

The Power of Investing Over Time

New Jersey State Library | February 5, 2026

Jessica Mardo, Program Manager Investor Education Community Outreach
FINRA Investor Education Foundation

Series Roadmap



Tuesday January
27, 2026
11 am – 12 pm EST

***There is More to
Money Than
Spending: Money
Management
Basics***



Thursday
January 29, 2026
11 am – 12 pm EST

***There is More to
Money Than
Spending: Money
Management
Basics Part II***



Wednesday
February 4, 2026
10 – 11 am EST

***Understanding
the Types of
Investments***



Thursday
February 5, 2026
10 – 11 am EST

***The Power of
Investing Over
Time***



Compound Interest



What Are New Adults Facing?



How to Support New Adults



Resources

Your **understanding and confidence** in these topics will allow you to **navigate** the many financial education resources available to create and offer the most **appropriate programming and guidance** for your patrons.

FINRA

- Self-regulatory organization for U.S. broker-dealers
- *Mission:* Investor Protection & Market Integrity
- *What we do:* write rules, surveil the markets, discipline rule breakers, educate investors



FINRA Foundation

- *Mission:* Empowers Americans with the knowledge, skills, and tools to make sound financial decisions throughout life
- *What we do:* protect consumers from fraud, conduct and support research, foster financial capability in communities



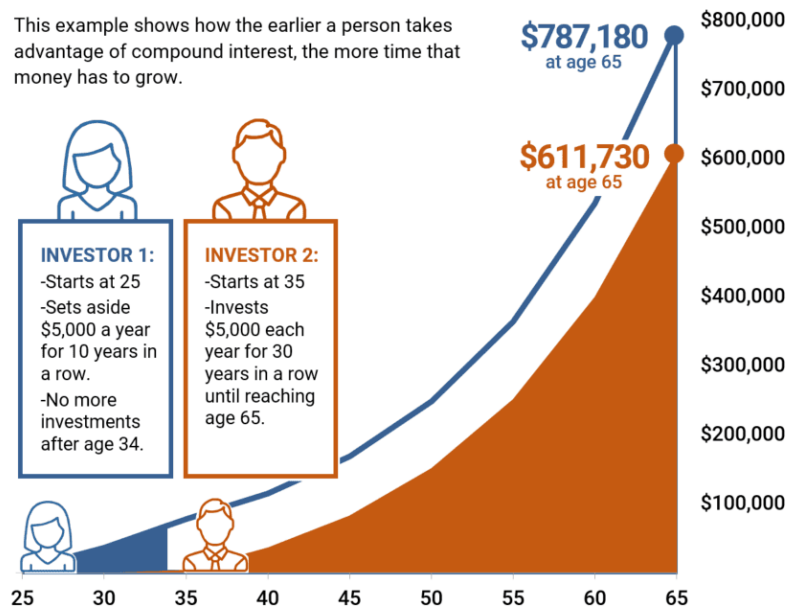
Earning interest on your principal investment – plus on the interest your investment generates.

The Rule of 72



COMPOUND INTEREST: WHO WILL EARN MORE?

This example shows how the earlier a person takes advantage of compound interest, the more time that money has to grow.



NOTES: Assumes an 8 percent interest rate, compounded annually. Balances shown are approximate.
SOURCE: Author's calculations.

FEDERAL RESERVE BANK of ST. LOUIS

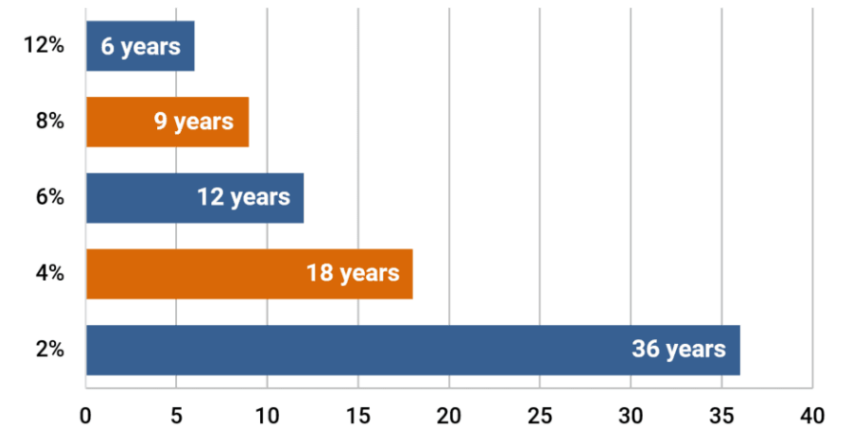
UNDERSTANDING THE RULE OF 72



The Rule of 72 is an easy compound interest calculation to estimate how long it will take to double your money.

