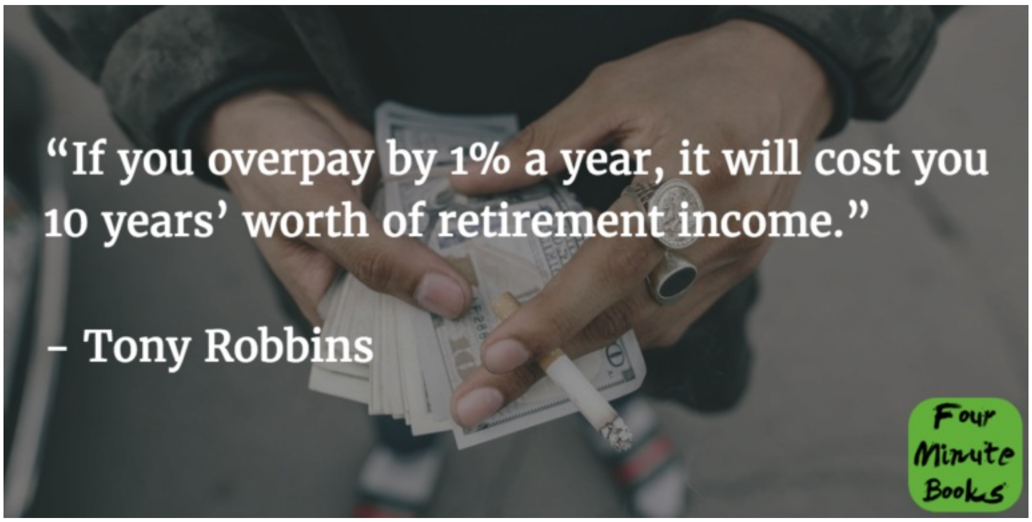
Unshakeable Summary

1-Sentence-Summary: *Unshakeable distills the essence of world class investors down into four core principles you should follow while investing, giving you simple rules and actionable steps to follow to make sure your finances flourish.*

Read in: 4 minutes

Favorite quote from the author:



Let's talk money for a second. Financial freedom is a goal we secretly all strive for. But only a small percentage of people will ever accomplish it. I recently saw the math again and it's intimidating. You need to be able to live on 4% of your wealth annually so it doesn't diminish. Spend $80k a year? That's $2,000,000 in the bank required.

Even if you're super frugal and save 50% of your income, it'll take you 17-20 years to pull it off – and that's before you even know a single thing about where to put the money to actually grow it!

Luckily, I know a guy who can help: Tony Robbins. His last book sold over 1,000,000 copies the first year. Money: Master The Game wasn't so popular because Tony is such a finance expert. It's because he took 2 years of interviewing 50 of the world's best investors to write it.

Now, he's distilled those lessons even further to make them better, simpler, faster, easier to understand. The result is Unshakeable: Your Financial Freedom Playbook.

Here are 3 important things you can learn from it:

1. Just don't lose money and you'll be fine.
2. Invest only in safe deals with a low-risk, high-reward ratio.
3. Make sure your irrational self doesn't mess up your investments with a checklist.

No matter how much we shake your bank account, soon, no coins will fall out – because it'll be unshakeable!

Lesson 1: Forget big gains and focus on avoiding losses.

Warren Buffett is often quoted on his only two rules for investing. Rule #1 is to never lose money. Rule #2 is to never forget the first rule. That's why Warren makes so few investments. He needs to be 150% sure he won't lose money. But why?

The math is simple, but shocking. If you invest $1,000, the fun of losing some of it stops at about 10%. That kind of loss leaves you at $900, which means if your investment grows back by 11%, which is $99 in this case, you'll be almost back at your initial investment.

If you lose 50%, however, and go down to $500, you need to *double* your money – just to get back to zero! So forget chasing massive gains. No one knows what's going to happen on the stock market tomorrow, not even the best of the best, like Warren.

Just make sure you're not losing money by focusing on safer options with limited downside and you'll be fine.

Lesson 2: Low-risk, high-reward investments are not only possible, they're the only thing you should look for.

Before you ask what those rare "safe" investments are and whether they even exist, I'll tell you. Of course there's no 100% safe investment, as taking on risk is the whole idea of where stock market rewards come from, but you sure can minimize it.

In fact, many of the smartest investors, like Paul Tudor Jones, look *only* for such high-reward, low-risk bets to put their money on. It's called an *asymmetric risk/reward ratio* and it means the reward is disproportionately high for the amount of risk you're taking on. In Jones's case, **he has a set rule to only invest in something that he can expect to make five times his initial money from.**

With that in place, he can be wrong on four investments and the fifth one will still make him come out even. If he diligently does his homework though, and is right three times out of five, he'll more than double his money!

A similarly crooked risk/reward ratio can be found when businesses are in a crisis, specific or general, especially if they trade at their all-time low. This was the case with Deutsche Bank last year – their stocks had *never* been below 11 € a share before, but now they were. I got in cheaply, at the cheapest price ever, to be exact and have already made 28% on my investment in less than a year!

Lesson 3: Keep your gut in check with an investing checklist.

In any system that involves humans, the biggest point of failure is always, well, humans. The reason robo-investing software gets more and more popular is that most people are truly better off if they're kept from making dumb decisions. The roots of the problem go back to biology.

We respond to situations in which we lose money as if they're life-threatening, so our brains instantly go into survival mode, causing us to sell off all our precious stock at the worst point. Deep down our limbic brain pulls the strings, just the way it would have if we ran into a tiger 2,000 years ago.

But when everyone is fearful, it'd be best for you to be greedy. Remember, all-time lows are a great time to buy! By putting more money into stocks, you'd be almost guaranteed to recover from your setback much quicker. Therefore, the best thing you could possibly do is to **only invest by checklist**.

Keep your irrational brain in check by making sure you have a fixed set of rules for investing you follow at all times. Before pushing the button, always go through your list and tick off every item.

This way, both you and your bank account will soon be unshakeable!

Unshakeable Review

Money is a behemoth. It makes *Unshakeable* look like a short story. In case of such a complex topic, that's a good thing. I'd actually recommend you read this first and then, as you learn more, go for bigger and more in-depth books. Even if you stop there, the principles in this one alone will carry you a long way. Big thumbs up!

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What else can you learn from the blinks?

- How starting investing today will make you unstoppable and give you an advantage others can never catch up to
- What the four core principles of all the world's best investors are
- Which bullshit Wall Street movie phrase you should forget first
- The aspect of money management you need to study that's more important than investing itself
- What the 4 ways of diversifying are and why it's important that you use them
- The most critical number to look out for when you first start putting your money into investments

Who would I recommend the Unshakeable summary to?

The 18 year old, who's responsible for his financial decisions for the first time in his life, the 39 year old housewife, who still hides behind the cliché that women aren't good at investing, and anyone who's never read a word about personal finance.