

5 STEPS TO MAKING YOUR FIRST STOCK MARKET INVESTMENT



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MIH: Make It Happen

What is the Minority Mindset?

The Minority Mindset has nothing to do with the way you look, your ethnicity, or your skin color. It's a mindset. It's the mindset to think differently than the majority of people and it's the mindset to **defy all odds**.

Why is the 'Minority Mindset' so important?

There is a well-loved quote that reads:

The person who follows the crowd will usually get no further than the crowd and the person who walks alone is likely to find themselves in a place no one has ever seen before.

If you don't want to end up like the majority of people, you have to think different than the majority of people. Unfortunately, most of us are just taught to follow the traditional system.

The Minority Mindset is here to change that.

Like we say, if you give the majority of people \$200, they'll come back with a pair of shoes. But if you give the *minority* of people \$200, they'll come with \$2,000.

The minority of people who break away from what is considered to be the normal path are often ridiculed and made fun of for being different.

We embrace that uniqueness.

No one is remembered for being average or fitting in. Having the courage to think independently and being brave enough to do whatever it takes to MIH (**M**ake **I**t **H**appen) is exactly what the Minority Mindset stands for.

Connect With Us



Watch Minority Mindset TV



@MinorityMindset

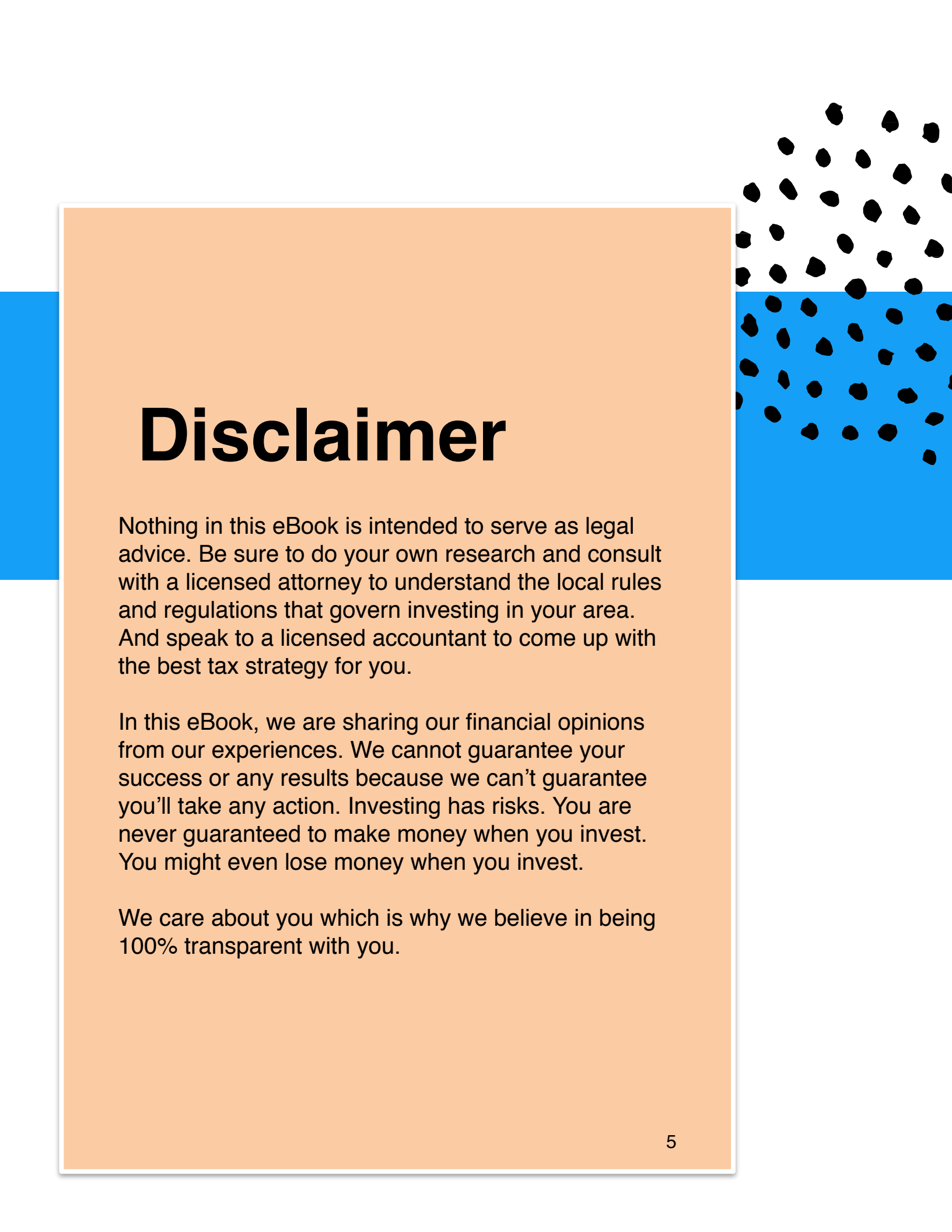


@MinorityMindset



Read Our Blog

www.TheMinorityMindset.com



Disclaimer

Nothing in this eBook is intended to serve as legal advice. Be sure to do your own research and consult with a licensed attorney to understand the local rules and regulations that govern investing in your area. And speak to a licensed accountant to come up with the best tax strategy for you.

In this eBook, we are sharing our financial opinions from our experiences. We cannot guarantee your success or any results because we can't guarantee you'll take any action. Investing has risks. You are never guaranteed to make money when you invest. You might even lose money when you invest.

We care about you which is why we believe in being 100% transparent with you.

Investing Starts With Your Mindset

So, you're interested in investing in the stock market?
Great - you're in the right place!

Investing is like planting a seed.

You put in the work to plant the seed and nurture it.
Then, if you do it correctly, your seed will grow into a
tree that produces fruit you can live off.

If you want a healthy, strong tree, meaning a portfolio of
profitable investments, then the first thing you need to
understand is how to P.L.A.N.T. a seed.

