



# The Money Mindsets

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# THE MONEY MINDSETS

## Knowledge is power

Thank you for downloading this eBook. Here you can learn all about each of the Money Mindsets, in addition to your own. Knowing your Money Mindset can help you protect yourself from the most likely risks associated with the way you think about money. It can also help you take advantage of your natural tendencies too. None of the mindsets is better than the other, meaning that none are good or bad. They just are. They all have good attributes that should be encouraged, and each of them has characteristics that can increase the chances of financial mistakes. Be sure [to take the quiz](#) for yourself, if you haven't already.



THE FROST GROUP

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## The control scale

The Money Mindsets are organized on a control scale. Below, they are listed in order of most controlled or controlling to least controlled or controlling.

**The Brick Wall** 

**The Bunker** 

**The Justifier** 

**The Dreamer** 

**The Undercover Agent** 

**The Masquerader** 

**The Optimist** 

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## About The Frost Group at Raymond James Ltd.

Your financial goals, aspirations and investment needs are just that – yours. And your financial plan should reflect that. So rather than ask you to settle for an off-the-shelf investment program, I'm here to provide you with a personalized financial road map based on your goals, your time frame and your particular tolerance for risk.

I'm Dan Frost of The Frost Group, and I can provide you with just the right combination of financial services, support and guidance that make the most sense for you. I'll be there to help you each step of the way in the pursuit of your personal financial goals



SCAN ME

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# THE BRICK WALL

## As an investor

You are usually a savvy investor because you make a point of researching every single facet of potential investment opportunities. You won't invest in something you don't completely understand, so you expect a lot of any financial advisor you are working with.

You prefer to trust your own judgement rather than anyone else's, and you'll heavily scrutinize any idea or action plan that wasn't initiated by you. Your research and scrutiny can result in some missed opportunities; a sophisticated kind of procrastination. You like to seek professional advice, but only to confirm your own knowledge and pre-calculated decisions. You prefer to lead and set the tone of any financial conversations, and any opposing advice may go unheeded.

## As a spender

You feel in control of your spending. You heavily research what you want and won't hesitate to buy quality products with good reviews. You won't always consult sales professionals - by the time you decide to purchase something; you

probably know more about the product than they do. You rarely overspend, and feel confident about staying within your means. However, you won't always research the financial implications as thoroughly as you do everything else. You know you are smart and careful, so you feel confident that past financial decisions have set you up for success. If you do find yourself in financial difficulty, you may be slow to make necessary changes. Just as it will take you a long time to make large purchases, it takes you an equally long time to give them up. For instance, you may stay in a more expensive house after a divorce, or keep your child in a private school even if you can no longer afford it.

## As a saver

You have no problem saving once you have completed a comprehensive and exhaustive search of every potential savings option. Once you have made a decision, you are steadfast and confident that it is the best option you could have chosen. You have no problem discussing your decisions with those closest to you because you want the best for the people

you care about, and will make a point of giving them advice. If your partner has a different Money Mindset, you tend to monitor their spending and worry about their bad habits. If they don't take your advice, you may be tempted to set funds aside on their behalf, knowing it is in their best interest.

## Overall

Your intelligence and independence are impressive. Your friends and family most likely see your confidence as authoritative, and will often come to you for advice. You have a vast array of financial knowledge, and love sharing your insights with others.

You have no problem consulting with professionals, but you take all advice with a grain of salt. You prefer to gather information from all sides, and then do independent research to form your own opinions. You may miss opportunities by moving too slow or researching too much. Every financial decision you make is founded in logic, and you aren't often influenced by emotion.

# THE BUNKER

## As an investor

You would rather be safe than sorry. One of your greatest fears is losing everything, so you tend to invest in reliable, familiar products. Even with long-term investments, you don't tend to take much risk and, if you see a small dip, you will be tempted to put it all back to cash, just in case. In reality, this is not an issue, as long as you are willing to put more into long-term investments to make up for the lower growth rate you might have to endure as a result.

