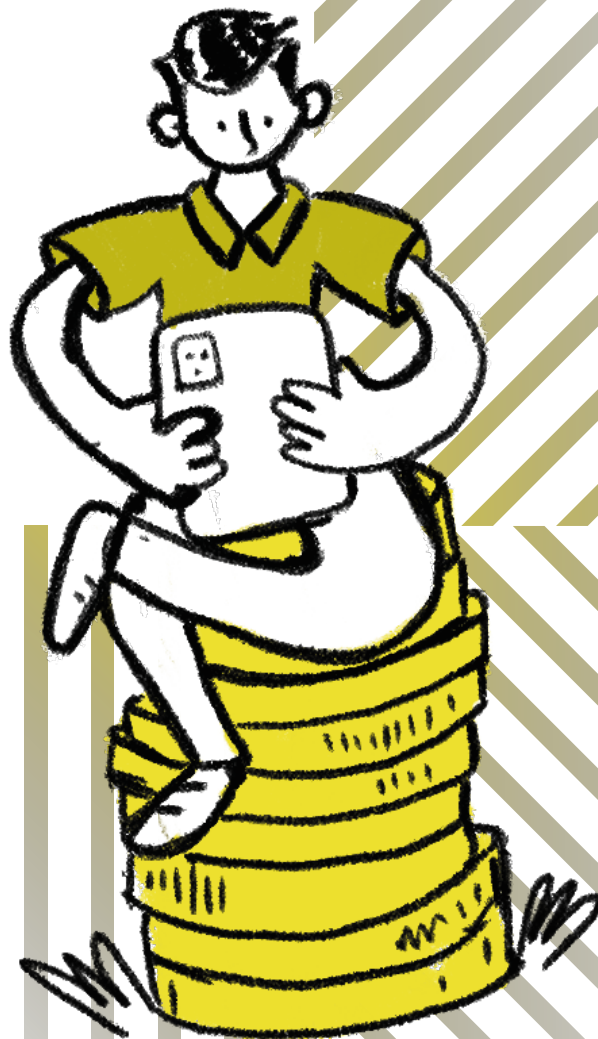




THE BADASS INVESTOR

6 simple and **EASY-TO-USE** investment principles

How to create personal freedom by investing the badass investor way.



The 6 simple and
EASY-TO-USE
investment principles will enable
you to:



Increase Your Financial Freedom

Structure Your Portfolio



Know Your Risk-profile And
How To Manage Yourself To
Stay Relaxed

Created by The Badass Company and powered by Trendquest Research Group

Introduction

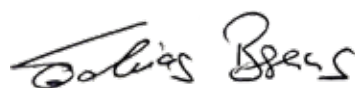
You do not need any special education to grow your personal financial freedom.

You do not need to read a lot of information and spend hours and hours understanding and learning the art of investing.

In my 25 year-long investors' career, I made many mistakes that you will avoid by reading and following these few principles, and it is that easy!

For any questions and if you want to give us feedback or dig deeper into some of the topics, drop us a message on [Facebook](#) or write us an eMail at hello@badass-investor.com. We highly appreciate any feedback and comments, and you can be sure I will answer every question personally.

Now, enjoy our easy-to-use and straightforward badass investor principles.



Tobias Berens

*Founder & CEO of theBadass.company
and Badass Investor*





BADASSINVESTOR PRINCIPLE #1

Long-Term Wins (and lets you sleep better)

We are long-term badass investors, not traders.

That means we are not trying to predict individual market movements.

As individual and private capital investors, it is an illusion to think you could “ride the market wave” and find the right timing for getting in and out of investments as a strategy. Avoid the failure that I made: I was one of the first customers of amazon in Germany in 1999 and bought some stocks short after it.

Look at the Chart of Amazon

<https://finance.yahoo.com/quote/AMZN?p=AMZN&.tsrc=fin-srch>



In 2004, I sold them after a terrible year. The price was around 40 € at this time. The price today is around 3.100 €. That means, 1000 € invested in 2004 would be worth 103.000 € today. That's the power of long-term investments.

