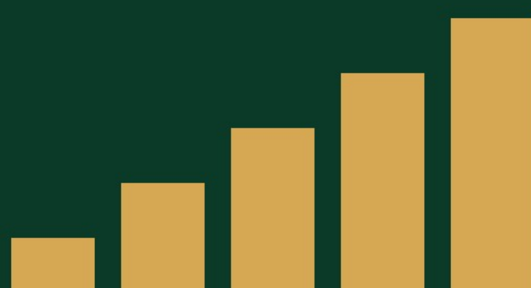
VERITY E-BOOKS

A BEGINNER'S GUIDE · 150 VERIFIED SOURCES

THE FIRST FIVE STEPS

HOW TO ACTUALLY START INVESTING, IN PLAIN LANGUAGE



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How to Use This Guide

This guide is built to be worked through in order, not skimmed. Chapters 1 and 2 clear the ground — why starting feels harder than it should, and the two things worth fixing before you invest a single dollar. Chapters 3 through 6 explain what you're actually buying, why the evidence favors simple over clever, and how to size risk to you rather than to your mood. Chapter 7 is the roadmap itself — the first five steps, in order. Chapter 8 covers the mistakes that cost people the most, so you can recognize them before they cost you. Chapter 9 is for readers outside the United States, since the specific account names change by country even though the principles don't. Chapter 10 turns all of it into a 30-60-90 day plan.

Every claim in this guide is backed by a real, independently verified source — 150 of them, spanning peer-reviewed research in finance and psychology, government financial regulators on four continents, licensed professional bodies, and the investing industry's own published performance data. The full bibliography, organized by topic and tagged by source tier, is at the back if you want to check any specific claim yourself.

One honest note before you start: where the research genuinely disagrees or is more nuanced than a headline suggests, this guide says so rather than picking the tidier story. You'll see a few of those moments — they're not hedging, they're the actual state of the evidence.

Introduction: The Missing First Step

Somewhere, someone told you to invest. A parent, a coworker, a headline about compound interest, or one of the countless creators explaining, breathlessly, why you're already behind. You believed them. Then you went looking for the actual first step and hit a wall: ticker symbols, expense ratios, Roth versus traditional, index versus active, a hundred well-meaning strangers online each recommending a different platform, a different fund, a different “just do this.” You closed the tab and did nothing, which — technically — is also a decision.

This isn't a personal failing, and there's real research showing exactly why it happens. In 2026, the SEC's own Office of the Investor Advocate ran a study testing something specific: does financial jargon itself stop people from acting? Researchers Chin, Scholl and VanEpps took real mutual fund disclosures and swapped terms like “12b-1 fee” for plain language like “the fund's marketing fee.” Comprehension jumped by up to 32.7 percentage points — and so did people's stated intent to actually invest. The jargon wasn't incidental friction. For a meaningful share of people, it was the barrier itself.

You're also not alone in feeling this way. The Federal Reserve's 2025 survey of American households found only 46% of adults feel comfortable choosing and managing their own investments — 55% of men, but only 38% of women. A separate study from the Federal Reserve Bank of Philadelphia asked people directly why they don't invest, and “limited understanding of the stock market” was the second most common answer, right behind “not enough money.” Not fear. Not distrust. Confusion — about where to actually start.

This guide exists to remove that one barrier. Not by making you a financial expert, but by giving you the specific, ordered sequence: what to fix first, what to buy, how much risk to take, and what to automate so you don't have to rely on willpower later. It draws on 150 independently verified sources — peer-reviewed journal research, financial regulators including the U.S. SEC and FINRA, the IRS, and their counterparts in the UK, India, Nigeria, Australia and Lebanon, plus the investing industry's own published performance data — so that every specific number and claim here is one you could check yourself. The bibliography at the back tells you exactly where.

What this isn't: a stock-picking guide, a get-rich scheme, or personalized advice for your specific tax situation. It's the plain-language starting sequence that, oddly, almost no free resource actually consolidates in one place — despite there being no shortage of free content about investing.

Let's start with the part almost nobody explains up front: why this feels so much harder than it should.

CHAPTER 1

Why Starting Feels Harder Than It Should

If you've put off opening an investment account for months — or years — despite knowing, in the abstract, that you should, the reason usually isn't laziness. It's a small set of well-documented mental patterns that evolved for a world with no stock markets in it, and every one of them is working against you the moment you try to start.

The math isn't the problem. The wiring is.

In 1979, psychologists Daniel Kahneman and Amos Tversky published what became one of the most cited papers in economics: people weigh losses roughly twice as heavily as they weigh equivalent gains. A 10% drop in your account doesn't just feel bad — it feels roughly twice as bad as a 10% gain feels good. This is called loss aversion, and it explains something that otherwise looks irrational: many people would rather earn nothing in a savings account, guaranteed, than risk a temporary paper loss for a much larger expected long-term gain. The market's long-run math is favorable. Your brain doesn't grade on expected value.

Too many options, and none of them feel safe to pick

In a now-famous study, psychologists Sheena Iyengar and Mark Lepper set up a tasting table with either 6 or 24 varieties of jam. The smaller display generated ten times more purchases. More choice didn't help people decide — it made deciding harder, and many just walked away. The same pattern shows up with money: a later study by Iyengar and Emir Kamenica looked at over 500,000 employees across 638 companies and found that the more funds a 401(k) plan offered, the more people defaulted into “safe-seeming” money-market and bond funds rather than the diversified stock exposure that actually builds long-term wealth. To be fair to the research itself: a large 2010 meta-analysis by Benjamin Scheibehenne and colleagues, pooling 50 experiments, found the average “choice overload” effect was close to zero once you looked across many studies — it depends heavily on context. The honest takeaway isn't “too much choice always paralyzes you.” It's that unstructured choice, with no