This guide will help you do exactly that with an
overview of the P.L.A.N.T. method to stock market
investing.

But before we jump into the P.L.A.N.T. method, let's
make sure you understand what a "stock" is.

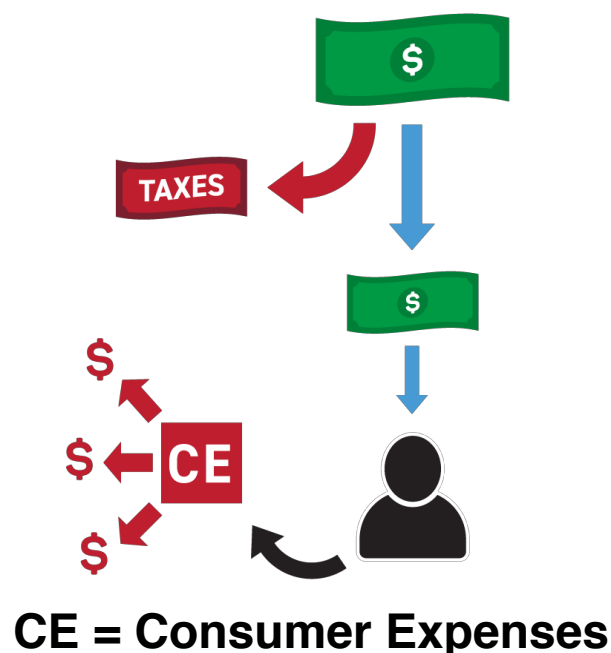
Investing Starts With Your Mindset

Consider this: When the majority of people go shopping, they buy “consumer expenses” like the newest Nike gear.

But as soon as you buy them, your money is gone. Nike doesn't pay you for wearing their shoes. You have to pay Nike.

That's why it's called a consumer expense. Consumer expenses are things that lose value and don't pay you.

CONSUMER MINDSET

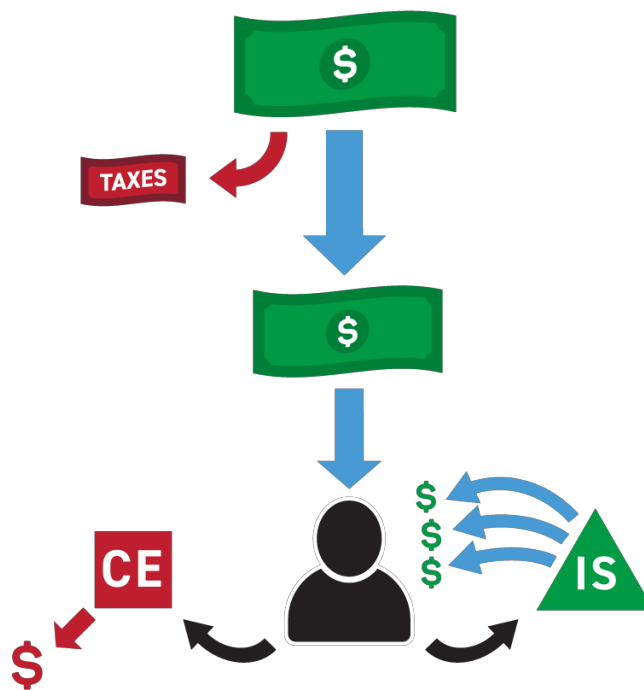


Investing Starts With Your Mindset

But here at the Minority Mindset, we look at things differently.

Instead of buying things that lose value, the *minority* of people buy things that pay them. We call these things *investment seeds*.

INVESTOR MINDSET



CE = Consumer Expenses
IS = Investment Seeds

Investment Seeds: Stock Market 101

Now you're using your money as a tool to make you wealthier, instead of just buying consumer expenses that eat away your cash & make you poorer.

So instead of having the consumer mindset of *just* buying Nike gear — you want to have the investor mindset of making money when people buy that gear.

And how do you do that?

By becoming an owner of Nike.

When you buy a company's **stock**, you're purchasing a small piece of that company called a "share". Buying that share makes you an owner of that company.

If you buy one share of Nike, you become one of the owners of Nike. And being an owner entitles you to a portion of that company's profits.

So when Nike makes more money, you do too!

Investment Seeds: Stock Market 101

The **stock market** is simply where investors go to buy and sell their shares in big companies.

To be successful in the stock market you need to shift from the consumer mindset (which the majority of people follow) to the investor mindset (which the *minority* of people follow).

A consumer is someone who buys products. The money they spend goes into a business' pocket as profit.

An *investor* is someone who buys investment seeds. They make their money work for them by investing in businesses.

Which side would you rather be on? The one paying money to these companies? Or the one *making money* when these companies profit?

Now a lot people think you need a ton of money to start investing in the stock market.

This is false.

P.L.A.N.T. Method To Stock Market Investing

You can start investing with as little as \$100.

We're going to show you how, so be sure to read this guide until the end!

The two keys to winning in the stock market are **consistency** and **patience**. That's how you grow your money into a fortune over the long term.

Now let's get into the P.L.A.N.T. investing method and how you can start profiting from the stock market.



P.L.A.N.T. Method

Picture Your Future

Step 'P'

The first step to successful investing is **establishing your long-term goals**.

What are your financial dreams? *Why* do you want to get involved in the stock market?

Are you trying to pay for your kids' college?

Grow your retirement?

Produce a secondary income?

Have a little fun?



Being *extremely* clear with your goals is important because it'll determine how you should invest and how risky you can be with your investments.

There are endless ways to invest in the stock market. And they're all very different.

A professional trader's investment strategy will be completely different from someone who's just trying to grow their retirement account.

P.L.A.N.T. Method

Picture Your Future

Step 'P'

One of the biggest issue investors run into is unclear goals.

If you don't understand what you want out of the market, you'll have no idea how to achieve it.

So the first thing you should do is grab a pen and a piece of paper, set a timer for 15 minutes, and start writing!

Write out your long-term financial goals, your hopes, and how you think investing in the stock market will help you achieve them.

Don't hold anything back. No one will read this but you.

