



# 16 Traits of a Successful Investor

by Gary Stone

Discover the secrets of successful investors and what it takes to thrive in the stock market.





# Congratulations on downloading the **16 Traits of a Successful Investor!**

This guide covers the habits, characteristics, and thought processes of the world's most elite investors. By adopting these characteristics, you'll be well on your way to making smarter investing decisions, growing your income, and stashing some away for a financially secure retirement.

The insights in this guide come from me, Gary Stone, founder of Share Wealth Systems.

At Share Wealth Systems, my team and I research the stock market to help you make informed investment decisions. No more guessing about when to buy and sell. No more panicking that the market is going to turn against you. Just a simple system to make an unpredictable market more predictable.

Over the years, I've received so many touching messages from people who said there is no way that they could have been successful with trading and investing if it wasn't for my expert guidance and innovative investing systems.

These people, like you, had aspirations of making it big in the market, but knew very little about how to go about it.

Well, over 31 years ago now, I had no clue either.

I was exactly where you are—trying to invest in the financial markets and practically guessing at what the “big guys” were doing.

With hardwork, research and some painful trial and error I finally figured out what the big guys were doing, and it wasn't guessing.

I discovered that the most successful investors in the world embody **16 key traits** that others overlook.

One by one, I adopted these traits into my own life and investing habits and started to see **major returns**.

And by the end of this guide, you'll know exactly what sets the elite investor apart from the novice.

You may already possess some of these traits and some you may not. But I have no doubt that embarking on the journey to integrate all 16 traits into your own investment strategy will help set you on a path to achieving **sustainable, long-term success in the markets**.

And in this endeavor, I wish you the very best.

Let's get into it!

## Trait #1

# Always Treat Your Money with Respect



Respecting money is something I learned way back in the early 90s.

After a few random investments I made that turned rotten, I quickly discovered that I needed to treat my money with respect.

What did I change to achieve this?

"If you stand for nothing, then you'll fall for anything" became my mantra.

I made a promise to myself that I would never invest haphazardly anymore. I committed to defining some **rules about how, when, and what type of investment opportunities** I would consider. And I swore I would remain disciplined and stick to a plan.

I had to stand for an investing process I really believed in.

No one cared about my money or my family's future more than I did, so I got rid of the haphazard approach I was using and built processes that made it simple for me to define the opportunities that were worthy of receiving my investment capital.

## Trait #2

# Embracing Risk Comes with Rewards

The people who achieve success with investing are the ones who understand investing comes with inherent risks.

They understand that there's no point cheering from the sidelines, because they've fully invested in the dream of kicking the winning goal.



Being in the game and being better than the average player requires tolerating a degree of risk. But the best players accept, account for, and manage those risks. They understand that without risk, reward is not possible.

The market can deliver life-changing success for those brave enough to accept, account for, and manage the risks associated with investing.

And you're not alone!

I embrace this same risk by using the same investment system that our Share Wealth Systems members use every day.

As of January 2021, the portfolios I personally manage on the ASX and US stock markets are achieving over 20% annualized returns over 5 years. And these portfolios are open-book for all our members to examine and scrutinize.



### Trait #3

## Always Be Coachable

Nothing brings about success like walking through the right doors.

You can fumble around for years making the same old mistakes, or you can short-cut the process and be guided by someone more experienced, someone that has achieved the goals you are trying to achieve.

Mentors know what it takes to succeed and finding the right person to guide you is almost magical.

A good mentor will enlighten you in moments of despair. They can also inspire you and fast-track your learning and development. I have been fortunate to have been surrounded by some of the best mentors in the investment game.

My personal desire is to continue to improve by keeping an open mind to better ways of doing things. It's part of who I am. I attribute much of my success and personal growth to the fact that I have been able to learn from others that have trodden the path before me.



## Trait #4

# “Know Thyself”... and Know Your Limits...

One of the inscriptions at Apollo's Temple at Delphi, dating back 2400 years, is “Nosce te ipsum”, or “Know Thyself.”

