



DR. ALDEN CASS
CATALYST STRATEGIES GROUP, INC.

BULLISH THINKING
SUCCESSFULLY MANAGING YOUR LIFESTYLE PORTFOLIO

*Money Management Institute 2006 Fall Conference
Roosevelt Hotel, New York October 18-19*



FORECASTING HUMAN POTENTIALSM

catsg.com • 646-202-9611 • acass@catsg.com

WHAT WE LEARNED FROM THE PAST

PRIOR RESEARCH

- *STOCK BROKERS' ANNUAL SALARY STRONGLY CORRELATED TO EMOTIONAL EXHAUSTION, DEPERSONALIZATION, DEPRESSION, ANXIETY AND SLEEP*
 - *CARING FOR CUSTOMERS = \$\$\$*
 - *DECREASED SLEEP = \$\$\$*
- *EE, ANXIETY, DEPRESSION, AND DEPERSONALIZATION = MODERATE-HIGH LEVELS*
- *23% DIAGNOSABLE WITH CLINICAL MAJOR DEPRESSION VS. 7% INCIDENCE IN ALL MALES (NIMH)*



WHAT TO LOOK FOR: (Check off any that apply)

- 1. DEPRESSED MOOD
- 2. IRRITABILITY
- 3. POOR CONCENTRATION
- 4. PROBLEMS MAKING CONFIDENT DECISIONS
- 5. DECREASED SEX DRIVE
- 6. CATASTROPHIC THOUGHTS
- 7. FEELING HELPLESS
- 8. INSOMNIA
- 9. MUSCLE TENSION (HEADACHES)
- 10. DECREASED NUMBER OF CALLS TO CLIENTS / INVESTORS
- 11. DIFFICULTY GETTING OUT OF BED IN THE MORNING
- 12. INCREASED CRAVING FOR STIMULANTS



BULLISH THINKING MONITORING LOG

WORK EVENTS Describe two situations, events, or interactions that lead to specific consequences.

1. David the Investment Management Consultant:

*“A client gives you an ultimatum you have **one strike** left when you were a day late in organizing the transfer of his funds.”*

2. Jim the Investment Management Consultant:

“Facing a protracted market downturn. Many of my clients’ portfolios are hurting. A new client calls at 9:00am to tell me that I am incompetent because he has been losing money and his friend has done better with his investments.”

PERCEPTION OF EVENT Stream of positive, rational thoughts, and/or self-statements

BULLISH THINKING

1a. *“I’m going to take things one step at a time and write everything down. I will follow through with a “To Do List” and maintain an organized and disciplined practice!”*

1b. *“I have a proven track record in this business and I developed a solid relationship with this client. He will leave his money with me to ensure positive returns down the road.”*

BEARISH THINKING

1a. *“I’m too distracted. I screwed up and he will take his money elsewhere.”*

1b. *“I’m going to lose all my clients if I keep making simple mistakes. This will be a domino effect. I will lose my solid reputation and my business.”*

BULLISH THINKING

2a. *“My strategy has been effective in the past. I will not second guess my decisions or the money managers that work for me. We will stick to our long term investing strategy. I will help my client understand the realities of investing and remind him of his stated risk tolerance and the long term expectations that are required to minimize risk over time.”*

2b. *“I will stay disciplined and focused on my investment strategy. I will not be swayed by short term market gyrations because the investor is bombarded by so much recent information. I will keep my clients grounded in reality and help them manage their reactions to short-term loss. I will make them money over the next 3 years.”*

BEARISH THINKING

2a. *“I must be doing something wrong with my strategy. My money managers are obviously not doing their job and I’m going to lose mine soon.”*

2b. *“I should revamp my strategy and replace my poorly performing money managers. If I don’t act quickly, I will lose this new client as well as others who are nervous about this downturn in their investment.”*

CONSEQUENCES

BULLISH OUTCOMES

Physiological **increased** – energy, healthy sleeping
decreased – heart rate, blood pressure, sweating, headaches

Performance **increased** – confidence, discipline in strategy focus, retention of clients, clients centered and managing their reactivity

Emotional low-1 2 3 4 5 6 7 8 9 10-high
frustration, worry, anger

Sense of Control less-1 2 3 4 5 6 7 8 9 10-more

BEARISH OUTCOMES

Physiological **increased** – heart rate, blood pressure, sweating, headaches, muscle tension, insomnia, fatigue

Performance **increased** – hesitancy, second-guessing distractibility, isolation, loss of clients
decreased – discipline, client-centered services, ability to handle short-term losses & manage clients’ emotions

Emotional low-1 2 3 4 5 6 7 8 9 10-high
anxiety, frustration, anger

Sense of Control less-1 2 3 4 5 6 7 8 9 10-more

BULLISH OUTCOMES

Physiological **increased** – energy, healthy sleeping
decreased – heart rate, blood pressure, sweating, headaches

Performance **increased** – confidence, discipline in strategy focus, retention of clients, clients centered and managing their reactivity

Emotional low-1 2 3 4 5 6 7 8 9 10-high
frustration, worry, anger

Sense of Control less-1 2 3 4 5 6 7 8 9 10-more

BEARISH OUTCOMES

Physiological **increased** – heart rate, blood pressure, sweating, headaches, muscle tension, insomnia, fatigue

Performance **increased** – hesitancy, second-guessing distractibility, isolation, loss of clients
decreased – discipline, client-centered services, ability to handle short-term losses & manage clients’ emotions

Emotional low-1 2 3 4 5 6 7 8 9 10-high
anxiety, frustration, anger

Sense of Control less-1 2 3 4 5 6 7 8 9 10-more