$$72 \div \text{Interest rate} = \text{Years to double money}$$

Using the rates shown, here is about how long it would take to double an initial investment.



SOURCE: St. Louis Fed Econ Lowdown, "It's Your Paycheck."

FEDERAL RESERVE BANK of ST. LOUIS

How can compound interest work for you?

One primary way is saving for retirement. The word “retirement” may provoke many responses from your new adult population...



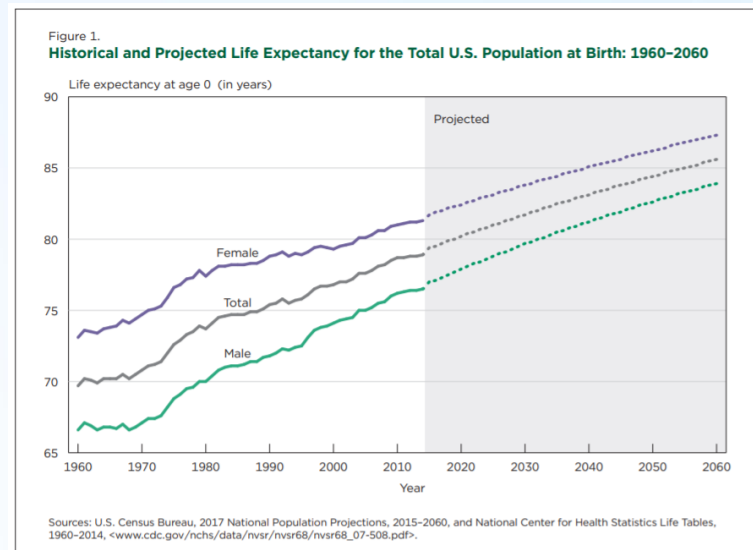
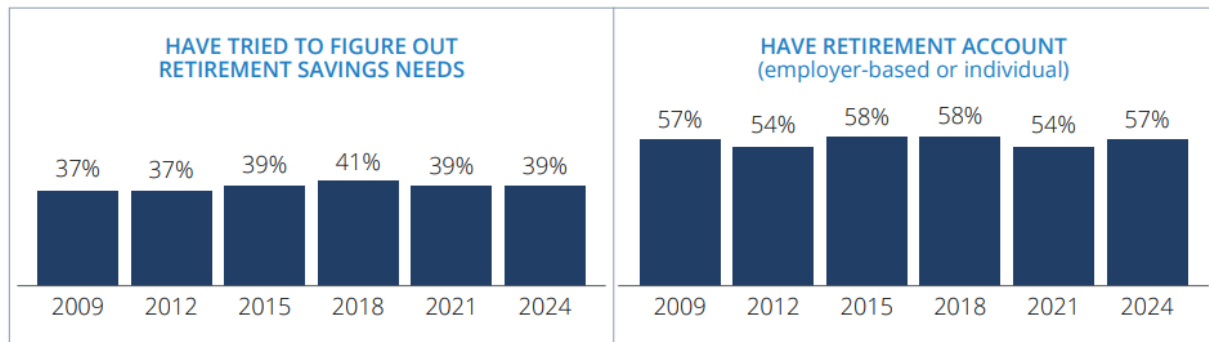
How can compound interest work for you?

...but with access to **trusted resources**, a **roadmap** or plan, and the knowledge **they don't need a large amount of assets** to start, new adults can begin making the most of time in the market.

Why focus on retirement at such a young age? The [2024 NFCS](#) notes that only a little over half of Americans have a retirement account.

The life expectancy for U.S. adults generally continues to rise. For men, life expectancy is 75.8 years and for women it is 81.1 years.