But so many people mess this up.

Investors must first learn to crawl in the markets before making the 100-meter sprint.

Far too often I see people who don't have the necessary knowledge or skills investing in things they don't understand. **This is one of the biggest mistakes you can make.**

For example, I started with stocks and then only years later learned about foreign exchange trading and leveraged instruments such as options, futures. I found that the lessons I learned from trading stocks alone were far less painful than the lessons learned from jumping into several areas I didn't fully understand.

These days I recommend that young 20 and 30-something investors start with an even simpler approach—index investing using Exchange Traded Funds (ETFs).



Be honest with yourself and question your limits. Know who you are now, what your skill level is, so you can know who you want to become. This way you'll avoid the financial losses of getting in over your head.

Using this technique, I promise it will be far more rewarding in the long term.

Ready to get real results from your investments? Great, because that's exactly what we do at Share Wealth Systems. No guessing at market trends. No questioning whether you'll get a return on your investment. And no more using products that claim to bring in results and don't.

Just an evidence-based, time-tested system - SPA3, so you build wealth consistently over time. Simple!

[Learn More About Share Wealth Systems](#)

## Trait #5

# Prepare: Map Out Your Investment Plan

Defining *how* you'll manage your money in the market is the key to becoming successful.

Whenever someone asks me why they need an Investment Plan, I quickly explain that putting pen to paper will enable them to achieve a big picture perspective of their long-term investing goals and methods.

The greatest traders and investors in the world define how, when, and why they are investing. They understand that they need to prepare a map to get where they want to go and that a comprehensive Investment Plan will help guide them toward making the right decisions at the right time.

Most importantly, a well-prepared Investment Plan will help you monitor your progress, hold yourself accountable, and measure your success.

A good Investment Plan helps you:

- Gain clarity about your current financial situation
- Nail down your goals
- Outline your strategy
- Define the risks and the rewards

Whether you're just starting or you're an investing and trading veteran, a well-thought-out Investment Plan is the vehicle you need to see tangible financial gain over the long-term.

In the absence of a good Investment Plan, you get sucked into making short-term or haphazard predictions

**Prepare, don't predict.**

## Trait #6

# Be Humble Enough to Surrender to the Process

In the mid-90s, I read a book about two respected traders who would change the course of my investment life.

One of them, Richard Dennis, believed that successful trading could be taught.

The other, William Eckhardt, thought trading success was an inherent trait.

To settle the debate Richard bet William that he could take normal everyday people off the street and turn them into successful traders. For two weeks, Richard taught his students his mechanical entry and exit system and position sizing rules.

His students had to be humble, disciplined, and committed enough to surrender to his tried-and-tested process, rather than allow their egos and pride to get in the way.

In January 1984, after the two-week training period ended, Richard gave each trader a real trading account that ranged from \$250,000 to \$2 million of his own money.

When his experiment ended 5 years later, his group reportedly had earned an aggregate profit of \$175 million. Today, this legendary group of traders are known as The Turtles.

The Turtles are a profound example of what everyday investors—like you—can achieve. Richard empowered his pupils to master the art of investment by teaching them discipline and giving them the right tools, training, mentorship, and rules-based methods.

In my 30+ year experience, using a **rules-based method with discipline** is the surest way to achieving investing success over the long term.



## Trait #7

# Keep Your Powder Dry: Stay Vigilant Throughout Various Market Conditions

The saying "keep your powder dry" means to make sure you are always ready for action.

In the age of muskets, soldiers kept little bags of gunpowder for loading their guns. If the powder got wet, then the soldier couldn't fight because his gun wouldn't work.

When someone tells you to "keep your powder dry", they mean to make sure that you're not going to come up short in the event of a crisis because you haven't planned accordingly.

I'm a big advocate for timing the market and for the preservation of investment capital, particularly when markets become overheated.





