The Most Important Thing to Do Right Now!

By Connor Baucom

Investing. That's it: not choosing the perfect roommate, not figuring out what you want to major in, not even spending time with your parents—although your mom may disagree. You probably already want to click off this paper. Who wants to talk about investing right now? You may think you don't have enough money. You could scroll on your phone, play video games, or spend your last moments with your high school friends. But bear with me, reading my paper could make or break your retirement. If you really want to set yourself up for future success, I, a freshman finance and quantitative economics major, would advise you to start investing. Investing, and investing early, does not only apply to finance majors; everyone needs to invest because everyone will need to retire! Investing early provides various benefits: getting the most out of compounding, allowing freedom, creating an understanding of the markets, and building financial discipline, which will last a lifetime.

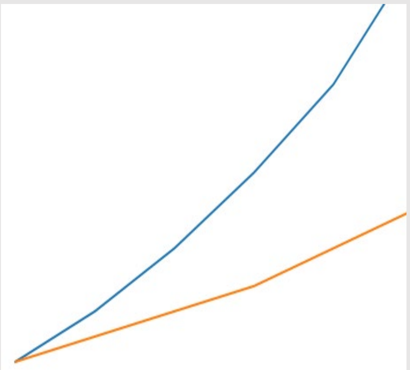
Investing is for Everyone

I must address first that investing does not discriminate. You don't have to be a man in finance, have a trust fund, stand 6'5" tall, and have blue eyes like Megan Boni said in her famous TikTok. If you have access to the internet and $1, then you can invest. Although many more men invest than women in my experience, women can and should, too. To see why women don't invest, I interviewed two women, one who invests and one who does not. When I asked Whitney Jones, a junior accounting student in the Sellinger Scholars program who invests, she answered, "In my experience, a lot of girls can feel like they either don't have the knowledge or skills to get into investing, so they often don't until they're out of college or later unless they are in a class that pushes them to do it. I would say that those girls should just get out and try it." When I asked Caroline Blakeslee, a freshman bio major who does not invest, she expressed her belief that more men work in the business field and therefore are simply more inclined to invest. Although more men do work in the business field, everyone must retire one day and will need money saved up to do so; your money can't grow in a savings account, so investing is key. Whitney also stressed that you don't need to invest $10,000, but just dipping your toes in the water, no matter how intimidated you feel, reaps various rewards. You don't need to know every little thing about the stock market—I don't even know much. You only need courage to take a risk paying out 20-fold (more on that later). The only true barriers to entry exist in your mind. Anyone, anywhere can, and should, invest.

You don't have to wear the classic "finance bro" vests like we are here.

Starting Now to Maximize Returns

Starting now provides the best chance of success in your investing future. Many people think they can worry about investing once they have a steady income and graduate college; however, waiting to invest has many consequences. “Time IN the market beats timING the market [emphasis added].” My good friend and senior finance major, Ray Strozyk, expressed this when I asked what he wished he knew about investing before his freshman year. No factor in investing matters more than time. You can try to pick the perfect stock that will 10x in one year, but that rarely works. Time will always beat the “perfect” stock. Starting now versus in 10 years differs drastically. If you start investing $2000 per year at 18 years old with an average return of 9.8%, by the time you hit retirement (65) you will have $1.9 million! However, if you start at 28 years old, you will only have $759,000! You earn a $1.2 million or 160% difference by investing only $20,000 more throughout 10 years. Don’t believe me? Check out Dave Ramsey’s Investment Calculator! For this reason, many people call compounding the eighth wonder of the world. In only 10 years, you make nearly triple your money by just investing $2,000 a year. But you don’t have to invest $2,000 a year to reap the benefits of investing. Investing just $10 a month until age 65 leaves you with $132,556!



Creating Freedom Now and in the Future

Beginning to invest now will provide great freedom in the future. Right now, you likely have fewer expenses than you ever will. Whitney explained, “At a young age you have a lot more flexibility with what you can do with your investments, and you can be much more risky now than when you're 30 or 40 and need the money for retirement or to take care of your family.” Right now, you may only have to worry about student loans. And even if you currently spend every dime towards your education, I showed what investing just $10 a month results in. With that said, you have much freedom in what you can do with your money if you start young. You can make much riskier trades in hopes of getting your money up quick; however, I would not advise risky trades! Also, investing now provides freedom for the future. Want to take your kids on a fun trip? Take a little money out of your investment portfolio and go have some fun! Your car breaks down? Take a little money out of your investment portfolio if you can’t afford it! However, to reap the highest future returns, try not to take money out of your investing account.

Building Vital Experience

Investing young also allows you to get exposure to risk and learn how the markets work. When I asked my friend Drew Peters, a freshman finance major, what he wished he knew coming into freshman year, he replied, “The swings in the market are natural and are going to happen. In the long run they will always go up.” Getting comfortable with the ups and downs is vital to market success. The moment you see your first market crash, your heart sinks. For me, this happened on April 2, 2025. I remember sitting in Mr. Schweder’s economics class with my friend Charlie wondering where our money went. I felt devastated; all the money I worked hard to earn disappeared. You don’t want to see your first market crash when you are 55 and end up making a bad decision because you want to retire in the next 10 or so years. You must build emotional resilience in the market young to prevent bad decisions!

Starting Great Habits for Life

Investing also helps you build great financial habits! One great habit is setting aside a portion of each paycheck—10-20% works great! Divvying up your paycheck helps you establish a weekly or monthly budget and ensures you are constantly investing. Jason Cherubini, Executive in Residence in Finance at Loyola, explained another benefit when he said, "Being aware of your finances makes you act smarter and make better decisions." If you decide to invest, you will likely keep better track of your finances. Constantly checking your bank accounts will protect you from possible fraud and help you not make bad financial decisions on impulse. In my experience since I began investing, I look at my bank account much more often and always think before I make a purchase. Rather than thinking that I lose $100 to get a pair of shoes I realistically don't need, I now also think about the return I lose if I invested $100. However, Professor Cherubini does not think you should just save all your money: "Spending money to enjoy yourself in college is an investment forever. You'll never have this opportunity again, and it is a great way to build your network." Investing does not mean you can't spend any money for fun. Investing just helps you make better financial decisions now and create great habits for life.

A daytrip to Washington DC is a great way to have some fun while spending a little bit of money!

Small Losses for Bigger Wins

Altogether, investing benefits your future more than anything else you could do right now. Choosing the right roommate or spending time with your mom won't earn you an extra $1.2 million—unless they tell you to invest. You don't need to know every complex ratio that a YouTuber promises will find the next big stock. All you need is the courage to take a risk and invest your money for the future. The rewards of investing now—building good habits, learning the market, freedom, and getting the most out of compounding—completely outweigh the risks. You might lose 20% one year, 10% another, but after 45 years of investing, the rewards outweigh the risks, and you will be glad you read my paper and had the courage to invest your money!

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