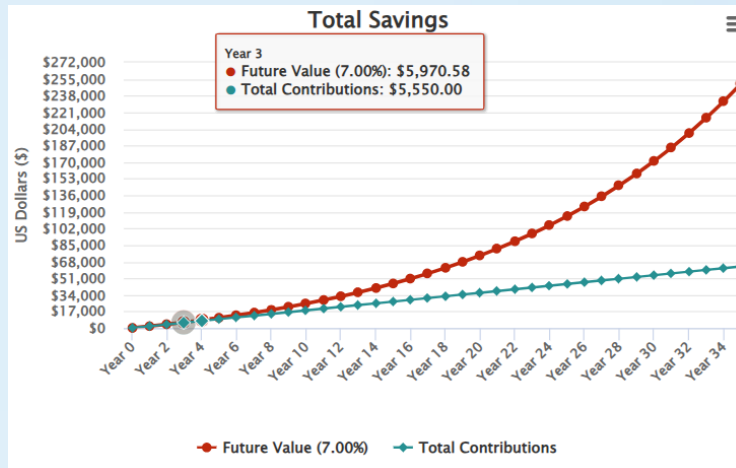
Despite the overall decrease in ability to make ends meet, the percentages of those who have planned for retirement or have a retirement account have not shifted much relative to 2021.



Compound Interest: 8th Wonder of the World

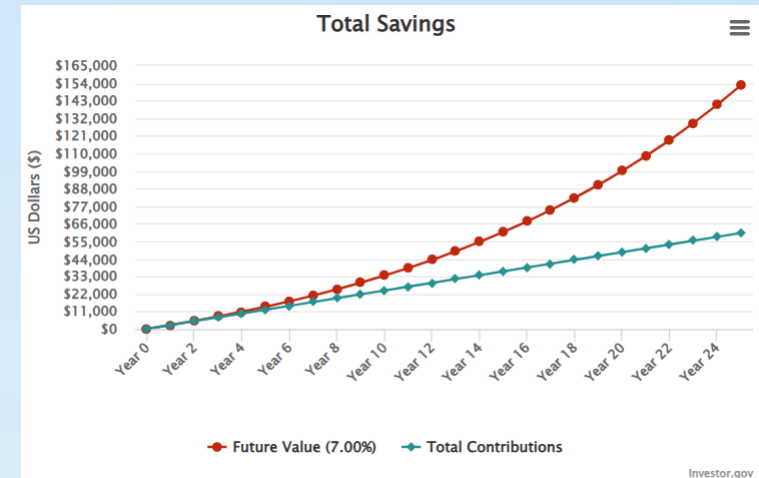
Sarah the Saver

- Starts at age 30
- Invests \$150 per month into a Roth IRA Target 2055 Fund with an estimated 7% return
- Retires at age 65 with approximately \$250,000



David the Delayer

- Starts at age 40
- Invests \$200 per month into a Roth IRA Target 2055 Fund with an estimated 7% return
- Retires at age 65 with approximately \$153,000



Time in the market truly makes a difference!

? What are new adults facing in today's world?