Safety and security are of the utmost importance; you want to make sure that your family is well provided for in the long term. When working with a financial advisor, you are easily persuaded to invest in proper insurance products, but any alternative investments are typically deemed too risky.

## As a spender

You have great respect for money, and don't take a single dollar for granted. Everything you buy is good quality because you know that, in the long run, this will save you money. You are economical, not cheap. You tend to research

anything you are going to purchase, and make a point of saving for it in advance. Sometimes you spend so much time saving and researching that you never actually get around to purchasing.

You don't typically overspend on eating out or unnecessary activities, believing that those experiences should be reserved for special occasions, like birthdays or anniversaries. You plan ahead for every purchase, and tend to talk yourself out of anything not strictly necessary. If you ever do spontaneously spend, you tend to feel guilty and may tighten your wallet, or become even stricter in your spending habits afterwards. You don't value material objects as much as security, and will put greater emphasis on making sure those around you have everything they need to be comfortable, not just today, but in the long run.

## As a saver

You are an amazing saver; it's what you do best. When allocating finances, you put more emphasis on what you are able to put away than what you can spend. The only time this can

be a problem is if your partner's Money Mindset has opposing behaviours, or if you are not earning enough to really save. Because you value long-term security over creature comforts, you can end up feeling deprived or overdrawn because all your energy and financial choices are focused on the future.

## Overall

Anyone who knows you would describe you as trustworthy and reliable. In fact, you are the rock-solid foundation your family is built upon. Every choice you make is grounded in a deep-seated respect for money. You don't just prepare for a rainy day. You convince yourself that it is better to save, go without, or invest reliably, so you don't have to worry about money. In fact, you tend to worry about money more than any other mindset. No matter what measures you have put in place to financially protect yourself and your family, you always strive to go the extra mile. There is something to admire in your conservative nature, but it's important to enjoy what you spend - you've earned it.



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# THE JUSTIFIER

## As an investor

For you, every purchase can be seen as an investment or a must-have. You don't get caught up in the details of hard asset vs. liquid asset choices, and can be persuaded to see the value in both. You are more likely to invest in a trip, a course or an experience than you are in a mutual fund or rental property. In one way, this is a good thing. The downside is that you don't always plan how you'll afford these investments, or think about if you will really gain long-term value out of them. When you do invest in your future, you aren't interested in anything that would require constant decision making; you'd prefer managed funds of some sort. You can see the value in almost anything, but paying for it tends to be a bigger hurdle than making a purchase decision.

## As a spender

You can rationalize any purchase and easily come up with a list of reasons that you have to have it. You are all about retail therapy -

thinking about buying something new soothes you and can make you feel in control of your life. You are a great shopping buddy because you enjoy watching other people spend money just as much as you enjoy spending your own.

You are a cheerleader in every sense; buy those shoes, have one more drink, play one more hand, or do just one more renovation. To be clear, this doesn't mean you are in excessive debt. But your unnecessary spending may not allow your cash flow to work for you in other ways, like fund your retirement. If you want something, you can think of one million reasons (not all of them logical) why buying is the right decision. But you don't always look at the financial realities of that choice.