It's important to be completely honest and thorough in this writing exercise to discover what your goals and motivations are.

Don't stop writing till the 15 minutes are up!



P.L.A.N.T. Method

Learn The Language of Investing

Step 'L'

Once you're committed to the investing journey it's important to educate yourself on the inner-workings of the market. There's a lot of jargon that gets thrown around by industry insiders which is designed to scare you into paying them for advice.

But you don't need "expert" advice to invest in a sound manner that can compound your wealth. All you need is an hour of self-study to take you to a level of proficiency that will allow you to put your money to work for the long haul.

Start by familiarizing yourself with these core concepts:

- **Stock** — (also known as "shares" or "equity") is a type of security that signifies proportionate ownership in the issuing corporation. This entitles the stockholder to that proportion of the corporation's assets and earnings.
- **Dividend** — A quarterly or monthly payment that is made to all holders of the stock. Not all companies pay a dividend.
- **Ticker** — The symbol used to denote a stock or fund on the trading exchange. For example Facebook's stock has the ticker symbol "FB"
- **S&P 500** — The 500 largest companies in the US.
- **ETF** — Exchange Traded Fund. Baskets of stocks that you can buy and sell all at once through a single ticker symbol. For example the ETF SPY allows you to buy the top 500 companies using one ticker symbol.
- **Index fund** — An ETF that holds the components of a major index such as the S&P 500 or NASDAQ
- **Broker** — A firm that will buy and sell stock on your behalf. You need an account at a brokerage firm to make investments.
- **Inflation** — The tendency for prices to rise overtime. One of the reasons investing is so great is that your wealth rises with the prices for goods and services over time so you can maintain your standard of living.

P.L.A.N.T. Method

Learn The Language of Investing

Step 'L'

It helps to begin tracking a few stocks and ETFs daily to get the hang of how they work and trade within the market.

Add the following stocks and ETFs to your watchlist so you can practice learning the language of investing and familiarize yourself with the financial markets. (Ticker symbols in brackets after the name.)

Stocks

- Amazon [AMZN]
- Apple [AAPL]
- Facebook [FB]
- Vail Resorts [MTN]
- Netflix [NFLX]

ETFs

- SPDR S&P 500 ETF [SPY]
- VanEck Vectors Gold Miners ETF [GDX]
- Vanguard Total Stock Market ETF [VTI]
- Vanguard Dividend Appreciation ETF [VIG]



P.L.A.N.T. Method

Adopt A Strategy

Step 'A'

Without a good strategy it will be impossible to see long-term investing success. True success in the stock market comes from following a disciplined strategy day in and day out, just like diet or exercise. This is the discipline that only the minority of people have, which is why most people lose when they trade or invest.

At the highest level there are two different investment strategies you can take on.

- Passive investing
- Active investing

Passive investing is a “set and forget” investment strategy. Rather than focusing on what to buy, you contribute to the same stock/ETF over and over again. For most people this involves continuously buying an index fund ETF or a group of dividend stocks.

The trick here is making sure you contribute enough each year to the strategy. So instead of wasting mental energy on what to buy, you are putting your effort into setting aside enough money each month to continuously increase the size of your investment seed.

Active investing is the exact opposite of passive investing. It requires continuous monitoring of when to buy certain stocks. Day by day or week by week you must make decisions about your portfolio. The hope is that by spending extra time analyzing stocks you will be able to create higher returns than the passive strategy. But to get these higher returns you will have to spend significantly more time digesting and thinking about the stock market. For some people, this process is fun, they enjoy staying active. But for most investors this is not the optimal strategy because they would rather spend those hours at their day job, with family, or doing other personal development.

P.L.A.N.T. Method

Adopt A Strategy

Step 'A'

What strategy you choose depends entirely on your situation.

Take this mini-quiz below to figure out if you should be a passive investor or an active investor!

Question 1: How many hours a week would you like to spend analyzing stocks?

- A. 0 hours — I want true passive income.
- B. 1-2 hours — I could see myself watching markets as a hobby.
- C. 2-10 hours — I want investing to be part of my week-to-week routine
- D. 10-40 hours — I want to invest full time.

Question 2: How passionate are you about the stock market?

- A. 1 — little interest I just want easy money
- B. 2 — mild interest, I enjoy following along
- C. 3 — medium interest, I could see this becoming a part of my life
- D. 4 — high interest, I could see myself doing this full time one day
- E. 5 — extreme interest, I 100% want this to be my full time career. I want to work in the industry.

Question 3: How much investment capital do you have?

- A. \$0-\$10,000
- B. \$10,000-\$25,000
- C. \$25,000-\$100,000
- D. \$100,000 +

Answer Key: If you answered mostly As and Bs you should start with passive investing. If you answered mostly Cs and Ds you can give active investing a shot! We recommend new investors start out with passive investing because it's less of a time cost and more accessible.

P.L.A.N.T. Method

Never Give Up

Step 'N'

The number one concept most investors don't understand, is **risk**. Risk is frequently misinterpreted.

This is why most people are afraid to start their own business.

"It's too risky."

Yet these same people are willing to take on huge amounts of debt for a college degree that will take a lifetime to pay off. Because getting a college degree *has* to be safe right? Nope!

There's a huge difference between good risk and bad risk. You need to be able to differentiate between the two to be successful in the stock market.

You also need to understand that the stock market is **NOT risk-free**.

Every time you put your money into a stock, there's a chance of losing it. It's important to understand this and become comfortable with it. As you study risk you'll come to learn about market cycles (nothing, including the stock market, can go up forever), expected value, and more.

These concepts are key to make your stock investing profitable.