Artificial intelligence

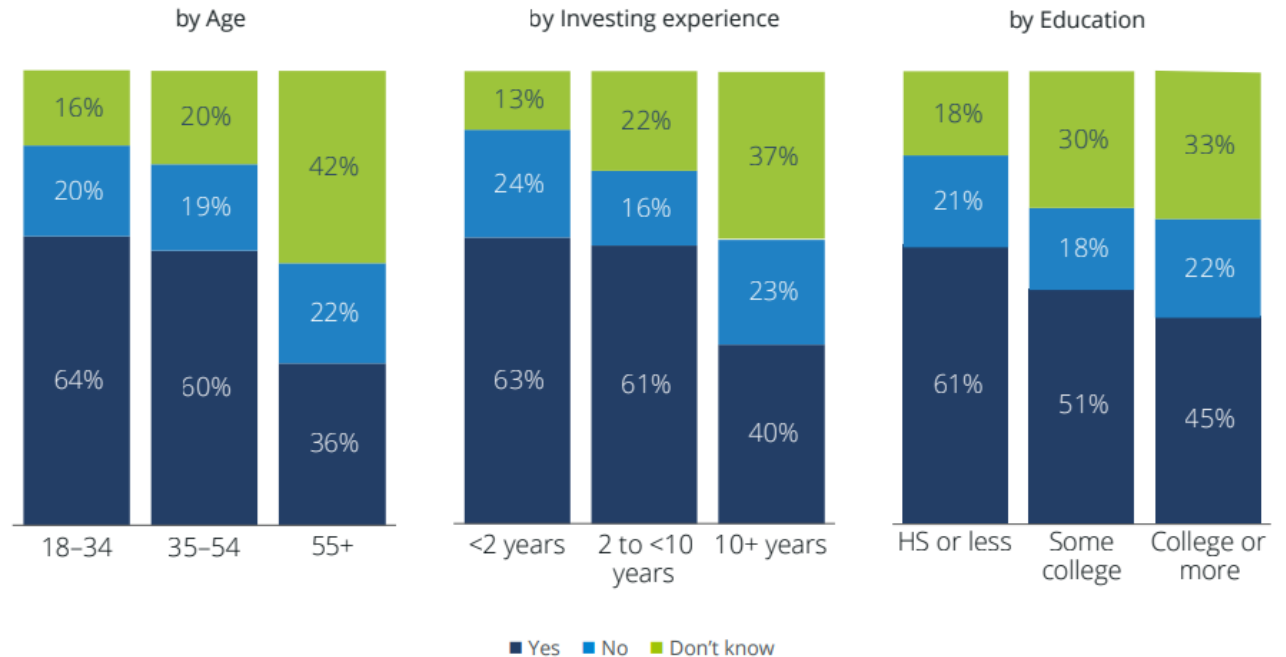
Scams and frauds

Lack of financial knowledge



FINRA's ["Get Your Head in the Trade"](#)

IF YOU HEARD ABOUT AN INVESTMENT OPPORTUNITY THAT PROMISES A GUARANTEED, RISK-FREE 25% ANNUAL RETURN EVERY YEAR FOR THE NEXT 5 YEARS, WOULD YOU INVEST IN IT?



? What are new adults facing in today's world?

The pressure and desire to “get rich quick.”

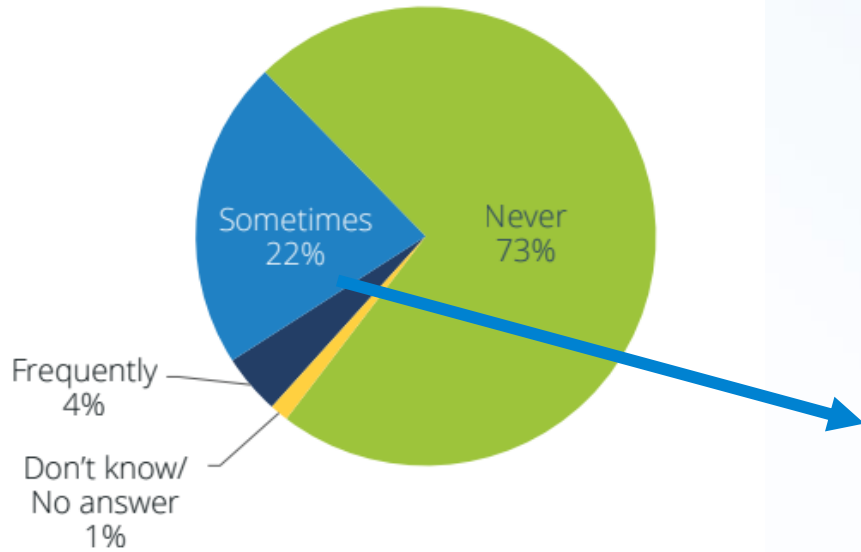
Navigating [crypto assets](#)



[This Is Not Financial Advice](#)

? What are new adults facing in today's world?

HOW OFTEN DO YOU MAKE INVESTMENT DECISIONS BASED ON RECOMMENDATIONS FROM A SOCIAL MEDIA PERSONALITY?