## As a saver

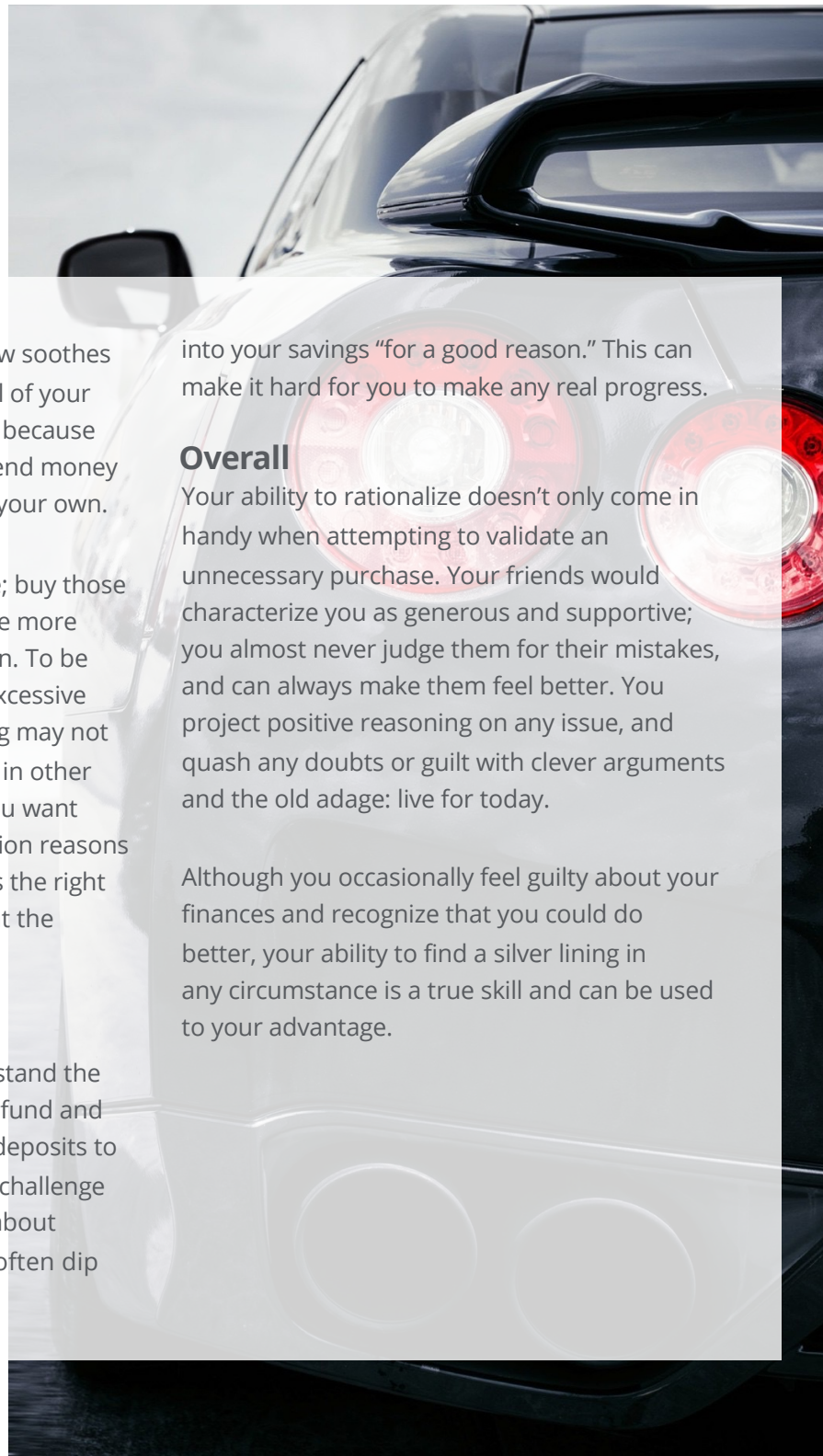
You can be a good saver. You understand the importance of having an emergency fund and subscribe to the idea of automated deposits to a high-interest savings account. The challenge you have is that you can justify just about anything as an emergency, so you often dip

into your savings "for a good reason." This can make it hard for you to make any real progress.

## Overall

Your ability to rationalize doesn't only come in handy when attempting to validate an unnecessary purchase. Your friends would characterize you as generous and supportive; you almost never judge them for their mistakes, and can always make them feel better. You project positive reasoning on any issue, and quash any doubts or guilt with clever arguments and the old adage: live for today.

Although you occasionally feel guilty about your finances and recognize that you could do better, your ability to find a silver lining in any circumstance is a true skill and can be used to your advantage.



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# THE DREAMER

## As an investor

You are a risk taker. You know that it takes a nickel to make a dime, and have no qualms about investing in yourself or your business. You firmly believe that you will see significant return on any investment you make in yourself - you know you'll get what you want if you keep at it. If you aren't investing in your own business ideas, you are keen to invest in the brick-and-mortar aspects of residential and/or commercial properties.