P.L.A.N.T. Method

Never Give Up

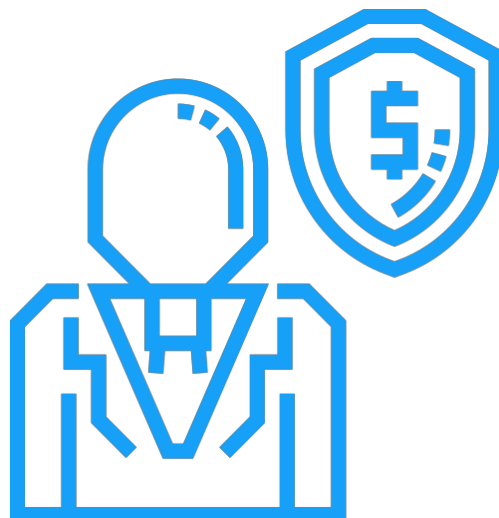
Step 'N'

As with most things in life, the rewards at the end of the journey are reserved for those who can persevere through the ups and downs — and the stock market will have plenty of these gyrations over the course of your life.

The key is learning to power through the volatility and never give up on your strategy. People who give up when times get tough lose all of their gains they worked so hard to achieve.

Before starting your investment journey make a pledge to yourself that you will maintain the course even when times get tough.

Write down this pledge in a journal or note that you can hang up by your desk. You'll need to reference this pledge when market volatility comes roaring back.



P.L.A.N.T. Method

Take Action

Step 'T'

Once you've completed the previous steps, you're now ready to make your first investment!

This is the step where you'll finally learn the mechanics of putting your money into the market.

A few questions you can ask yourself are:

- What is a stock brokerage and what type of brokerage is best for me?
- What are the fees associated with buying stocks?
- What is the difference between a market order and a limit order?
- How many shares of a company should I buy?

We're going to go over two different examples. One will use [Ally Invest](#) which is best for people with \$25,000 accounts or greater.

The other is called [M1 Finance](#) which is our favorite broker for people with less than \$25,000 to invest.

Let's start with the Ally Invest example. Feel free to skip down to the M1 finance example if you are planning on investing less than \$25,000.

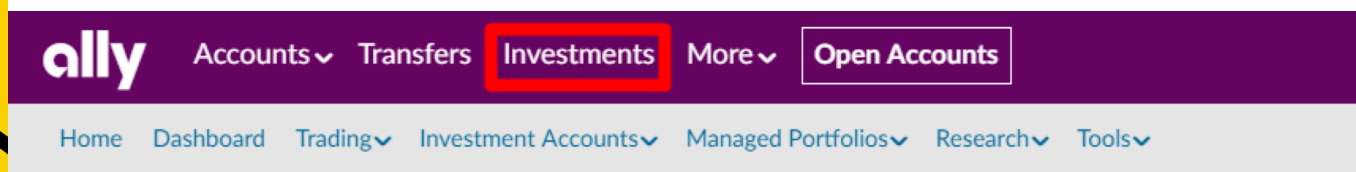
Full disclosure: Minority Mindset is an affiliate partner with Ally Invest & M1 Finance meaning we will get compensated for each new account we refer - but there's no additional cost to you.

Making Your First Trade (Ally Invest)

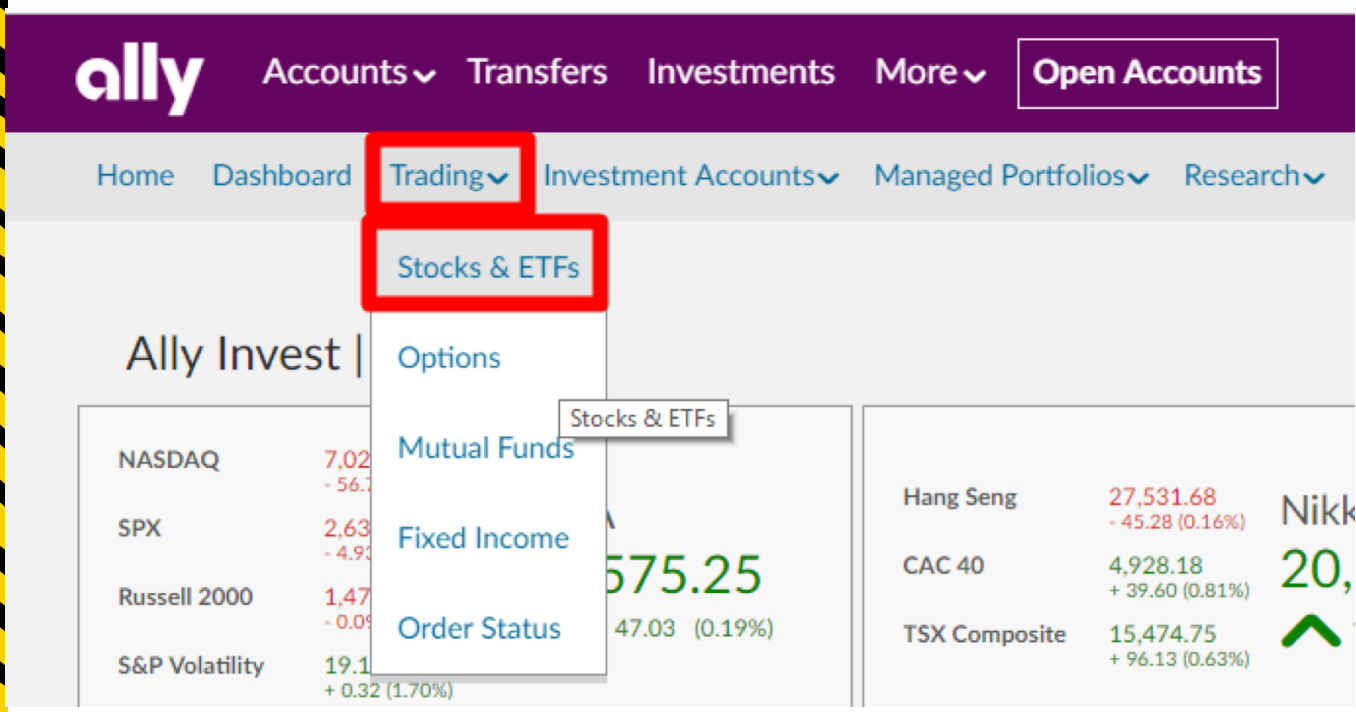
You can [learn more about Ally Invest and open a free account here](#).