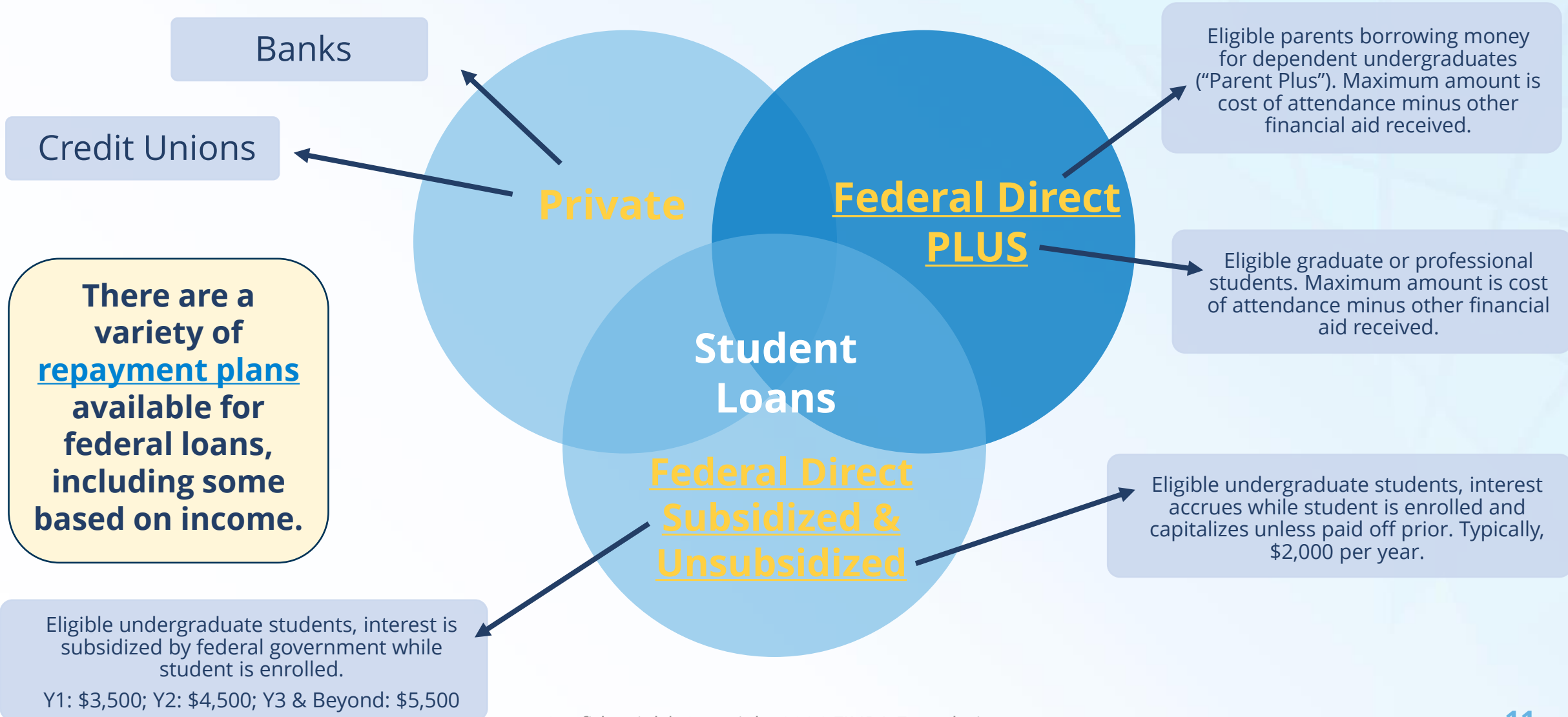
Investors in the United States
December 2025

Finfluencers and social media

▶ Among respondents under 35, 61 percent say they make investment decisions based on **finfluencer** recommendations. Use of finfluencers declines dramatically with age. Newer investors and investors of color, particularly Black/African American and Hispanic/Latino investors, are also more likely to use finfluencers.

	AGE			ETHNICITY				INVESTING EXPERIENCE		
	18-34	35-54	55+	WHITE	BLACK	HISP.	AAPI	<2 YEARS	2 TO <10 YEARS	10+ YEARS
Use finfluencers (frequently or sometimes)	61%	31%	6%	16%	64%	59%	41%	57%	41%	10%

? What are new adults facing in today's world?





Listen & Encourage

New adults have **real concerns** about the future and listening to them is important. It may be helpful to remind them that one can **start planning for the future by starting small** and without a lot of assets.