This doesn't mean that you aren't interested in liquid assets, but investments you can actually touch are more exciting to you. An added sense of control over these more tactile assets may also lead you to remove cash more frequently from them to fund the next big thing. Your unique sense of optimism and appetite for risk means that you often try to take advantage of many opportunities (almost every opportunity!) all at once, for fear that something great will pass you by.

## As a spender

You feel it is a good long-term investment to

maintain an image of success. But what you can afford may be inconsistent with the image you want to project. You tend to overspend on things that people you admire recommend, or things you believe will get you ahead in the long run. You can talk yourself into almost any expense if you believe it is an investment in your future, like an overpriced sales coaching program, or a Get Rich with Real Estate seminar. You believe, without a doubt, that you will be a success, so any spending done today will be paid off tomorrow.

## As a saver

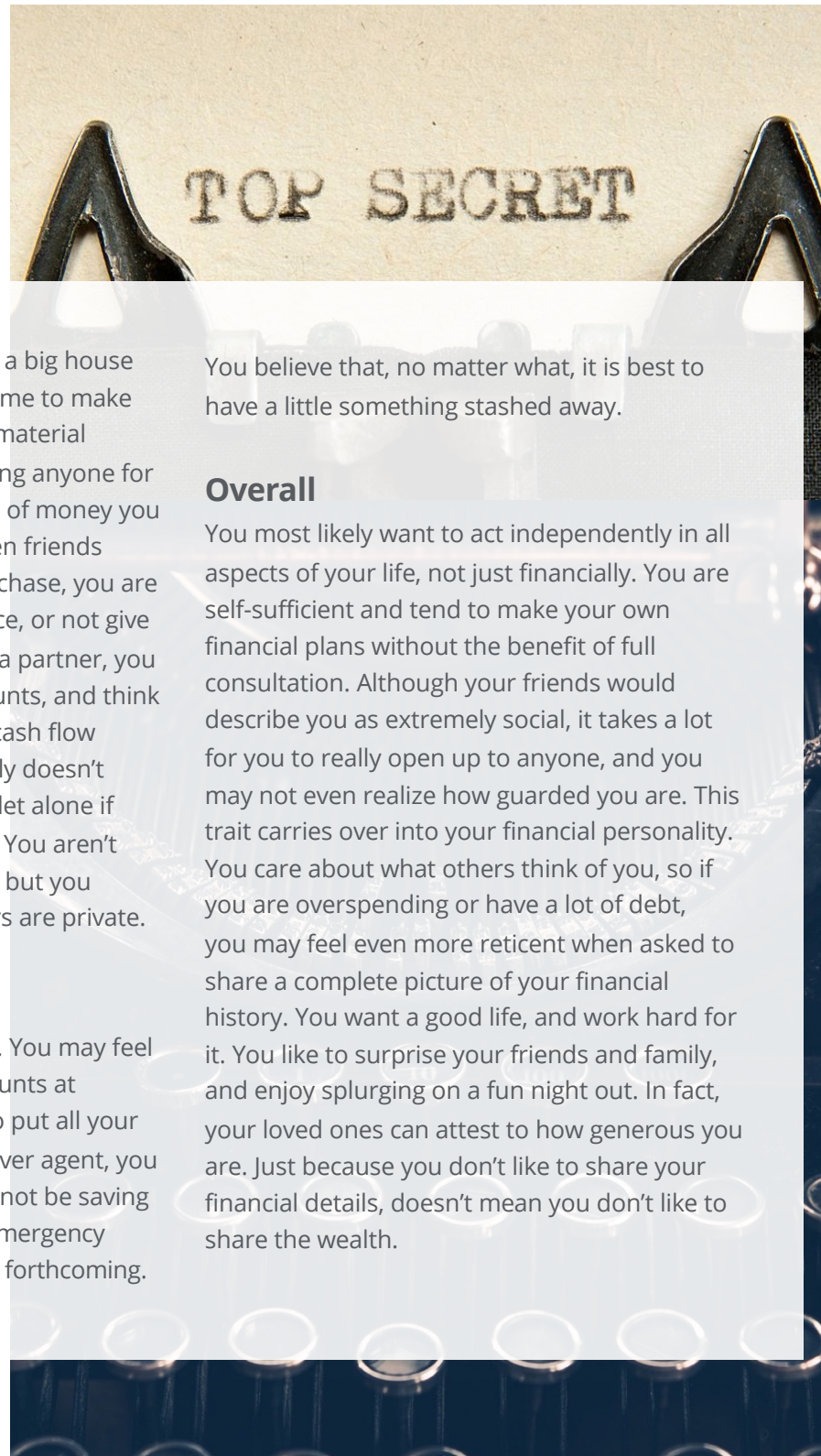
You can have a hard time consistently saving. Often when you begin to save, something else - a new experience, opportunity, or an image-boosting item - directs your attention, and your money, elsewhere. You recognize the importance of saving, but believe that it is something you can commit to later when your cash flow increases. For you, net worth and liquidity are two very different things, and you primarily concern yourself with the former.