In these moments I teach my clients to "keep your powder dry." In other words, be cautiously patient and protect your capital so you can extract your cash and live to fight another day.

History demonstrates that there are times when you should be investing in the market and times when you need to be out. I encourage my clients to stay vigilant and respond to market conditions with a pre-defined exit strategy.

You never want to be in a situation where you're holding onto hope as you watch your portfolio wither away in major market reversals.

Knowing when and how to respond to rising and falling markets is critical and could be the difference between retiring on time or not.

Always keep your powder dry!

## Trait #8

# Consistency Is Key: What You Can Learn from McDonald's



Do you know the real reason McDonald's restaurants are so successful?

It's not their hamburgers, nor their commercials, and not their massive corporate contracts with Disney and Coke.

McDonald's is known globally because of their consistent systems. Systems that their founder Ray Croc believed would make his restaurants so consistently good and so simple that any beginner employee would be converted into a strong performer in no time.

Looking back now, you can clearly see that Ray Croc set out to remove the inconsistency and random outcomes of food quality, decision making, and service from his restaurants. Just like McDonald's, you need a system for deciding when to buy, how much to buy, and when to sell your shares or ETFs.

Using an investing system means that you no longer need to spend days, weeks, or even months trying to solve the same old problems over and over again. The best investing systems can help you take control of your investment portfolio almost overnight.

Adding consistency to your investment activities also helps you identify when and why something goes wrong. It eliminates on-the-fly, emotional decisions and makes it easier to repeat successful behaviors.

Confused about how to apply these traits to your investing habits?

You don't have to be. At Share Wealth Systems, we offer educational products that help you make better investment decisions, every time.

Our exclusive SPA3 Investor system helps you overcome confusion and uncertainty when managing a stock market portfolio, provides a documented Investment Plan, and much more.

[Learn More About Share Wealth Systems](#)



# Turn Off All Distractions and Focus

Warren Buffett once said in an interview:

*“Bill [Gates] and I, his father many years ago right after we met, had a group of about 20 write down on a sheet of paper one word that they thought accounted for their success, and Bill and I, who may have only met twice, didn’t know what the other was writing down. We both wrote down the same word, which was **focus**.”*

Unsuspecting investors are constantly bombarded with a stream of news and opinions 24 hours a day, 7 days a week, regardless of their investing style.

Have you ever tried to invest based on some positive news story only to see the share price plummet later?

With the explosion of the internet and social media, the 'news' is literally everywhere. It comes via the television, newspapers, brokers, blogs, emails, Twitter, Facebook, forums, news feeds, families and friends, all in what seems like an endless stream of noise!

There is just so much information available, it's absolutely impossible to be able to keep up with all of the events and changes that take place.

As investors, you have to accept this as a fact and learn to **focus only on your goals and what you can control**.

Focusing on the execution of a clearly defined plan can help you block out distractions and engage with the market on your own terms.





## Trait #10

# Be Responsible, Hold Yourself Accountable

When you are personally accountable, you take ownership of the good and the bad situations in life. As an investor, taking ownership means...

- You don't blame others if things go wrong.
- You take responsibility for whatever happens, good and bad. If bad, you fix it.
- It doesn't matter what happens, but rather how you react to it that counts.

When you blame the market, your broker-dealer, the newsletter writer, or the journalist, you opt out of your opportunity to improve.

People who take responsibility for their actions speak up and **look for solutions** when there's a problem.

Taking responsibility not only prevents the situation from getting worse, but also helps you grow as an individual and learn from past failures.



Accountability means you need to be completely honest with yourself. It means setting aside your pride and admitting when you've made a mistake.

If you take a good, honest look at your current investing approach, are you happy with where it stands or do you think there's room for improvement?

If it does in fact need improving, be accountable, **take the necessary steps today** and your future self will thank you for the effort.

