

Investing is the Ultimate Collection

Condensed Version



Power Over Life

Life Skills That Put YOU in Control

BECOME A MONEY MANAGER

1. Start Budgeting
2. Save for Everyday Life
3. Become Debt Free
4. Plan for Retirement
5. **INVEST WISELY**

Introduction

Have you ever collected something before? I used to collect baseball cards. There is a lot to the art of collecting. You need to be knowledgeable, organizational and extremely passionate. Those same characteristics are helpful for investing. I want to help you start your own invest collection or portfolio.

If you want to start a great investment portfolio, you need to get mentally prepared, educated, start collecting, and then maintain that portfolio.

Step #1 – Get Mentally Prepared

Before you start investing, get prepared financially, get serious about it, and then keep it fun and simple. Also, you shouldn't be investing money that you need. If you are in massive debt, investing may not be in your best interest either.

ACTION STEP: Make sure you are in a good spot to be investing.

Step #2 – Educate Yourself

Here are a few Key Investing Concepts to know and understand:

Concept #1 – Investing: Letting Your Money Work for You – You can work your day job and still be making money in a different way through investing.

Concept #2 – Compound Interest – It will be your best friend. It enables you to grow your wealth over the long term.

Concept #3 – Reasonable Expectation of Profit – You shouldn't be gambling. You need to have a reasonable expectation of profit **before** you invest.

Concept #4 – Diversification is the Key – Diversification allows you to allocate money in different parts of your portfolio so that you avoid exposure to significant risk.

Next, here are a few types of investments that you can start looking at:

- Stocks, Mutual Funds, & Bonds
- Rental Properties & Real Estate



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- Start Your Own Business/Buy A Business

All of these types of investment can be risky, but are more safe than other forms of investment.

ACTION STEP: Become familiar with these concepts and types of investment. They will create the foundation for you to confidently move forward into the investing world.

Step #3 – Start Collecting

This is the fun part. I have provided a list of places to go to start your investing “collection” or portfolio. They are on a DIY basis. If you aren’t interested in managing your own portfolio, then I would recommend getting a financial adviser to help you from here.

ACTION STEP: Start building your investing collection. Remember to contribute to your investment portfolio regularly.

Step #4 – Maintain Your Collection

Lastly, you need to keep an eye on your investments. You don’t need to check in EVERY SINGLE DAY, but routinely checking the progress will be helpful.

Maintain your portfolio by looking and analyzing the performance of each part of your collection.

Investment Tips & Advice

Tip #1 – Don’t Buy All at Once

Dollar Cost Averaging may be the best way to invest your money in Stocks, ETFs or mutual funds. It is a technique where you buy a fixed dollar amount of a specific investment on a regular basis, regardless of the price of the share of stock.

Tip #2 – Control Your Emotions

Trading is not a game of emotions. If things don’t go your way, don’t panic and sell. On the flip side, don’t get caught up with the exhilarating feeling from a rising market. Stick to the long term plan.

Tip #3 – Understand Your Risk Tolerance

Get on good and search “risk tolerance test” and find out if you are more on the aggressive or conservative side. Understanding where you fall between those two types of investors will help you build a strategy around your tolerance.

Tip #4 – Keep the Long-Term in Mind

The most important tip...keep the long-term in mind. You are trying to build a portfolio that is valued higher and higher over the long term. Don’t worry about the short term loss or gain.

Conclusion

Investing money doesn’t need to be hard, but it does take some time to become familiar with it. Just like collecting baseball cards, there is more to handling an investment portfolio than merely buying stock. Keep the steps and tips in mind and one day you will master this skill.