## Overall

Your ambition and optimism are huge assets, and you have an overwhelming potential to gain tremendous financial stability. At one point, you were probably voted "most likely to succeed" because those closest to you recognize the personal resources and energy you put into everything you do. Sometimes, you bite off more than you can chew. This can cause you to lose focus because you've invested energy in too many ideas. You benefit from reliable third-party advice, like a financial advisor, who can help you take advantage of one or two of your ideas in a financially responsible way.



# THE UNDERCOVER AGENT



## As an investor

You aren't uncomfortable discussing money, but you feel it is better to be safe than sorry. When discussing finances, you tend to hold your cards close to your chest, and it can be difficult for you to be forthcoming about the financial specifics. In the past, you may not have realized the importance of certain details, and it could have resulted in unsuitable recommendations based on incomplete information. Because of this, you now feel uneasy sharing details with even well-respected professionals. You may find yourself in an unsatisfying cycle, because anyone dispensing professional financial advice would require full disclosure. Otherwise, they could tell you to zig when you should zag. You prefer to seek out financial advisors who will allow you to dictate what type of account you want to open and how much you want to invest, without asking for a complete, detailed financial picture.

## As a spender

You tend to spend money on experiences rather than tangible things. For you, a large income

may not necessarily correlate into a big house or fancy car. You can take a long time to make significant spending decisions on material objects, and have a hard time asking anyone for advice, lest they know the amount of money you are able and willing to spend. When friends question what you spent on a purchase, you are more likely to round down the price, or not give them a specific figure. If you have a partner, you probably believe in separate accounts, and think each of you should manage your cash flow separately. Your partner most likely doesn't know what credit cards you have, let alone if there is a balance on any of them. You aren't ashamed or willfully hiding things, but you believe that money-related matters are private.

## As a saver

You are an equally secretive saver. You may feel safer having multiple savings accounts at several institutions, not wanting to put all your eggs in one basket. As an undercover agent, you can be a good saver, but you may not be saving as efficiently as possible. Even in emergency situations, you may not be entirely forthcoming.

You believe that, no matter what, it is best to have a little something stashed away.

## Overall

You most likely want to act independently in all aspects of your life, not just financially. You are self-sufficient and tend to make your own financial plans without the benefit of full consultation. Although your friends would describe you as extremely social, it takes a lot for you to really open up to anyone, and you may not even realize how guarded you are. This trait carries over into your financial personality. You care about what others think of you, so if you are overspending or have a lot of debt, you may feel even more reticent when asked to share a complete picture of your financial history. You want a good life, and work hard for it. You like to surprise your friends and family, and enjoy splurging on a fun night out. In fact, your loved ones can attest to how generous you are. Just because you don't like to share your financial details, doesn't mean you don't like to share the wealth.

