

The Purpose of Vehicles: Determining Yours, Part III



Recently, I was in an unfortunate situation where my “reliable” vehicle started to need constant attention and I had to decide whether to keep it or get a new one. This germinated into a series about how you can approach both the automotive and financial worlds using similar tactics.

The point of the series is to show the thought processes that go into buying a vehicle and/or purchasing investments for your portfolio - not to speak negatively about or look down on any particular brand or those loyal to that brand. Read on for some insights that bridge the two worlds.

In either the automotive or financial industry, it’s important to know what you are looking for before making an investment of time and money. Yes, we all want the flash of a sports car but does it achieve what we really need it to do? When we press down the large right pedal or look at our account are our expectations met?

With these questions in mind, this third article is about determining what size vehicle or investment you should be making. Of course your specific financial situation needs to be taken into account, but you may take the following as a broad outline. Let’s compare sports cars and financial models.

The examples listed below begin from the least expensive and range to more expensive options.

Subaru BRZ Option

The Subaru BRZ represents the “best bang for your buck” option. This option allows you to explore the sports car or investment world without breaking your wallet but it is not going to be able to give you the returns or compete with others on this list. In an investment scenario, this might mean you invest in safe, low-cost options like purchasing a CD or mutual fund for the long-term.



Dodge Challenger Option



The Dodge Challenger represents the “purpose-built” option (i.e., designed and built for a specific purpose). This model is well-suited to maintaining a straight course like drag racing or investing in a particular sector. Quickly changing directions with this model is not advised.

Nissan 370z Option

The Nissan represents an “adaptable” model. This model is an excellent choice if you have an interest in running agility courses or getting involved in day trading. Quickly changing direction with this model is advised given the right stimulation.



BMW 4 Series Option



The BMW represents the “versatility” option. If versatility is important to you, then this model would enable you to take your family to the airport or drive an agility course. When looking at investing your money, a high need for “versatility” would lead you to construct a well-diversified portfolio.

Jaguar F – Type Option

The Jaguar option represents the “occasion” option. An example of which is taking a business client to a prestigious event or investing to achieve a specific goal in the short term.



Porsche 911 Option



The Porsche option represents the “old school with new technology.” An example of which would be racing for 24 hours or your traditional diversified long-term investment. Both of which continuously adapt to external factors while utilizing the most up-to-date technology using traditional methodology.

Audi R8 Option

The Audi R8 represents an “all-in” model. An example of which would be racing for another vehicle with the risk of losing your own or investing that might compromise your cash flow.



So, what is it that you look for in an automobile or investment? What do you need your investment to do? What are your expectations/needs? What level of risk can you tolerate? What are your key criteria: practicality, affordability, low risk, steadiness, adaptability, diversification, flash, prestige, high performance and/or fast returns?

I hope that looking at sports cars, as we have done in this series, has given you a different way of viewing investments. Whether it's cars or investments, you've got to know what you're looking for.

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