In this example we'll keep it simple and buy 1 share of BlackBerry Ltd (Ticker Symbol: BB).

1. Once you're logged into your Ally Account, select investments in the top menu



2. Next, under Trading, select Stocks & ETFs



Making Your First Trade (Ally Invest)

3. Now, enter the ticker symbol for BlackBerry — BB — into the quote box. You'll see the last price it traded at, which is \$7.96

a. Next, look at the cash available in your account to see if you have enough funds to buy a share. You can see your balance in the box below. In this example, we have \$33.62 available.

b. In the Trade Ticket section

i. Select Buy

ii. Change the quantity to 1

iii. And for the type of order, select Market (this type of order will purchase a share at the current market price)

c. Finally, select Preview Order on the right side panel

Ally Invest | Trading

QUOTE

BB

BlackBerry Ltd

Last Price 7.96

Change -0.05 (0.62%)

Bid 7.95

Ask 7.96

Size 119 x 13

Volume 1,721,293

Real Time Quote as of 1/29/2019 3:21 pm ET

TRADE TICKET

STOCK OPTIONS MUTUAL FUNDS

Buy Sell Buy to Cover Sell Short

Quantity 1

Market Limit Stop Stop Limit Trailing Stop Market On Close

Duration Day

ORDER SUMMARY

BUY 1 shares of BB at the Market, Good for the day.

Bid 7.95 Ask 7.96

Real Time Quote as of 1/29/2019 3:21 pm ET

Account: individual-2966

Preview Order

Clear

MY ACCOUNTS

Cash Available For Investment \$33.62

Total Account Value \$33.62

Making Your First Trade (Ally Invest)

4. In the Preview Order screen you'll see your estimated cost which in this example is \$7.96. Don't forget there's also a commission of \$4.95 (regardless of the number of shares you buy). So your total cost (order total) to buy this stock will be \$12.91. Once you select 'Place Order', you'll own share of BlackBerry!

ORDER PREVIEW

In your [REDACTED] account you are about to place an order to:

ACTION	QTY	SYMBOL	PRICE	DURATION
Buy	1	BB - BlackBerry Ltd	Market	Good for the day

BID

7.95

ASK

7.96

Real Time Quote as of 1/29/2019 3:21 pm ET 

Your Estimated Cost

\$7.96

Estimated Commission

\$4.95

Estimated Fee

\$0.00

YOUR ESTIMATED ORDER TOTAL

\$12.91

Cancel

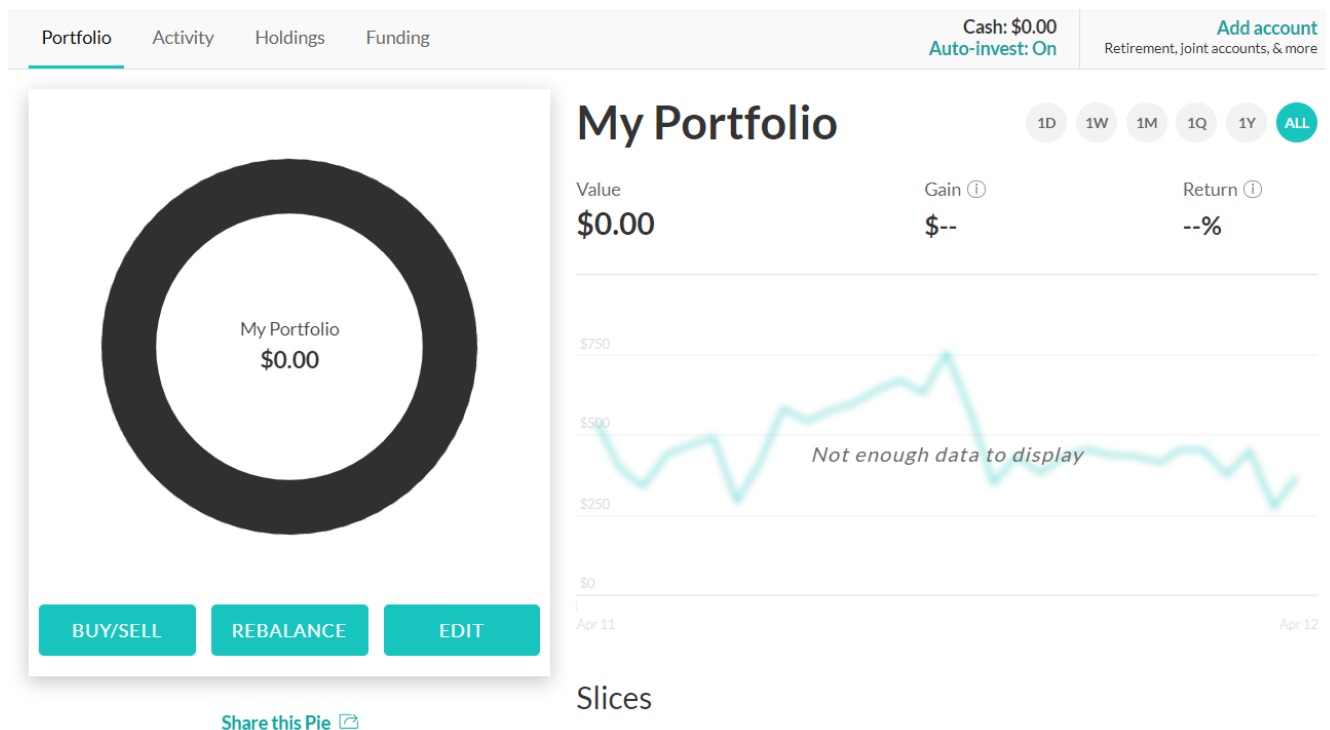
Place Order

Making Your First Trade (M1 Finance)

Now we'll move onto the M1 Finance example. You can [learn more about M1 Finance & open up a free account with no fees by clicking here](#).