# THE MASQUERADER

## As an investor

You prefer to invest in tangible assets; in your opinion, a building bearing your name would be an ideal investment. You don't always see the value in liquid assets, since only you and your institution would know about them. In your view, what's the point of investments you can't see, use or enjoy? You don't see the harm in dipping into your capital, or taking out early returns to fund new adventures and exciting opportunities. Because of this, your debt may outweigh the healthy portfolio you've built. You don't let that bother you though, because your spending habits have always paid for themselves...eventually.

## As a spender

You love brand names, quality products and one-of-a-kind purchases. You rarely look at price tags, preferring to enjoy the experience of finding the perfect item(s) to add to your impressive collection of belongings. You tend to eat out quite a bit at high-end restaurants, and will try the most expensive things on the menu. When the cheque comes, you don't worry or

think twice about handing over your credit card. This isn't to say that you are a show-off (although you do enjoy the admiration of your obvious success). Rather, you know that you work hard for your money, and don't see anything wrong with enjoying every single dollar you've earned. You do have good cash flow. As long as there are no emergencies, you'll continue to spend what you want, when you want.

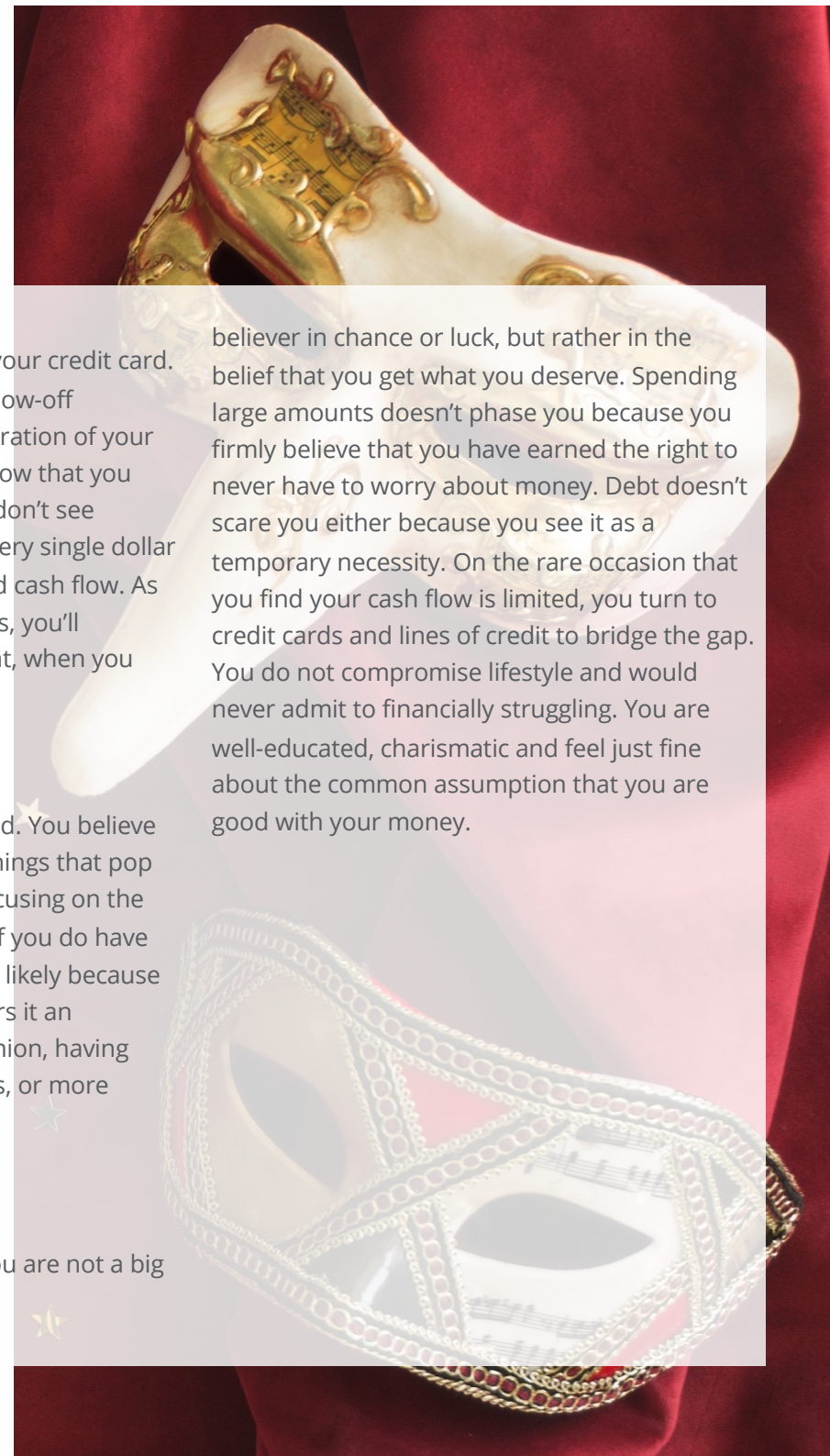
## As a saver

You think saving can be overrated. You believe your cash flow can cover most things that pop up, and don't see the point in focusing on the future or unlikely emergencies. If you do have any significant savings, it is most likely because you have a partner who considers it an important necessity. In your opinion, having access to a line of credit is just as, or more helpful, than stashing cash.

## Overall

You work hard and play hard. You are not a big

believer in chance or luck, but rather in the belief that you get what you deserve. Spending large amounts doesn't phase you because you firmly believe that you have earned the right to never have to worry about money. Debt doesn't scare you either because you see it as a temporary necessity. On the rare occasion that you find your cash flow is limited, you turn to credit cards and lines of credit to bridge the gap. You do not compromise lifestyle and would never admit to financially struggling. You are well-educated, charismatic and feel just fine about the common assumption that you are good with your money.





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# THE OPTIMIST

