Right after Timothy L. became an M4 Insider member, he sent us a support ticket, asking some good (and highly-appreciated)questions. So, I we are passing these along in case you may be wondering the same:

Timothy asks…

> Hi, hope you're doing great. I just joined M4 Insider. I am wondering if I can invest with a minimum of 100 dollars and work my way higher? Or, is it best to MAKE more money [increased active-income] first and then take advantage of the investments?
>
> How much money at minimum could I invest with the information to see some type of profits? Is this information for individuals with a high end net worth?

Brad answers…

Hi Timothy,

First off, welcome aboard M4 Insider (M4i). I don't know how much you've seen so far in our members' area, but there are IVs (Investment Vehicles) under the 'Multiply' section (under the 'Money' tab) that you can get started with for as little as $25.

So no, you don't have to be an accredited investor or have a high net worth to be able to participate in many of the alternative investment opportunities we list.

And just so we're clear, M4i is an educational / information-only resource, which means you never invest any money with us directly. The IVs we share in our members' area are completely separate from us and require their own individual account funding minimums.

Being that you're new to our community, I want to also pass along some important tips that will help ensure you're approaching everything we have to offer with the right kind of mindset and expectations.

I bring this up because we've found that a lot of people dive into doing things without actually considering how it will affect them over the long term.

They get so focused on short-term results that they forget to take a deeper look at WHAT they're doing and WHY they're doing it.

So I'm going to ask you to apply this one investing tip first:

Know who you are and why you're investing

The first step in the process is to establish your risk tolerance level and investment style. This involves several different factors…

For starters, you need to know how much money you have to invest, and what your investment and financial goals are.

Another important consideration is based on how you feel about your money, and more specifically, how you feel about the possibility of losing your money, since it's all tied in together.

For example, if you're like many who have money invested in the stock market and you see it dropping 2,000 points over a period of a couple weeks, what would you do?

Would you sell off your holdings or would you let your money ride?

If you have a *low* tolerance for risk, you'd probably lean towards selling off your positions. If, on the other hand, you have a *high* tolerance, you'd be more inclined to roll the dice, let your money stay in the market and see what happens.

If you're not sure what kind of risk you're comfortable with, then consulting with a fee-only Registered Investment Advisor can help (we have some we can refer you to)… but as a general rule, the younger you are, the more risk you can afford to take on since you have more time on your side to make up for losses.

However, older investors may be more comfortable taking a more conservative approach since they have less time ahead of them.

Either way, there's always going to be a trade-off between taking a bigger risk and reaching your financial goals faster… or choosing lower-risk opportunities which take longer to pay off.

M4 Research

Investment Styles

There are really only three specific investment styles: conservative, moderate, and aggressive.

What's the best investment style?

There's no "right" answer to the question… there's only one right answer for *you* and your financial plans.

Each person's situation is unique and calls for an appropriate investment style based on a number of factors like age, available capital, investment goals, and risk tolerance.

Naturally, if your tolerance for risk is low, your investment style will most likely be conservative or moderate at best. If your tolerance for risk is higher up on the scale, you'll most likely fall into the moderate or aggressive investor category.

To a certain extent, your financial goals will also determine what style of investing you use, but let's briefly go over each one…

Conservative investors usually invest in cash or cash equivalents. This means that they put their money in interest bearing savings or money market accounts, Treasury bills, bonds, and short term bank CD's.

These IVs usually don't do well against the ravages of inflation, but they're nonetheless still considered "safe" investments.

> *"I'm more concerned with the return of my money than the return on my money." – Will Rodgers*

Capital preservation is the primary driving force here. If conservative investors invest $5,000, they want to be sure that they'll get their initial $5,000 back.

Moderate investors typically invest like conservative investors – often investing in cash and bonds – but they'll use a portion of their investment funds to dabble in the stock market, low-

risk real estate, or sometimes higher-risk investments.

In many cases, 60% or more of their investment funds might be allocated to more conservative investments, and the remainder in higher-risk, higher-reward investments.

Aggressive investors are more willing to through caution in the wind and take risks that other investors won't. They commonly have most of their money tied up in higher-risk investments across both traditional and alternative asset classes.

They also tend to invest larger portions of their investment capital into high-risk business ventures in the hopes of achieving larger returns – either over the long term, or in a short amount of time.

Again, your investment style will be determined by your financial goals and your appetite for risk.

Investing Levels

In addition to the three investment styles above, there are also three levels of investing that are worth mentioning – pre-investors, passive investors, and active investors.

Each one of these investment levels represents a progressive increase over the previous one in not only the *responsibility* required to achieve one's financial goals, but also the commitment of time and effort.

A pre-investor is someone who has very little financial awareness and for the sake of this example, isn't 'consciously' investing.

As a consequence, many pre-investors don't have much in the way of savings or investments to show for what they've earned since their financial world revolves around consumption rather than investing for the future.

As wage earners, they typically rely on a company retirement plan to be set up for them, otherwise it wouldn't exist. They also tend to live paycheck to paycheck believing in the fairytale that all their financial problems will be solved by getting a raise at work.