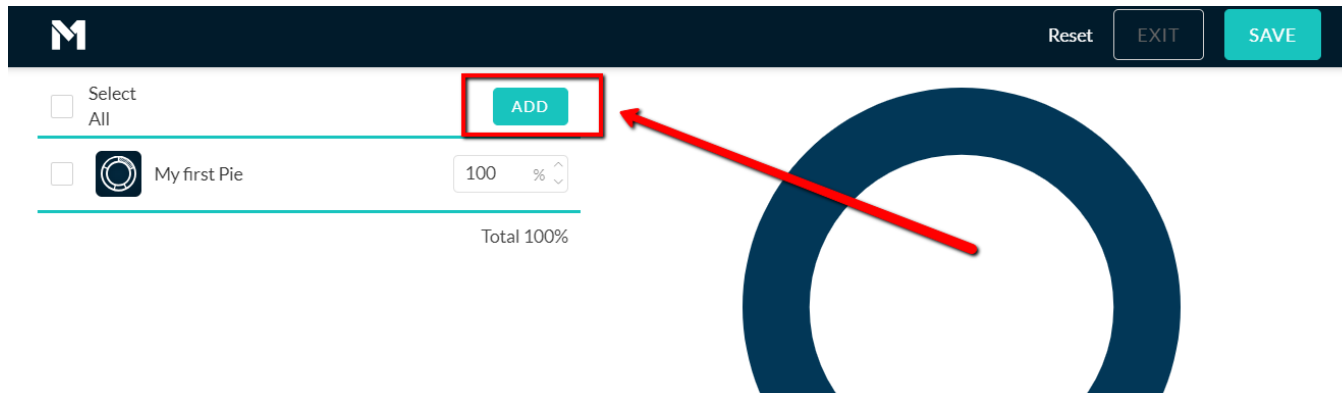
In this example we are going to buy \$50 worth of BlackBerry Limited ticker symbol BB.

After signing up for your account you'll land on a page that looks like this.

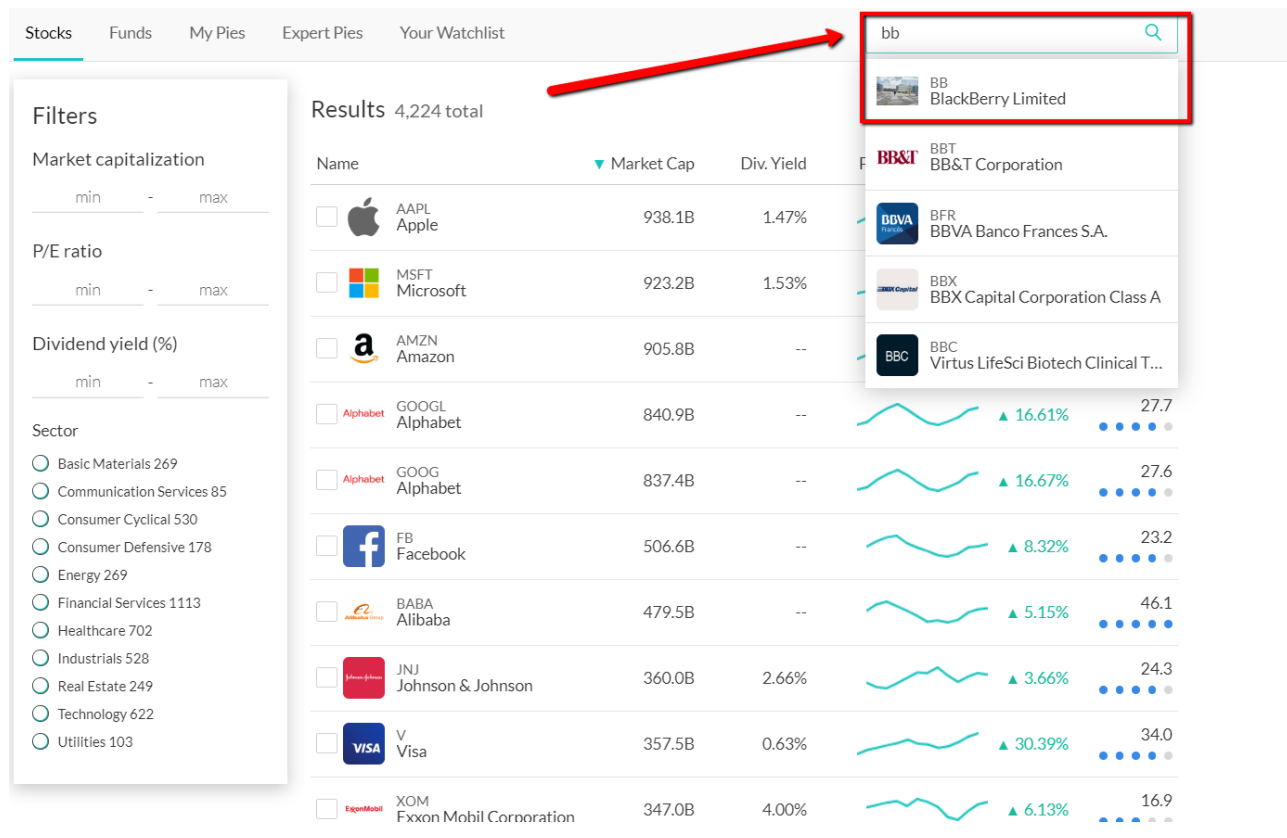


Making Your First Trade (M1 Finance)