That is why we pick investments like stocks, ETFs, gold, and especially crypto, that we expect to be in a long-term uptrend. And be patient and relaxed about it, expecting the best and waiting for it to flourish and grow.

And what is in a long-term uptrend? Well, our strategy is to identify matching megatrends like Artificial Intelligence, Precise Medicine, Medical use of cannabis, or clean energy (you can find our reports on www.badass-investor.com).

Our idea is to hold investments as long as the trend/ story still works or other long-term opportunities are more attractive.

We are relaxed and patient. We can wait. Almost nothing happens out of a sudden. With the profits we make by long-term investing, we will invest in new trends with the money we made!

Because of that, you might answer some questions before you start investing:

- **What is your time horizon for investing?**
- **What amount of “emergency backup” do you need in cash/ on your bank account for expenses? (to avoid to be forced to sell investments in a lousy market time)**

One of the best advice I ever got from my friend Martin, a smart german scientist I know since school: science takes time. But when it takes off, the speed is exponential!

So: follow the trend, do your due diligence about the companies you are interested in, invest, and then: stop checking the prices every day, stay calm and relaxed and let the





BADASSINVESTOR PRINCIPLE #2

Limit Your Position Size

Investing is a mental game. This game could make your emotions ping-ponging between joy and sometimes anger or depression.

In 1999 there was the time of the first internet and tech-boom. And I convinced my dad to invest in a company for eCommerce software called Intershp0, an eCommerce software company. We invested 20% of the capital into these stocks. And we lost it all (we sold it with a loss of 90%). I made this mistake again with companies like Petrel after the Iraque war or Path1 Networks for early ip-streaming-technology. Then, finally, I understood the lesson.

Limit your position-size and choose wisely what amount of your capital you want to take at risk of a total loss.

So it is helpful to prepare yourself, right.

That is why we, as a badass investor, choose small position sizes for our investments, a maximum of 2% of our capital in each investment.

In doing so, we make sure not to lose too much money when one investment ends in a loss. (also examples from these days: Wirecard, Luckin' Coffee, Hertz...).

For sure, it depends on your capital in total. Generally speaking, we recommend investing \$200–\$400 per position if you are a smaller investor and \$500–\$1,000 each if you are a bigger investor.

(Attention when you think about investing into high-chance/high risk "booster" stocks or cryptos: Never invest more than you can comfortable lose!)

You may answer some questions here:

- **What is the total amount of capital that you want to invest in?**
- **What risk type are you? Take a closer look at #6 risk-type in this report.**
- **Then you will know how many % of your investment portfolio are you willing to risk in exchange for higher gains. We call this amount “booster potential.”**

TIP:

Google for "Budget Book Blueprint Spreadsheet" and take a closer look at your income and expenses.

- **What is the amount of money you could invest every month?**
- **What expenses could you cut off?**
- **How could you increase your income (equals: how can you increase the value you create for your boss, company, customers?)**

BADASSINVESTOR PRINCIPLE #3 **Choose Your Asset Allocation**

ts II about asset allocation.

There is a lot of scientific stuff, especially out if behavioral finance, available and one can easily get lost in all these informations.

What is asset allocation?

Let us start with the question, why you should deal with this topic.

Because noone knows and cannot predict market movements and you want to invest long-term and sleep relaxed, you choose different asset classes (stocks, bonds, gold, real estate...new in discussion: bitcoin) to invest in.

Some of this asset classes are developing asymmetric, that means: if the stock market soars, gold normally goes down or sideways for example.

The problem is, you cannot predict, which of the asset classes will outperform another one. That is why you should think about having them all- maybe in different percentages. Follow us to digg deeper into this topic.

Well, there are a lot of philosophies out there.

We want to keep it simple and easy.

So, how does it exactly work?