But, because lifestyle is more important to them than wealth-building or financial security, when they earn more, they just end up spending more. Pre-investors haven't yet woken up to

the necessity of taking financial ownership of their life.

I don't know whether you're coming into our community already more financially aware than the average person or not, so here are a couple important questions to answer for yourself as you're reading this…

Is your financial consciousness consumed by thoughts of buying more "stuff" rather saving and investing for your future? If so, what have you done, or are you doing, to take the next step on the road to financial independence?

If the pre-investor level describes where you're at right now in your life, just realize that you've gotta eventually deal with your savings and investment plan head on… and the sooner the better.

Point is, it's perfectly acceptable for a 10-year-old kid to be in this pre-investor stage, but it's quite another thing for someone who's 40 or 50 years old to not have graduated to the higher levels yet, which I'll get to in a sec.

Of course, we ALL start out as pre-investors — unless you were born with a silver spoon in your mouth — and then move onto each successive level through education, experience, and skill.

So no matter where you are right now, moving to the next level can be as simple as gaining a little practical knowledge and then applying it. What I'm covering here is a good start.

Next up is the passive-investor level. This is the most common starting point for a lot of people, since the entire foundation of the traditional financial system (i.e. 401ks, IRAs, and pensions) is based upon catering to passive investors.

In fact, the majority of books and information available at your local bookstore (or on the internet) on passive investment strategies is centered on conventional wisdom from the retail investment world (aka, Wall Street).

> *"Tradition is what you resort to when you don't have the time or the money to do it right." – Kurt Alder*

Although I've never seen any hard statistics published, some financial experts believe that over 90% of all investors fall into the passive investor category.

Let's face it, life is much more complicated than it was 10 or 20 years ago, and passive investing lends itself to people who are busy with families, their job, building a business, outside hobbies, etc.

One clear distinction between passive investors and the other types is that rather than becoming their own expert on investing, they prefer to rely on other people's advice and expertise.

As a result, they'll often delegate the majority of their investment decisions to financial advisors, money managers, brokers… and on few occasions, even financial newsletter writers.

In other words, they gravitate towards simple investment strategies that require less knowledge and skill, such as buying stocks and mutual funds, or fixed assets like CD's and bonds, etc.

There's nothing wrong with any of these strategies, and passive investing is certainly better than no investing at all.

Over a long period of time, and with enough discipline and regular contributions, passive investors can still become wealthy. However, each investment level has consequences, and the primary disadvantage of passive investing is lack of control.

The bottom line is, passive investors will take on a lot more risk and can expect to receive lower returns than investors who've reached the next level of investing, which is commonly referred to as active investing.

Active investors start with the foundation of passive investing, but take it one step further by treating their wealth-generation activities like a business.

The main difference between active investors and passive investors has to do with their skill level and their willingness to diversify their portfolio into alternative asset classes (like many of those we share with our members).

So, they not only receive market-based passive returns, but because they've invested in their

own education and have acquired certain skills, they're able to reduce their losses and make money regardless of what the markets are doing.

As students of investing, active investors focus on working just as hard at making their money grow as they did in earning it in the first place. It requires more work… which is why most people remain passive investors.

Active investing is for those who understand that at the end of the day, winning the wealth-building game is about one thing: ROI (return on investment)… and they're willing to put forth the extra effort required to make it happen.

Active investors also take full responsibility for their financial future and embrace risk and adversity, knowing that risk and reward go hand in hand.

You can delegate authority for your investing, but you can never delegate responsibility.

As you can imagine, people will naturally progress through each of the three levels of investing as their skills, experience, and portfolio grow.

There will be times when some choose to become active investors later in life in order to enhance and secure their nest egg, while others might decide to do the opposite and take all the big risks early on while they're young and daring.

Either way, a well-diversified portfolio that has a good blend of both conventional and alternative asset classes will give you the ability to consistently generate above average market returns no matter how good or bad the economy is.

That's what M4 Insider is here to help you do. However, we cannot and do not make "recommendations" as to what you should do with your money.

We also don't favor one type of investment over another. Any IV, resource, or contact we list in M4i is simply an idea for you to explore further. It's simply an endorsement, NOT a recommendation.

Here's an important key to remember — we do the initial research and vetting, and in many

cases, testing; however, it's entirely up to you to self-educate yourself before you engage with any vendor or IV we list.

The intention behind our write-ups and reviews is for them to serve as a starting point in your information gathering process, rather than act as a be-all, end-all source for basing all your financial decisions on.

The last thing I want to mention is that if you've got a limited amount of discretionary funds set aside for investing right now, then be sure to check out our M4i 'Make' section and our Cash Miner report (under the main 'Products' dashboard).

No matter how big or small of a budget you're working with, we've got a growing collection of free and low-cost money-making ideas, quality business opportunities, and alternative methods for generating active and residual cash flow on a part- or full-time basis.

I think I've given you enough to chew on for now, Timothy, but feel free to reach out again if you have any thoughts about what I've shared or need any additional pointers.

Thanks,

Brad Weinman Chief Research Analyst, M4 Insider

Brad is also the Co-Founder of M4 Research and Editor of The Renegade Money Guide™.

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