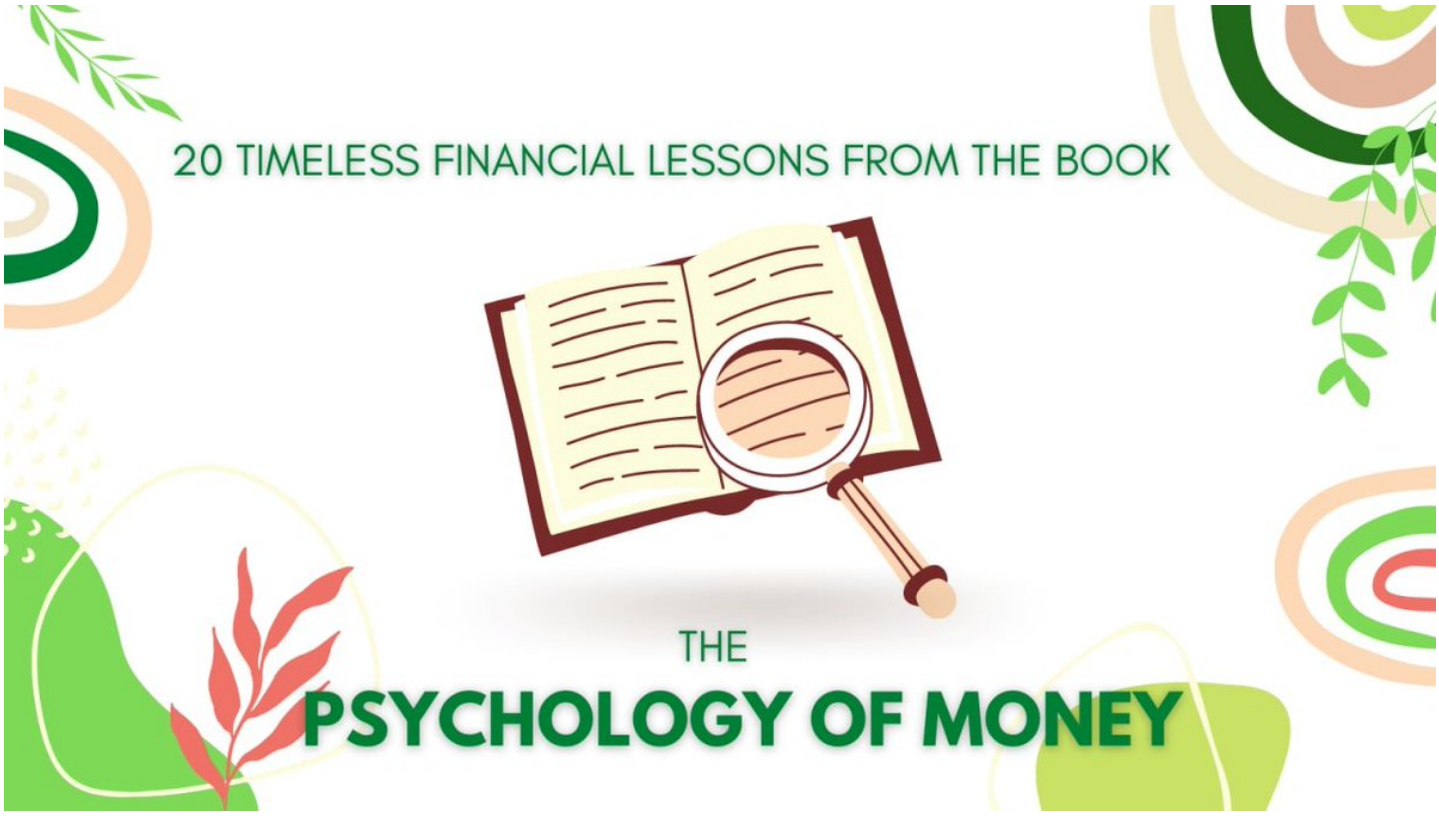
Twitter Thread by Gurleen

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20 Timeless Financial Lessons from the book:

"THE PSYCHOLOGY OF MONEY"

– Thread –



1. Our current relationships with money are based on our past experiences & We should avoid living in that illusion.

2. One can be wealthy without superior intelligence of financial education. You just need right behavioral skills.

3. Both luck & risk are an integral part of finance.

You can make good decisions that lead to poor financial outcomes vice-versa.

4. Saying “enough” is realizing that an appetite for more will push you to the point of regret.

5. Financial success is less of a science & more of a soft skill.

6. Buying impressive items to gain admiration & respect from others is a fool’s pursuit~ These things can not be bought.

7. Don’t move your goalpost to suit your current needs.

Once you have more money & power. It's easy to get lost in ambition so stick to your goal.

8. There are certain things which are never worth taking a risk like Character, Family, Friends & Freedom, Happiness.

9. Good investing is about getting decent enough returns over decades.

That's when compounding turns wild.

10. Earning good money & keeping that money are two different areas of expertise.

Most people fail in one or the two skills.

11. Tails drive everything in life & especially in finance.

No one makes good decisions all the time.

You should always leave room for error when estimating your future returns.

12. Everything in life has a price.

You should market volatility as a fee rather than a fine.

If you can do this, you are more likely to stay in the game long enough for investment gains to work for you.

13. Doing something you love on a schedule you don't want is equivalent to doing something you hate.

14. Rich is the current income. Wealth is income not spent. Wealth is hard because it requires self-control.

15. World is full of people who look wealthy but are actually broke. Don’t imitate them.

16. The highest form of wealth is the ability to wake up every morning and say, ‘I can do whatever I want today.

17. Risk Comes from unknown.

There will always be unprecedented events, for which we will never be prepared, and therefore, will have a massive impact on how the world operates.

18. No one is impressed with your possessions as much as you are.

Humility, kindness & empathy will bring you more respect than horsepower ever will.

19. Having more control over your time & options is one of the most valuable currencies in the world.

20. Finance has a gift for bringing out the pessimist in everyone.

Pessimists often extrapolate present trends without accounting for how markets adapt.

True financial optimism is expecting things to be bad & being surprised when they’re not.

To sum up~ What's important is to understand the difference between being rich & being wealthy.

People who are rich often make risky decisions based on historical data.

People who are wealthy realize that protecting their money by avoiding mistakes is the key to success.