Well, in general you choose the asset classes you prefer and put a "%-label" on it, for

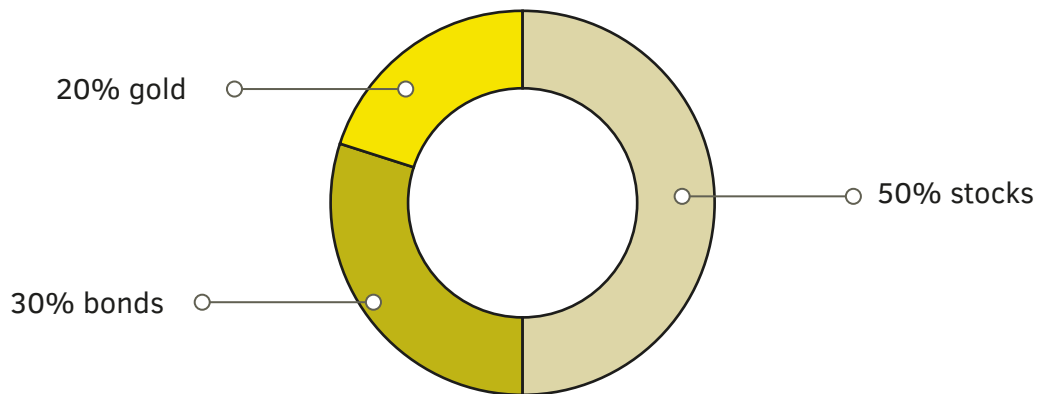


example:

You have 10.000 USD or EUR.

You choose for example to invest into 50% stocks, 30% bonds (urggh!) and 20% gold.

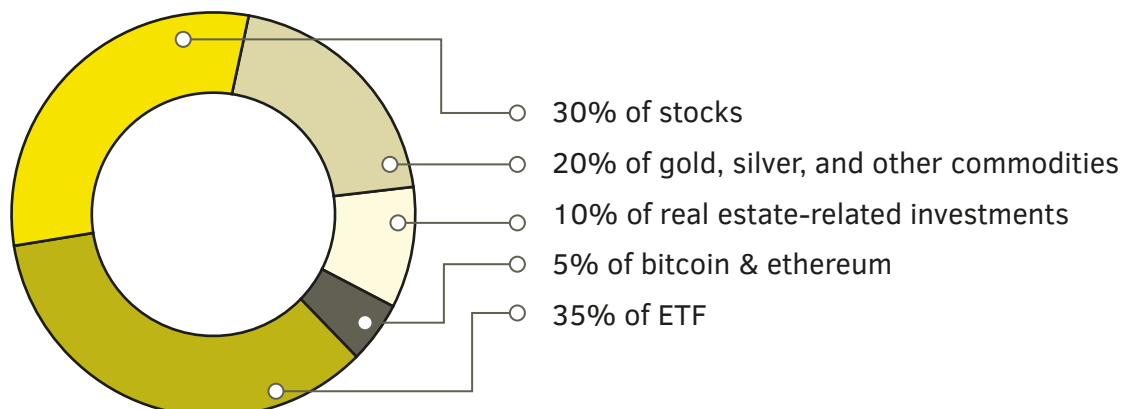
Voila, you have an asset allocation!



In our badass way, we also do it- but we focus on the asset classes, that have the best long-term-trend perspectives. We check this allocation constantly once a year. Assets are developing in year-long cycles, so there is no need for checking it too often.

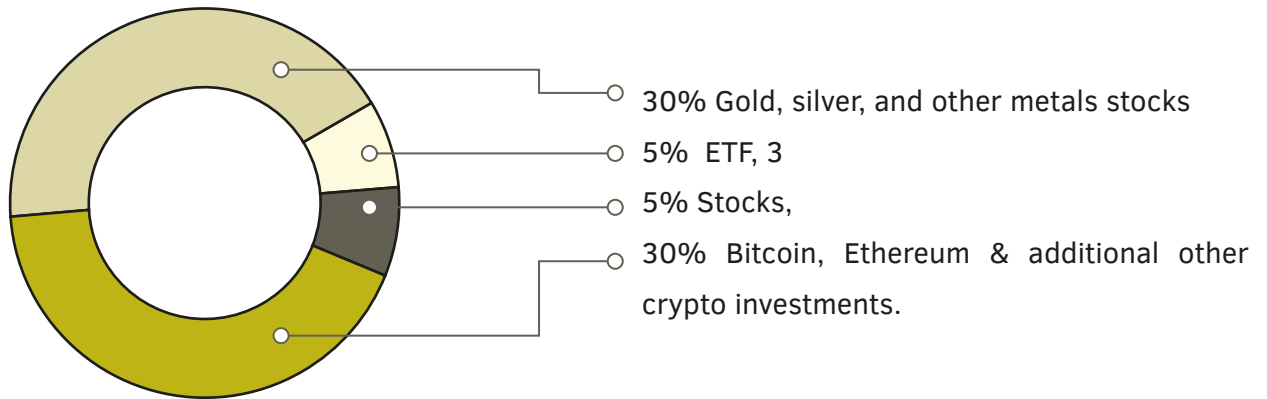
At this moment, we are not into bonds. The federal banks are printing a lot of money and the interests are on a historical low. That is why bonds are on a deficient level and will stay there for some time, so we do not get enough return on our capital.