1. On the my portfolio pane click on the 'Edit' button. From there you will be brought to a screen that looks like this

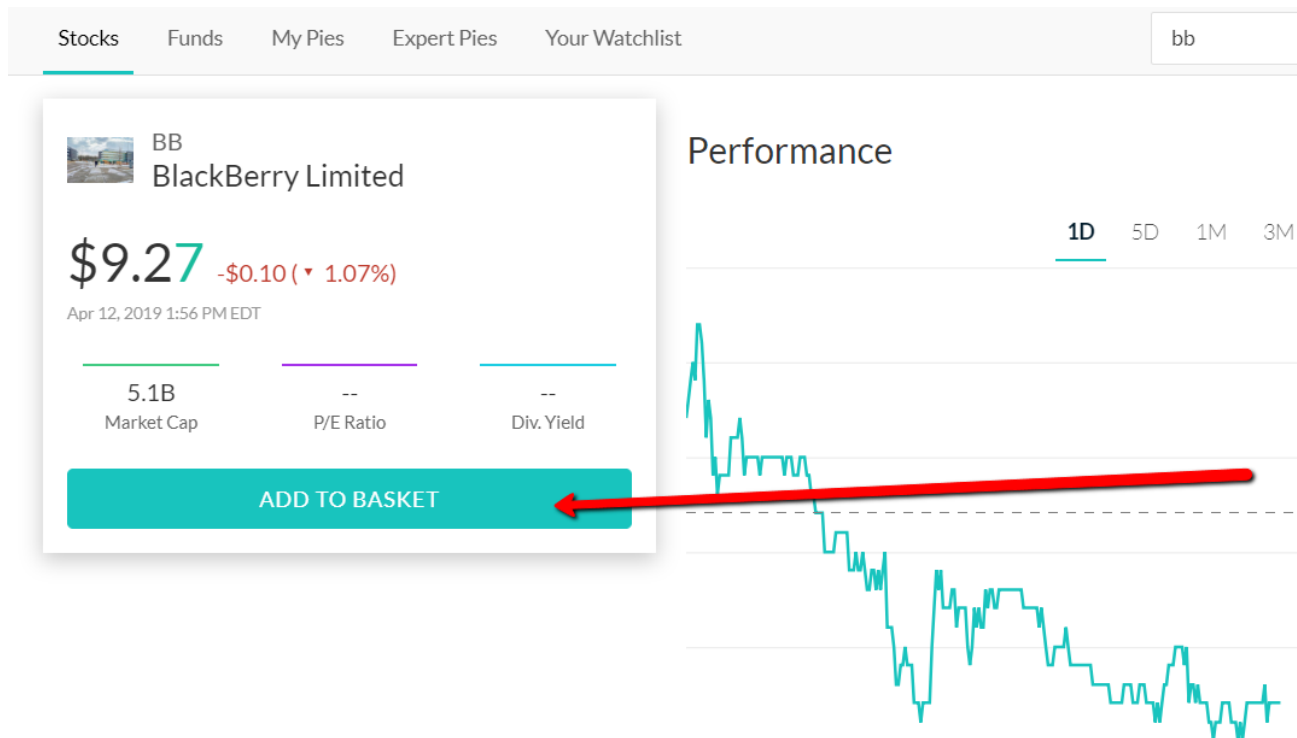


2. Click the 'Add' button, which will bring you to this page



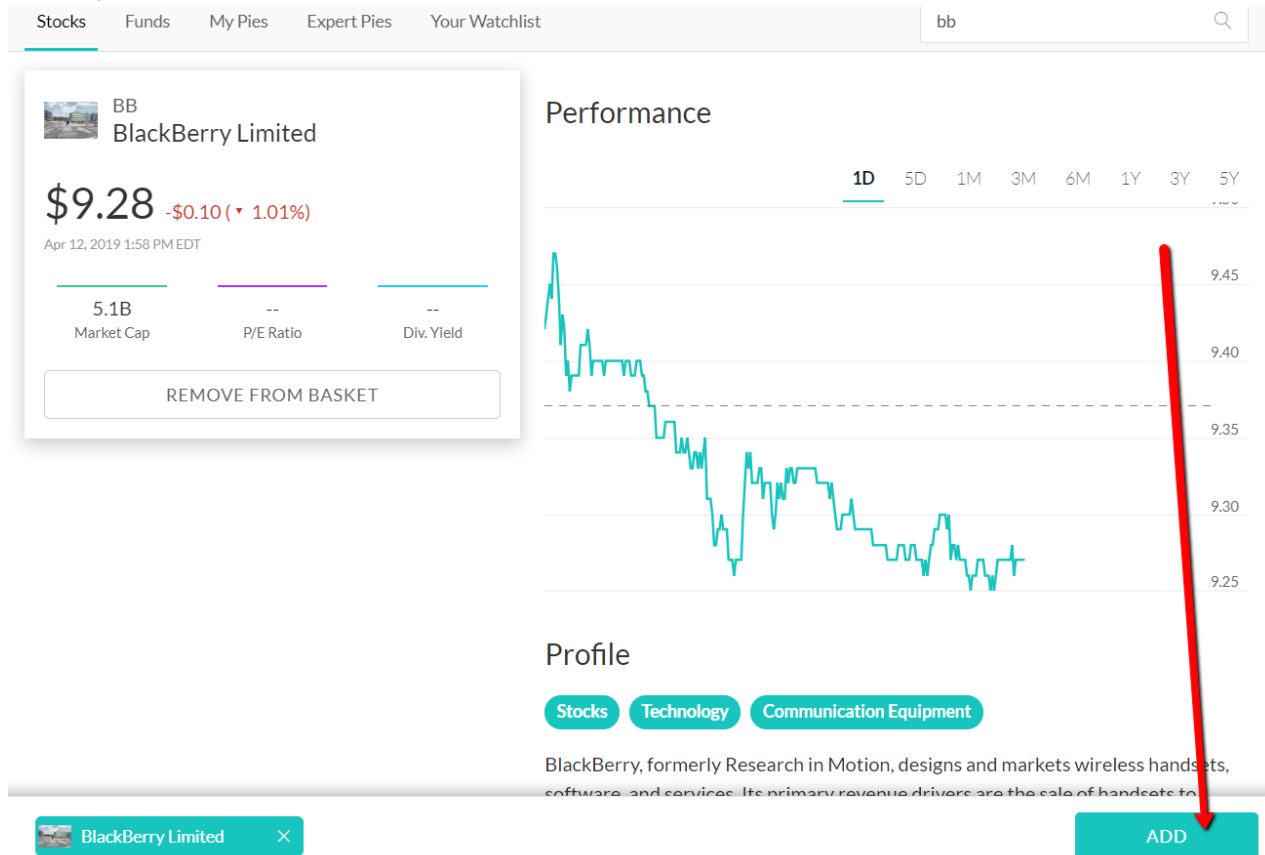
Making Your First Trade (M1 Finance)

