



Winners, hungry minds?

Unlike the battlefield where success is achieved when the opponent is eliminated, success in the investment arena is possible only if the opponent is given respect. The opponent is something that can't be eliminated – the market – and without respecting it, winning is impossible. Have you ever thought whom are you playing against when you invest, where do your expected profits will come from and why?

When presented with the opportunity to make money, watch yourself. If you are excited to play, you are on your way to lose. But if you feel you found a treasure, something you want to keep and learn more about, then you are on the right track.

Studying the markets will by no means vaccinate anybody against monetary mishaps. They will forever exist but, by choosing to learn, you will become skilled at minimizing their impact.

Safe are not those who sit on the riverbank and watch, but those who swam across the river to safety. By learning to swim, you will be able to cross the rapids and by learning to invest, you will be able not only to participate in the rewarding world of financial markets, different than those who choose to ignore it or have no business watching it, but also to avoid big losses on your way to become and stay profitable.

Winning by not losing. I know a lady who moved from St. Lucia to UK long time ago, for a better life. She got a low-paid job (what else?) and raised her four children by herself.

When the company she worked for has been bought over, shares she held for 14 years were at an all-time high. About to retire, she sold them, returned to the island and

built a 3-apartment house with the proceeds. She now lives in one 3-bedroom apartment, collects rent from the other two apartments and gets two small monthly pensions from abroad. In contrast, her peers who didn't, couldn't or wouldn't venture out when she did, are still toiling for low wages at the hotels, have difficulty meeting their monthly expenses and are confused as to whether to join the local workers union or not ...

She admits owning property would have remained a dream if she had relied on her savings alone. She never speculated in stocks but cared to buy and hold shares in the company employing her.

Neither hard work, nor knowledge saved her. Foresight did.

Winners by design. Are some people destined to win?

Let's consider the coin toss example. Throw a fistful of coins on the table and remove all those with the tails up. Pick up what's left and throw them on the table again.

Again, remove all those with the tails up, pick up the remainder and throw them on the table. Repeat this procedure until only one with heads up is left. That is the winner.

In similar fashion, there is always a person who comes up as a winner through all difficulties life throws at him. Life tests all of us in order to find the one with character and a story to tell.

With regards to trading securities online for a living, the mere transition from depending on a job or business to becoming independent by self-employment turns somebody into a winner.

Winning by stupidity. Statistics show most lottery winners end up broke within a year. In 2002, the largest USA jackpot in history was over US\$314,000,000. The winner settled for cash, which after taxes, came to a bit more than US\$113,000,000.

Months later, in a TV interview, his wife complained he was walking drunk in the streets and, tears in her eyes, said she wished they had never won. Can you imagine that?

Plenty of troubles befell the family since then because of the windfall and the money is gone by now.

People like to believe that if they win the lottery, they will know how to make the most out of their newly found fortune.

Strangely enough, the winner of the largest USA jackpot thought the same.

Money that is not earned doesn't stay.

Winning by ignorance. Is it possible to find a suitcase full of cash without looking for one?

In the financial markets, it is possible to win big for no apparent reason. So it happens with some people entering the investing world that they make plenty of money right from the start. This phenomenon is called "beginner's luck". What they don't know is they just hit a powerful market move, a period of good times that makes everybody – not only them – look nice. When times and markets change, so is their profits which from then on start diminishing.

Those who will win understand what went on and proceed to educate themselves in order to last.

Winning by making up for losses. I knew a guy who lost US\$200,000 twice on advice from his stockbroker. He then decided to study the markets and to cut a long story short, today he trades securities for a living from home.

His secret? When he was a boy, his father told him that he could find everything he lost where he lost it. Like when you lose the set of keys and you have the option of going back looking for it instead of having new keys made for you, that guy went back to the markets to find the money he lost instead of returning to his old job.

I know a guy in St. Lucia who had 18 car accidents due to his young age and recklessness. According to popular wisdom, he should never get into a car again. Guess what? Today he runs his car towing and wrecker service. He is very successful, which means his finances are in the profit zone.

Making money and staying profitable requires a special finesse not every working person is blessed with. Life has purpose and the road to it starts only when the price is paid. Losers simply can't get going and use countless excuses, including noble ones like family or religion, to justify their uninspired choices.

They complicate matters and block themselves.

Winners, at the other end, know they have to earn it no matter what and gracefully make things work for them.

How to begin the transition from poverty to riches?

For the cost of a bus fare, take a trip to the marina. Look at the boats, let the order and tranquility of the place speak to you and think for a moment at the freedom yacht owners have. They all invested in the financial markets and, if you want to be a winner like them, you must learn from them.

Much as the truth may hurt you and painful as your waking up to reality may be, the fact is they do not have to learn from you.