The screenshot shows a web application titled "Compound Interest Calculator". It includes a sidebar menu with options like "Calculadora de distribución mínima requerida", "Calculadora de interés compuesto", "Savings Goal Calculator", "Calculadora de objetivo de ahorro", "Required Minimum Distribution Calculator", and "College Savings Calculator". The main content area has a title "Compound Interest Calculator" and a description: "Determine how much your money can grow using the power of compound interest." Below this is a "DENOTES A REQUIRED FIELD" section. The form is divided into four steps: "Step 1: Initial Investment" with an "Initial Investment" field; "Step 2: Contribute" with a "Monthly Contribution" field; "Step 3: Interest Rate" with an "Estimated Interest Rate" field and an "Interest rate variance range" field; and "Step 4: Compound It" with a "Compound Frequency" dropdown menu set to "Annually". At the bottom right are "CALCULATE" and "RESET" buttons.

Focus on the Basics

New adults can benefit from the **basics on personal finance and investments** discussed in this webinar series and available from trusted resources online.



Meet Halfway

Trusted adults can **share strategies**, such as [this one](#) from the Wall Street Journal's Jason Zweig, that balance giving new adults autonomy over their own decisions but guidance on **effective practices that can benefit them in the long-run** in our complex and dynamic world.

How should investors, as opposed to traders, approach all this?

With a 10-foot pole and a hazmat suit.

It's fine to do a little bit of speculative trading for fun in a "mad money" account. But never, and I mean never, mingle that with your long-term accounts. Isolate your speculations in a separate account on a trading app you use only for that purpose. Give the account a nickname, like "Play Money," to remind yourself that this is the only place you'll speculate. Measure your gains and losses accurately, so you don't kid yourself about whether you're good at it.

You don't want to end up like this lost soul, lugging his giant gambles through the hellscape of his own mind:



WHICH YOU MAKES YOUR INVESTING DECISIONS?

Take a minute to check in on which part of you is about to tap the trade button. And know that whoever you listen to, spending time to make a more informed investment decision is the best thing you can do.



You've got a lot of ideas for how to spend your money now and in the future. **Set specific goals** to give purpose to the money you invest.

START HERE



Save those impulse buys for the grocery store. To keep your investing on track, **calculate how much money you'll need** in the near-, medium- and long-term.

START HERE

Share Verified Resources

Research shows that new adults receive financial information on social media, where sources are not always vetted or accurate. Ensure they have access to **trusted information.**