## Trait #11

# Trust Yourself to Figure It Out

I heard a brilliant quote from Australian professional cyclist Michael Rogers once. After winning his first-ever stage at the 2014 Tour de France, his 10th Tour, he said,

***"Opportunities are clearer to me now that I am not scared of the outcome."***

Fear, uncertainty, hesitation, indecision, and reservation are all part of undertaking any new endeavor, and investing is no different.

You cannot worry about or be scared of the outcome. Prepare yourself with a process you believe in and you will build trust to overcome the fear of a negative investment outcome.

## Trait #12

# K.I.S.S

*"Everything should be made as simple as possible, but not simpler" - Albert Einstein.*

If you haven't heard of the acronym K.I.S.S, it stands for **Keep It Simple Stupid**. It's a design principle coined by the U.S. Navy and is as applicable to the field of investing as it is to anything else.

The Keep It Simple principle means **simplicity** is the goal and complexity should be avoided.

All too often traders and investors set out on the path filled with good intentions, but sooner or later the market's short-term random behavior presents a challenge—challenges that test your strategy's strengths and weaknesses.

While this market behavior is inevitable, investors and traders tend to overcomplicate their approach as they seek to solve the unsolvable problem of short-term randomness. Their tactics are usually determined on-the-fly and in the heat of the moment.

Nobody enjoys losing money in the market, but rather than accept it as part of investing, some investors try to modify their strategy to eliminate any losing positions. This behavior only ever results in a quagmire of indecision and chaos.

The key here is to develop and refine (and keep refining) a simple, consistent, **objective** investment approach.

And speaking of objectivity and consistency, this brings us to trait #13.



# Stay the Course: Objectivity Is the Gateway to Consistency

The idea that consistency and objectivity are essential prerequisites for sustained, profitable investing is certainly not a revelation.

Experienced investors and authors have written about it for decades. Authors such as:

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|------------------|------------------|
| ■ Mark Douglas   | ■ Joe Krutsinger |
| ■ John Murphy    | ■ Jack Schwager  |
| ■ Martin Pring   | ■ Jake Bernstein |
| ■ Stan Weinstein | ■ Larry Williams |

And here is the vital thing to remember: while consistency and objectivity can be measured as a result of the actions we take, they are actually mental skills that manifest themselves as outcomes through the execution of trades.

Being objective means making decisions that are independent of your first, often emotional, observations.

It means using verified research and measurements that garner consistent results regardless of personal bias, emotion, and outside influence.

Consistent objective decisions lead to consistent success over the long term. The alternative is erratic results, monetary losses, and stifled progress.

Achieving an objective state of mind is not necessarily an easy thing to do. However, once you have, it becomes second nature to your thoughts and investing behaviors.

And the only way the inseparable traits of objectivity and consistency can be acquired is by preparing a plan that defines robust decision-making criteria. These criteria will have been verified by repeatable research and measurement.

By definition, the criteria will be **consistent** and **objective** on when and how to act.





# Manage Your Expectations, Then Be Neutral



When we purchase a stock or ETF, the natural expectation is for prices to rise. Nobody invests hoping to incur a loss.

Unfortunately, things don't always turn out as we plan, and picking 100% winners is just not a realistic outcome in the market.

Great traders and investors understand the importance of engaging the market with a neutral mindset.

A mindset that is free of...

- Bias
- Personal expectation
- Previous experiences

Successful investors understand that any form of expectation is a distraction from their goals, a drain on their time, and a waste of valuable energy. They keep their emotions in check and look beyond any single event because they know the exact outcome is out of their control.

Over the years, I've seen many investors lose money in the market because they didn't want to sell their "favorite" stocks. They believed that the stocks would rise and create new profits in the future.

In my experience in live investing and in research, this is seldom the case.

Often, that money is much better utilized by selling the falling stock and using the funds to purchase another stock with more potential.

Remember that: Small losses are victories against big losses.

