

15 Assets That Are Making People Rich

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If you are interested in building wealth, then you should definitely need to have assets to reach your financial goal. In this book I will give you the best advice that you would probably get about how to become rich. Let's start.

What are assets?

Assets are resources that have economic value and are expected to produce future benefit. Assets can be tangible (physical) or intangible (non-physical), and include items such as cash, stocks, bonds, real estate, intellectual property, machinery, and equipment. Assets are used to help individuals, companies, and governments finance operations and growth. Assets put money in your pockets, while liabilities cost you money. The more assets you have the richer you are. Let me talk to you about the 15 most common assets that can make you rich.

Cash

Cash can be considered an asset. An asset is defined as something valuable that an individual, corporation, or country owns or controls with the expectation that it will provide future benefit. Cash, in the form of currency or deposits in a checking or savings account, is a liquid asset that can be quickly converted into goods or services, and as such, it provides the owner with purchasing power and financial security. In accounting terms, cash is considered a current asset, which means that it is expected to be converted into cash or used within one year.

Cash can be used as an asset in several ways:

1. **Liquidity:** Cash provides immediate purchasing power and the ability to pay bills or take advantage of investment opportunities. This makes it a highly liquid asset that can be easily converted into other assets, goods, or services.

2. Reserve: Cash can be held as a reserve to cover unexpected expenses or emergencies. It provides a safety net that can help to mitigate financial risks.
3. Investment: Cash can be invested in short-term, low-risk financial instruments, such as money market funds or certificates of deposit (CDs), to earn a modest return.
4. Leverage: Cash can be used as collateral to secure loans or lines of credit, which can then be used to finance investments or other assets.
5. Capital preservation: Cash can be used to protect wealth during periods of economic uncertainty or market volatility. It provides a way to preserve capital and reduce exposure to market risks.

Overall, cash can play an important role in a well-diversified investment portfolio, serving as a source of liquidity and stability in uncertain times.