Supporting New Adults: Investment Basics

High Yield Savings Account

CDs

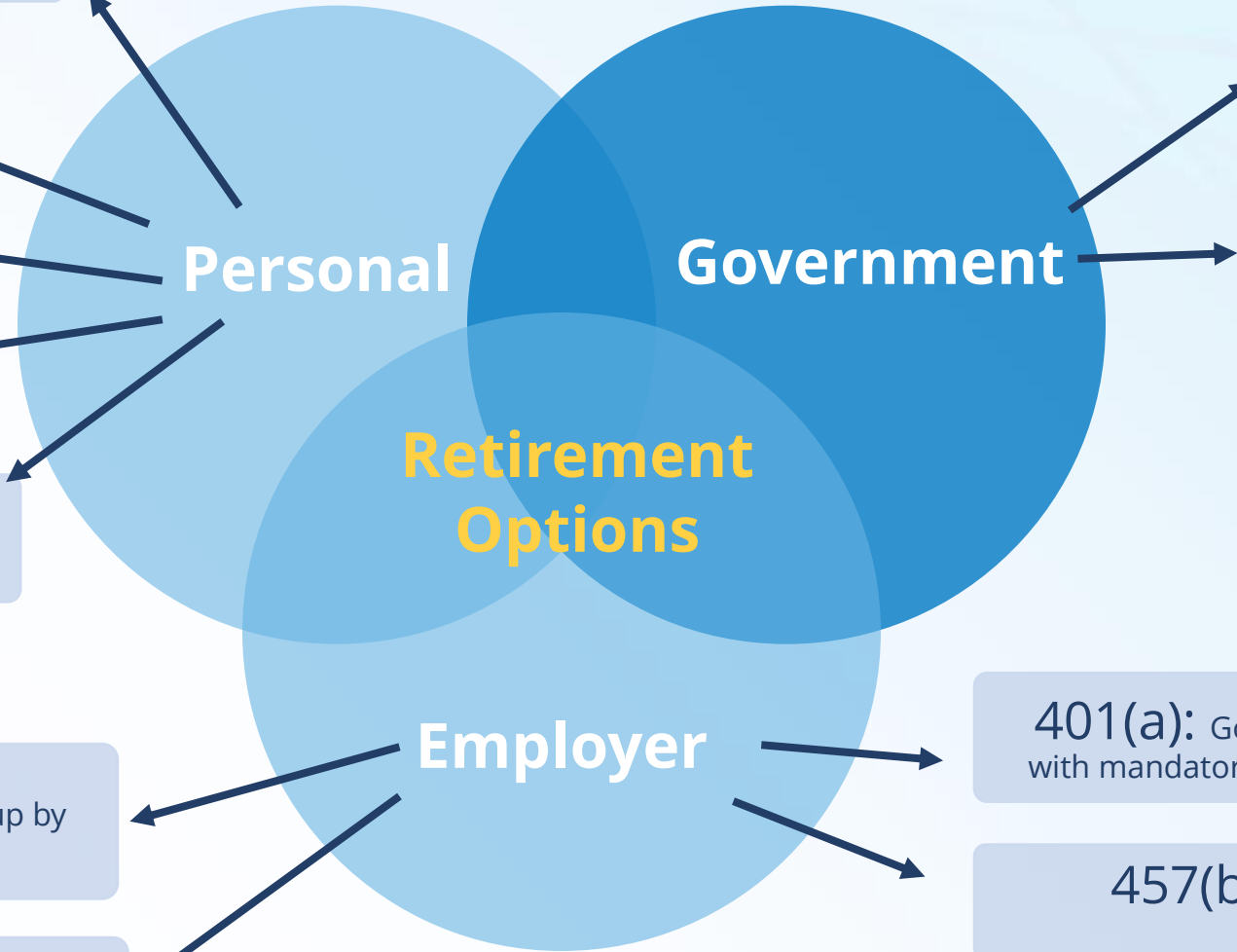
Money Market

IRA: Flexible way to set aside money for retirement

Brokerage: Allows investors to buy and sell numerous types of investments

401(k): Salary-deferral plan set up by private employer

403(b): Employees who work for a public educational institution or tax-exempt 501(c)(3) nonprofit



Social Security

Pension

401(a): Government or nonprofit employees with mandatory or employer-driven contributions

457(b): Employees of state or local government

Supporting New Adults: Diversification Helps Manage Risks



Owning different investments that tend to perform well at different times reduces the effects of volatility in a portfolio and can increase the potential for increasing returns.

Across Asset Classes	Within Asset Classes
Stocks	<ul style="list-style-type: none"> Different sectors Company size
Bonds	<ul style="list-style-type: none"> Types of issuer Different maturities
Cash	<ul style="list-style-type: none"> Money market funds Deposit accounts

	Short Term	Medium Term	Long Term
Asset Class	Cash	Bonds (Fixed Income)	Stocks (Equity)
Investment Types	Savings accounts, CDs and money market funds	Government, municipal and corporate bonds and bond funds	Stocks and stock funds
Return	1.5%	5.5%	9.9%
Chief Risks	Inflation, interest rate changes	Interest rate changes, default	Volatility, falling prices
	Low Risk		High Risk

New Adult Resources

- FINRA's [New Investor Initiative](#)
- [This Is Not Financial Advice](#)
- [Money Smart Young Adults](#) from FDIC
- FINRA's [Smart Investing Courses](#)
- Check out the [Jump\\$tart Clearinghouse](#) and [New Jersey Coalition for Financial Education](#) for curated financial education resources. These are largely K-12 resources, but you may find something helpful for new adults as well.

Retail Investor Information

- The [New Jersey Bureau of Securities](#) features resources and important news for New Jerseyites.
- FINRA's "[For Investors](#)" has guides on the basics of personal finance and investing as well as tools and calculators.
- Visit FINRA's [BrokerCheck](#) to review the background and experience of financial advisers and firms.
- [Avoid fraud](#) and [watch for red flags](#) to keep you and your family safe.

Thank you!

