



# Patience and discipline

## The basic attributes you need to cultivate

It is not difficult to invest, build a good portfolio and get decent returns. It just requires some time and patience to set up, and you must have the **discipline** to adhere to your own principles. Start by understanding your ability to withstand short term market losses, both **financially** and **emotionally**.

### FINANCIALLY

Take stock of the below key variables in your personal finances. These may help you determine how much to keep as a 6-12 months safety net.



### EMOTIONALLY

Next comes the trickier part. Your emotional ability to withstand short term losses, is something completely different.

It's probably related to how you were raised to think about money, and what your personal financial experience has been.

#### WHAT KIND OF AN INVESTOR ARE YOU?

Your predominant investment style is:

- a) Savings only – Cash is King
- b) Blue chips for dividends
- c) Bonds for coupons
- d) I'm looking for the next big thing!



Once you understand your financial and emotional ability to withstand losses, you can establish guard rails and avoid being forced to sell when markets fall significantly.

If you'd like to find out more about your own and others' styles of investment, you can download our Investor Personality Report in this section of the class materials.

[Click for Personality Report >](#)

It is now critical to have a framework that can help you achieve this, and the next lesson will get you started by explaining how to avoid irreversible losses.

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