At the moment, our idea for a performing allocation for a 15-year time horizon looks like this:



EASY-TO-USE INVESTMENT PRINCIPLES

My private portfolio is even riskier, kind of maximum risk and I would not recommend this allocation to you.



This allocation matches my investor personality profile (take a look at principle #6 risk-profile).

In general, I would say: a long-term badass investor always loves to take some risk because it is right in the end: no risk, no gain. (no risk, no fun I would add!)





BADASSINVESTOR PRINCIPLE #4

Watch The Fees

There are different kind of fees that are connected with capital investment:

- Fees that your broker charges for any transaction you make (buy, sell)
- Fees that investment companies charge for funds, ETF, Options, etc.
- Fees that payment providers charge for buying assets (often hidden in the terms & conditions)

For example, a lot of investment funds charge fees that are somewhere in between 1% and 5% per year.

The other thing is that broker firms and financial platforms (like PayPal, square) are charging service fees. Sometimes more, sometimes less obvious.

SPECIAL TIP

Always buy your ETF or stocks or cryptos with a LIMIT order, never buy a share just "market". Especially when you are using the new-generation brokers like Robinhood or Trade Republic. They kind of earn money by selling the trades to exchange brokers and you mostly get a price that worse than with a limit order.

Limit means, you choose a price before you set the order. It is kind of advanced knowledge, how to find out, what Limit to choose and how do that. We show this in our Online Course "Investing the Badass Way", for more informations click here.

<https://badass-investor.com/badass-suscription>



EASY-TO-USE INVESTMENT PRINCIPLES

From the long-term perspective, this means maybe thousands or even ten thousands of USD, EUR...that you give away without need.

Always be aware of the fees and find the funds, brokers, banks, and services that offer the best value-cost-ratio.

(TIP: For investment funds and ETF, there is a special metric you can use to compare it. It is called "expense-ratio".

**Expense Ratio
(net)**

0.75%

When it is about low fees, we had good experiences with interactive brokers, tradestation in the US, Flatex, TradeRepublic in Europe.

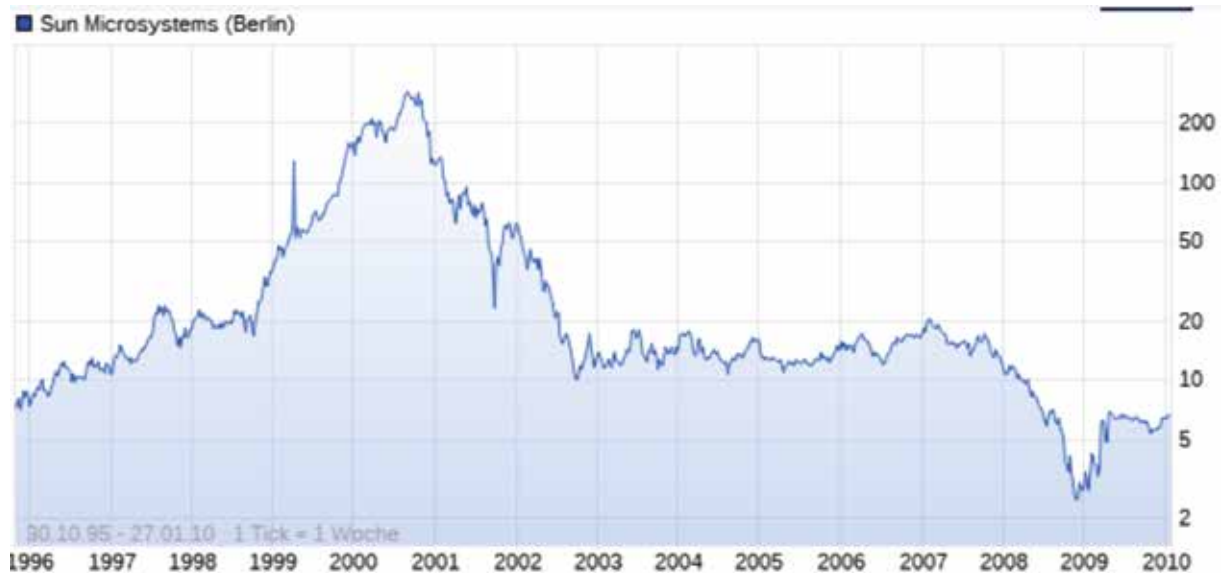
You may take a closer look at this link for a comparison:

<https://www.fool.com/the-ascent/buying-stocks/>

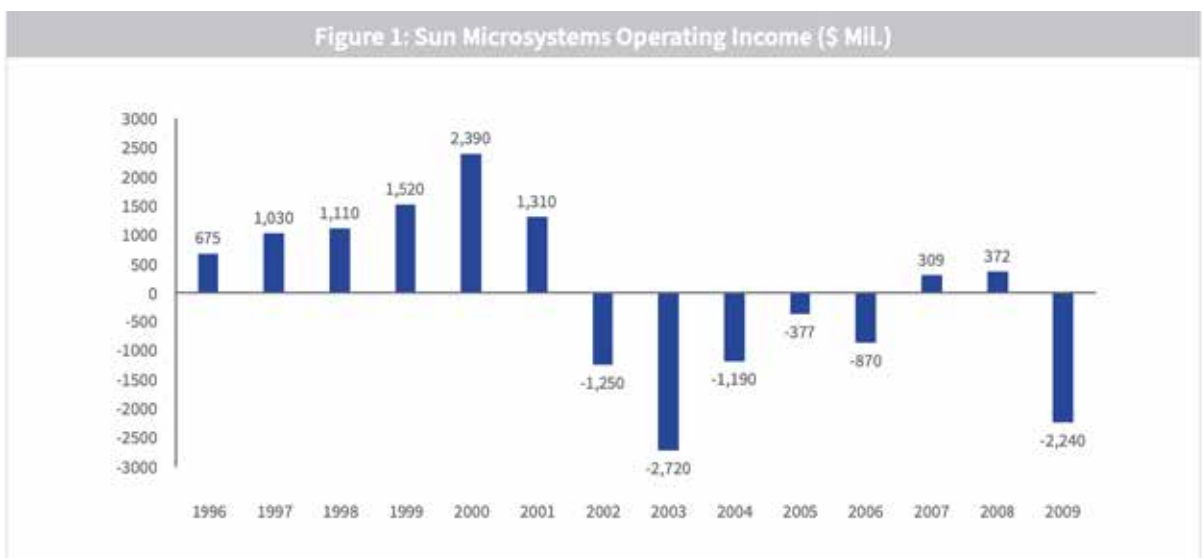
Go to the Link



➤ **BADASSINVESTOR PRINCIPLE #5** **FOMO! (scream!)**



In my early days of investing, it was the “first wave of internet” companies- and Sun Microsystems was one of my investments. I invested in it in the year 2000 when the price was more than 100 USD. At this time, the fundamental financials were kind of absurd, but hey, the company earned a lot of money, right! Unfortunately, it was almost the last year. **AND EVERYONE HAD IT! HYPING IT! MEDIA ARTICLES EVERYWHERE!** Well. You got the point.



Source: Sharadar, via Fairlyvalued.com. Data as of Q2 of each year.

EASY-TO-USE INVESTMENT PRINCIPLES

In 2009 Sun Microsystems was acquired by Oracle. I sold it before with a 70% loss.

What happened?

Well, do you know this feeling when you think something is going on and you are not part of it?

