

## A little bit of Investment Wisdom

1. A portfolio without a (financial) **plan** is a recipe for disaster.
2. Investment **success** accrues not so much to the brilliant as to the **disciplined**. William Bernstein
3. The media's job is to sell media. If it didn't, it would go out of business. The media does not have your long-term **financial future** at heart, your trusted financial adviser does.
4. **Risk** is not knowing what you're doing. Warren Buffett
5. Understand what risk is, and what it isn't. **There is no such thing as no risk**. People fatally misperceive risk. They **overestimate** the risk of investing, and **underestimate** the risk of not investing.
6. **Volatility** is not loss.
7. The risk of the stock market is **not being in it**.
8. Far more money has been **lost** by investors preparing for corrections or **trying to anticipate corrections**, than has been lost in the corrections themselves. Peter Lynch
9. **Diversify**. You are not Warren Buffett.
10. Markets change, soaring in one season and then swooning in another, though always around a **constantly rising trendline**. Nick Murray
11. You **cannot avoid risks**, only choose which risks you are prepared to accept.
12. **Pound cost averaging** - is manna from heaven. Learn to use it for your advantage.
13. **Pound cost ravaging** - is the destroyer of wealth. A disciplined and appropriate drawdown strategy will ensure that you never run out of money.
14. The stock market is a device for transferring **money** from the impatient to the **patient**. Warren Buffett
15. Timing the market is a fools game, whereas time in the market is your **greatest natural advantage**. Nick Murray
16. Invest in **quality** businesses and the quantity will come. The question is, can you identify true quality?
17. The **real key** to making money in stocks is **not to get scared** out of them. Peter Lynch
18. Fear has a greater grasp on human action than does the **impressive weight of historical evidence**. Jeremy Siegel
19. **Beware** of the most dangerous words in investing 'This time it's different'.
20. Compound interest is the **eighth wonder of the world**. He who understands it, **earns it**; he who doesn't, pays it. Albert Einstein
21. **All investing** is a battle with your own anxiety.
22. **Economic forecasting** exists to make **astrology** look respectable. Ken Galbraith
23. The fundamental principles of **successful investing** do not, because they cannot, change. Nick Murray
24. The **best investors** in the world have more of an edge in **psychology** than in finance. Nick Murray
25. Use a trusted financial adviser. In your darkest hours, your financial adviser will guide and coach you and help you **avoid making the big, irrevocable mistakes**.