3. In the search bar type in “BB” and you will see blackberry pull down on the menu. Click on Blackberry (BB) which will send you to the next screen where you want to click ‘Add To Basket’

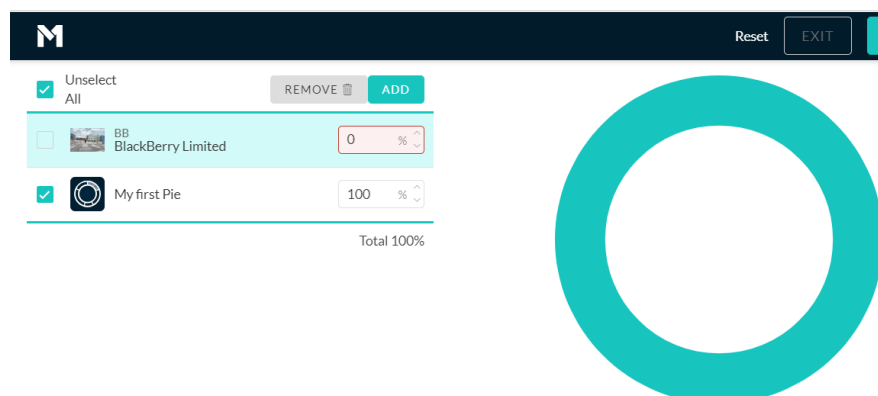


Making Your First Trade (M1 Finance)

4. It will ask you to confirm the Add in the bottom right of your screen. Click 'Add'



5. Remove all other slices on the next screen except for Blackberry.



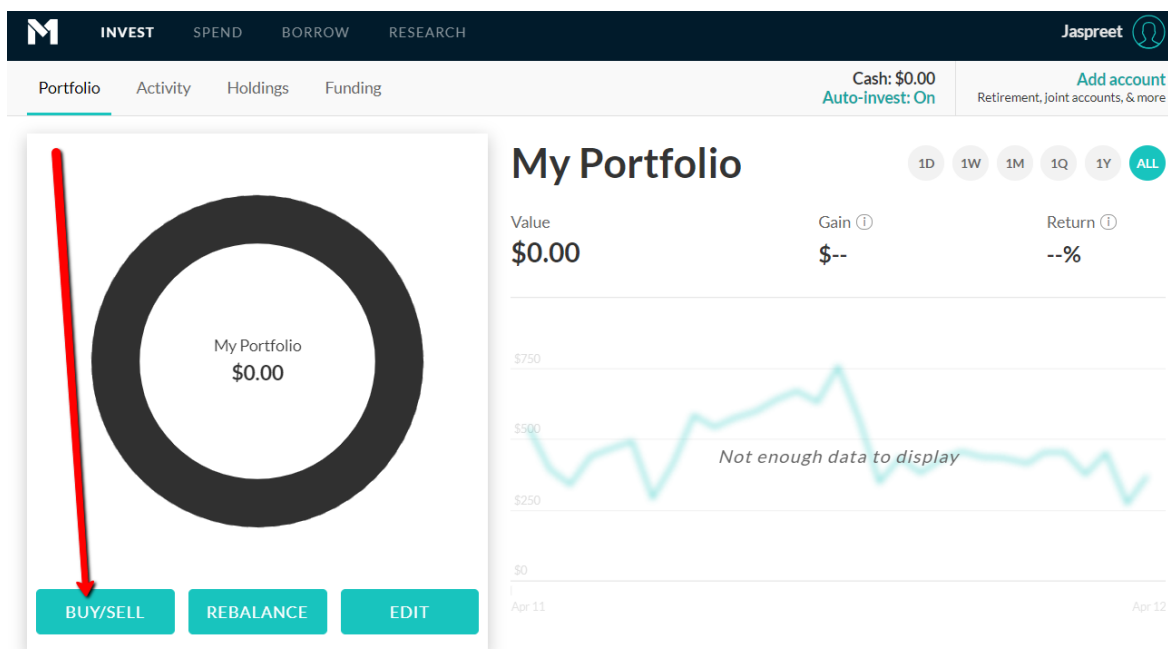
Making Your First Trade (M1 Finance)

It should look like this with BlackBerry at 100%.



6. Click 'Save' in the upper right hand corner and then confirm.

7. Next you will be redirected back to this page. From here click the 'Buy/Sell' button.



Making Your First Trade (M1 Finance)

8. Make sure 'Buy' is highlighted. Enter in \$50 and then click 'Continue'

Buy/Sell My Portfolio?

Current value: \$0.00

BUY	SELL
------------	------

\$50

Available for orders

-\$50.00

Buy orders

-\$50.00

CANCEL

CONTINUE

Making Your First Trade (M1 Finance)

9. Click confirm on the next screen.

During the next trade window

Buy

My Portfolio

Amount

\$50.00

Actual order amounts may deviate slightly from your input amount.

[Learn more about how M1 fulfills orders](#)

BACK

CONFIRM



Making Your First Trade (Summary)

Congrats, you have just purchased your first bit of stock through M1 finance!

This is actually the easiest step of the P.L.A.N.T. method. It's all just mechanics. And the particulars of these mechanics vary from brokerage to brokerage. What's more important to learn is the actual investing concepts.

But obviously learning and doing all these things together is easier said than done. It can be very overwhelming, especially if you're not familiar with the market terminology used.

That's why over the next few weeks we'll be teaching you a lot more about investing in the stock market. From tips on the best strategies to use to examples of successful investments you can learn from, we'll cover all the bases.

So whether the stock market is completely foreign to you, or even if you have some experience, you'll definitely want to keep an eye on your inbox.

We'll talk to you again soon.

5 STEPS TO MAKING YOUR FIRST STOCK MARKET INVESTMENT