When it is about investing, this can lead to a decision that you might regret later on.

Market prices are like waves, going up and down the whole time. That is called “volatility”.

Therefore it is a bad idea to chase the price of a stock or crypto.

And the other phenomenon is: the “hotter” a stock is in media (like Tesla today, for example), the more alarm bells should ring. Maybe the best time is already over (maybe not...that is why it is so important to follow the trend cycle and check whether the “story” of the company, which leads to growth in revenue and profits, is still ongoing).

NEVER LET EMOTIONS MAKE DECISIONS. NEVER.

Did you ever hear of bias? A bias is a tendency, inclination, or prejudice toward or against something or someone. For example, let's say you bought a stock for 100 USD 2 years ago. Today, the stock price is 80 USD. The question is: should you sell it?

A typical bias is that people think about the 100 USD they have invested. But this 100 USD is the past and it is gone!

What is relevant and determines the stock TODAY price is the future perspective of the business model and the financials. That's why it is a better approach to ask yourself: **do I still believe in this company, in management, in the products, the market, the trend?**

If your answer is YES!, it does not matter whether the actual price is 80, 100, or 120. Just lean back, relax, and focus on your long-term perspective!

There are a lot of metrics you can use to

check the value of a company's stock price to get a little bit more rationality into your decision-making process.

For today we want to guide your attention on:

- the P/E ratio.

It's the ratio between the price of the stock and the earning per share in a year. We recommend checking on platforms like yahoo finance. And even when there are other metrics to look at, it's an important indicator:

A high P/E ratio could mean that a company's stock is over-valued.

It depends on the industry, what P/E ratio one would describe as "high" and you should not rely just on one metric.

For example the oil industry, which is often called a "dying" industry, the average P/E is 8, for Software-Companies its 60.

But in general one can use it as a guide:

- Stocks with P/E less than 20: fair (but it can also mean the company is bad!)
Stocks with P/E of 20-60: expensive (also here: it depends on growth and the "story"!)
- Stocks with P/E above 60: very expensive and potentially overbought; Typically, that means: wait patiently for a pullback of the price.

In exceptional cases, when companies have extraordinary growth in their financials or market position or technology, a very high P/E can still be ok.

In any case, over the next years, the company has to "proof" this high evaluation. And another hint, the volatility of this kind of stocks is often higher than those with a lower P/E.

Check out our Top 5

INVESTMENT TREND IDEAS

for growth opportunities in trend-markets here.

<https://badass-investor.com/top-5/>

> BADASSINVESTOR PRINCIPLE #6

Know your risk-type and choose your booster allocation

1.The "Booster" Allocation

Our idea is, to choose a small percentage of our capital and set it "on risk". What equals set it on potential "stellar gains".

For example: We choose a stock that we think has a huge potential because of an early trend that we identified.

Let us take "psychedelic-based medicine".

Out of our research we identified MindMed and decided to buy this stock.

What happened then is the "ideal" scenario for our "booster"

After successful scientific research results, some larger investors started buying it.

MIND MEDICINE (MINDMED)	398.00	0.29794 EUR	2.58 EUR	
A2P09G		118,58 EUR	08.01.21 19:28:38	
Aktie		-1,92 %	Tradegate	+765,95 %

How much should you invest into this kind of boosters? Well, this depends on your own risk profile. If you want to know your risk profile, we recommend our badass-investor-personality profile. It is based on a scientific psychological online questionnaire and one of the results is your individual risk-type, that looks like this:



(By the way, you get another 17 personality traits with this report that you can use to increase your career, your relationship, or your family life, take a look here)

<https://thebadass.company/>

EASY-TO-USE INVESTMENT PRINCIPLES

2. Secure your profits, because until now they are just "on paper"

Another essential aspect of risk management is to secure your profit.

What does it mean?

Well, my individual strategy is, as soon as a stock or crypto rise more than 100%, to start setting a "stop-loss" order. That means you tell your broker: when the stock price falls down to this limit, sell an amount of it for the next market price.

As I am just investing in stocks and cryptos with a future story and part of a trend, I want to hold it long-term, for sure. But only in the moment of selling a stock, you made a profit. Everything else is just "on paper." But we want to take the ride as long as it goes!

