

How my eyelashes banked me \$172,000



Wealth
Management

Kristie Svejda
Senior Vice President – Financial Advisor
July 2017

It's unclear to me exactly where my obsession with eyelash extensions began. I live in Kansas City, so perhaps it was seeing Eric Hosmer's beautiful girlfriend bat her Venus Flytraps at our handsome all-star first basemen during the 2015 World Series victory parade. Or maybe it was the Kardashian sisters finally admitting to a dirty little eyelash secret during their very important #NoMakeup social media campaign.

Wherever it was, I was primed for a conspicuous consumption moment. It happened while discussing 401(k) plans as an employee retention strategy to a group of small business owners. As Kara, my co-presenter, and I were slogging our way through the snoozefest that is the internal workings of a 401(k), I couldn't help but notice how exceptional she looked. I just couldn't put my finger on why. After the meeting I found the courage to ask her what it was that had her looking like a movie star all of a sudden. She smiled coyly and asked "What do you think it is?" I had no clue but guessed new workout ... new love interest? Kara laughed out loud and blurted "New eyelashes! Extensions to be exact." Up until that moment I thought that type of thing was only for celebrities. Kara's lashes proved otherwise and I decided that I needed to have a pair STAT!

As a financial planner I like to eat what I cook and also understand the value of having fun along the road to wherever your money takes you. As I walked into my first appointment I knew the cost was \$200, plus tip ... steep price, but worth it ... right? After all, I had a trip planned to Jamaica and how fabulous would it be to not wear mascara on the beach? Turns out it was fabulous, and as you may have guessed, I was hooked. Over the course of the next year, I spent an hour of my month getting beautiful eyelash extensions at the cost of \$65 plus tip.

One day, while handing over my \$65, plus tip, I began thinking what else could I be doing with this money? As a financial advisor that question is constantly spinning around in my brain, helping solve the formula to happy retirement for anyone that seeks my help. At the time I was researching a talk about compound interest and decided on a little eyelash experiment.

Here's the math:

Initial appointment: \$200

Monthly upkeep: \$85 (\$65 plus tip)

of years I have left to care about my vanity: 40

Compounded @ 6%

How much will I make by not getting eyelash extensions???? \$172,314

Einstein called compound interest the 8th wonder of the world. I believe truer words have not been spoken. The path to retirement is paved with small compounded decisions. And if I'm still struggling with vanity during my early retirement, that \$172,314 will more than pay for a facelift.

This example is for illustrative purposes and not intended to be representative of any specific investment vehicle. Past performance is not indicative of future results. The information contained in this article has been derived from sources believed to be reliable, but is not guaranteed as to accuracy and completeness and does not purport to be a complete analysis of the material discussed. Rates and availability are subject to change without notice. This article shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sales of these securities in any state in which said offer, solicitations or sale would be unlawful prior to registration or qualification under the securities law of any such state. The opinions expressed herein are those of the author and do not necessarily reflect those of RBC Wealth Management, and are subject to change without notice.

RBC Wealth Management, a division of RBC Capital Markets, LLC, Member NYSE/FINRA/SIPC. © 2017 All rights reserved.

17-KC-839