While nobody wants to sell a stock for a loss, having a neutral mindset in combination with applying some simple rules, will help you protect your investment capital from larger losses and grow it faster by investing more strategically.

## Trait #15

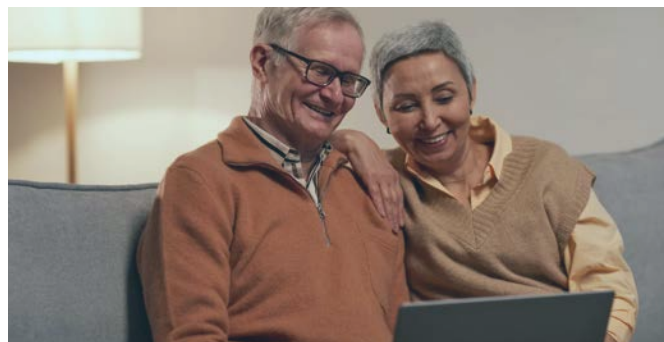
# Be Patient But Persistent: One Small Step Can Change Everything

I'm frequently asked how I got to where I am today. I can honestly say it boils down to this:

- Deciding to take action
- Learning about the optimal next steps in the process
- Executing that process one small step at a time
- Persevering until I figured out how to overcome hurdles

Some of my clients manage many millions of dollars. Many manage their entire retirement nest egg. But none of them started out doing so from day one.

Remember nothing great was ever built overnight. It takes time to learn systems and the market and how you work best.



The important thing is that you have a **rock-solid plan for achieving your goals**. I honestly believe that with the right plan in place and consistent execution, you can accomplish anything you set out to do.

Focus on acquiring skills and taking small steps at first, slowly and steadily like a tortoise, and one day you'll be there. And as you grow, you'll develop more confidence to meet any challenge that comes your way.

## Trait #16

# Invest in Yourself First

Last but not least, trait #16 is probably the most important.

I spend a lot of time, effort, energy, and money investing in myself. I am forever learning new skills and improving my investing knowledge.

And the thing is, after more than 30 years of investing in the market, *I'm never going to stop learning.*

I have discovered that if you want to succeed at anything in life, you need to empower yourself through **knowledge and skills**.

**Knowledge is knowing what to do, skill is doing what you know.**

Achieving a life-long skill is the greatest investment you can make in yourself!



These 16 traits are by no means all-encompassing, nor are they necessarily applicable to everyone. But they have been important discoveries for me over my own journey and will take any investor down the path to investing success.

At one point in our lives, we all need to **take control over our destiny**. The stock market is simply a vehicle for getting you there.

If you would like to learn more about the specific methods I use to invest with clear entry and exit criteria that are verified by repeated research and measurement, please click the link below and we'll happily send you more information. You'll also discover the results of our live traded, real money portfolios.

[Learn More About Share Wealth Systems](#)





# About Gary Stone

Gary Stone is the creator of the highly celebrated investing system Share Profit Advantage (SPA3) and founder of Share Wealth Systems. Through Share Wealth Systems, Gary and his team research the stock market to give clients a real-world advantage. Gary is also the author of the best-selling book ***Blueprint to Wealth: Financial Freedom in 15 Minutes a Week***.

Share Wealth Systems was established in 1995 and, at the time, the company was the first ASIC licensed stock market education business in Australia. Since then, Gary's thought-provoking research and private mentoring has empowered investors of all abilities to take control of their Investments, their finances, and their lives.

After humble beginnings, Gary launched an entry and exit formula which was soon outperforming the industry standard. His SPA3 system went on to win three 12-month-long investing contests conducted and audited by Personal Investor Magazine.

What began as a simple passion for identifying the best time to buy and sell shares, has evolved into a complete solution for managing money in the stock market.



Today, SPA3 is used by investors to manage many millions of dollars using a step-by-step process anyone can follow.

To join Gary's community of ambitious investors and establish your own plan for financial success, click the link below.

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