The way I do it: every Sunday, I check my portfolio and set stop-loss orders for the stocks that are more than 100% in plus. I choose to set the stop-loss at 80% of the price, and I sell precisely the amount of stocks similar to my original invested amount.

Let us make an example:

I bought a stock for 10 USD, 100 shares = 1000 USD.

The stock price now raises up to 20 USD; value is now 2000 USD

I want to make sure that I get back what I paid for, so I set a stop-loss order for 80% = 16 USD. $1000 \text{ USD} / 16 \text{ USD} = 62$ shares that I will sell and 38 that I will keep and enjoy the ride.

It is always a very individual decision. Some of the companies are so attractive, that I will never sell them...as long as the story goes on and the trend stays a trend ;)

Check our Top 5 reports to get to know some of these companies!

<https://badass-investor.com/top-5/>

About The Badass Company & The Badass Investor

The Badass Company was founded by Tobias Berens in 2019. Our purpose is to support people in living a life of their own choice in personal freedom. Therefore we offer different kinds of businesses to increase this personal freedom (like the badass decision-maker & the badass career personality and more).

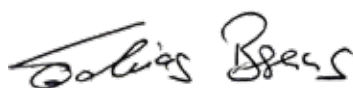
**THE BADASS INVESTOR IS A PUBLISHER
THAT DELIVERS INVESTMENT IDEAS
BASED ON THE TOP TRENDS
IN TECHNOLOGY, SOCIETY, AND MARKETS.**

We are passionate and long-term capital investors who are always looking for the “next big thing”.

Our approach is to monitor and identify trends continually- before the herd is following. And ride these trends as long as the story is still a story.

We are committed to doing it in an honest, focused, and briefly way (without bothering people with hard-selling techniques, without an overwhelming amount of text or sales spam).

We developed our easy-to-follow “Badass Investor Way” of investing and use just a small set of principles to control our success: a special asset allocation based on your investor personality, position-sizing, riding-the-story-long-term, using volatility and low fees.



Tobias Berens

*Founder & CEO of The Badass Company
and The Badass Investor*





More of our single Top 5 Reports

Go to the reports

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About Trendquest Research Group



Trendquest ThinkTank (Jan. 2005 - present) as consultancy and research group aids clients to know upcoming changes and innovations in markets and societies. So that clients have the best basics to plan for current and future growth and quick advantage over competitors and sustainable business success.

Trendquest delivers solutions and direct ways to practical implementation:

**WE KNOW WHAT'S MOVING MARKETS AND PEOPLE.
WE HELP YOU TO TRANSFER KNOWLEDGE INTO
PRACTICE AND BUSINESS REALITY.**



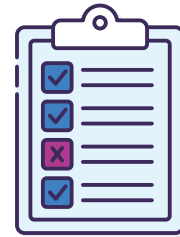
Focused:

Trendquest's long running research on trends and generations helps to know and utilize impact on society, markets, businesses and work.



Profiling:

Profiling markets, groups, similarities, differences, optimal touch points for your customers.
Profiling target groups – how to reach them as customers and how to bond with them.



Results:

We transform results into points of action and help you to reach your goals and success.

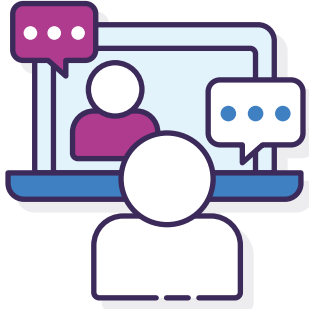
A handwritten signature in black ink, appearing to read 'Walter'.



Walter Matthias Kunze
Founder of Trendquest Think Tank

Visit our website www.trendquest.group and know our content

Trendquest Consulting a DeepDives



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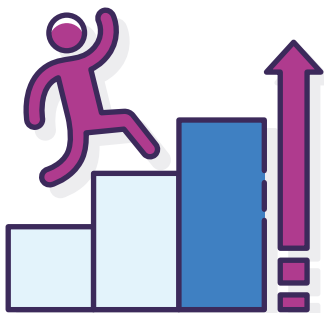
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