she will have invested a total of **\$30,000.00**

Larry only begins investing at age 35, contributing \$3,000 to an RRSP each January. For the next **35 years**, he will have contributed a total of **\$105,000.00**

However, at age 69 Elaine's account would be worth **40%** more than Larry's.

Building you financial independence is easier if you take advantage of the time and power of compound growth.

Consider: If Elaine doubled her contributions during that 10 year period, she would be a millionaire by age 61, and a multi-millionaire by age 69.