## As an investor

You agree that investing in your future is important, but you prefer to put your faith in the expertise of others. When considering financial or investment opportunities with your banker, financial planner, or partner, you find yourself saying things like, “I trust you” or “You know what is best.” Discussing finances can make you uncomfortable, so you may not speak up or ask questions if you don’t understand. You will often try to change the subject or agree to a plan without discussing all the details because you trust that you are getting the right (and best) information from those around you.

## As a spender

You love to spoil your friends and family! It makes you happy to treat your friends in small ways, like covering their lunch, buying their movie ticket, or getting a round of drinks. You love buying gifts for any occasion, and usually go above and beyond to find impressive, meaningful presents. You will give until your cup (meaning your wallet) is empty. This can leave

you feeling frustrated financially and emotionally. Your generous spirit is not something you budget for, or even consider, when mentally going through your finances. So you often overspend and question where your money went.

## As a saver

You delegate responsibility. If your partner is a saver, or a financial professional has convinced you to commit to regular, automated savings, which aren’t easy to access, then you probably have some savings. Otherwise, you may find yourself living paycheck to paycheck. Saving, just like your spending, is heavily influenced by those closest to you. You know saving is important, but you don’t like thinking about money unless you absolutely have to. You have a hard time sticking to a self-regulated budget, and the stress of exploring savings options can seem overwhelming.

## Overall

In an ideal world, you would never need to worry about money. You would have enough to automatically pay your bills, buy nice things for

yourself and your friends, and comfortably retire. You are loyal and loveable, but those closest to you worry that you are easily manipulated. You only want the best for people, and can’t be convinced that not everyone has the same underlying motives. Your generosity and sweet, friendly nature mean that most people feel an urge to take care of, and protect you. You tend to think that ignorance is bliss, but don’t feel like you have to downplay your intelligence or opinions. You like to bolster others up and make them feel good about themselves, sometimes by sacrificing your own ideas. You find financial options difficult to navigate, mostly because talking about money makes you uncomfortable, and the amount of choices can seem overwhelming. You have faith in the professionals and people you have surrounded yourself with, and trust that everything will work out for the best. In your experience, it almost always does.