



Wise Words to Invest By

As the world turns, some ideas hold true when it comes to investing, no matter the market environment. Here's a handful of quotes and context we often share with clients and prospects.

“The time is always right to do what is right.”

– *Dr. Martin Luther King, Jr.*

The American economy remains the strongest and most equitable investment in the world today. When we look at our trading partners, we have proven time and time again our resiliency and our corporate might stand second to none. Any claim to the contrary is pure demagoguery.

“These are the seasons of emotion and, like the winds, they rise and fall.”

– *Led Zeppelin*

Be less apprehensive of the frequent ups and downs of the markets, since it is immaterial to the serious investor with a solid plan for the long run. Find well-managed companies continuing to perform profitably while meeting the challenges that come along the way. It takes hard work and unflappable discipline but make the best of it and don't forget to have some fun ... these are the seasons of emotion.

“Corrections are good, they keep us all humble.”

– *Cathie Wood*

Corrections are a normal part of market behavior — it just doesn't feel good when we're in the middle of one. There is no such thing as a garden variety correction, nor is there a sweet taste behind the pain they may cause. It certainly pays to remain humble and armed with temperance and fortitude to face any challenges ahead.

“Timidity prompted by past failures causes investors to miss the most important bull markets.”

– *Walter Schloss*

Heed this advice of a self-made Wall Street legend who started as a trading floor messenger in 1930, worked his way up under the patronage of Benjamin Graham, and became a well-known fund manager owning his own investment firm. Now is not the time to be timid ... there is plenty of value to invest in out there.

“Every new beginning comes from some other beginning’s end.”

– *Semisonic*

As with most things, exceptional and predictable results are invariably fueled by unique, strict, and structured discipline. Every decision to invest or not to invest is based on our strategy, Three R’s — Rules, Risk, and Returns™ — and it remains the core principle of our investment strategy.

“The key to success is to focus on goals, not obstacles.”

– *Unknown*

Volatility engenders possibilities when you know what to look for. You shouldn’t focus on the obstacles, but instead on your own set of reasonable goals. Remaining invested, with a long-term perspective, in the stronger balance sheets has proven track records in up and down markets.

“It gets late early out there.”

– *Yogi Berra*

There is seemingly always a cacophony of variables to consider, and the only constant is volatility. Roll up your sleeves and be highly selective in your investments, using a lot of elbow grease to manage your risks and continue earning a decent return on your capital. Every market has its good and bad days. Riding your investments out with a strategy that works makes the hard work worth it.

“The individual investor should act consistently as an investor and not as a speculator.”

– *Benjamin Graham*

Volatility is a manageable risk. Be consistent in your investment discipline and favor quality over speculative trading for evanescent yield.

“Better to dare mighty things and fall than to live in a grey twilight where there is neither victory nor defeat.”

– *Sir Winston Churchill*

Invest with caution and manage your risk, but stay out of the grey.

“It ain’t over till it’s over.”

– *Yogi Berra*

Skeptics remain fixated on what can go wrong, while the savvy investor plays the long-term horizon, which will override the ups and downs of any market.

“A pessimist is one who makes difficulties of his opportunities, and an optimist is one who makes opportunities of his difficulties.”

– *Harry S. Truman*

If we continue managing volatility, we will find “the opportunities amidst the difficulties” ahead.

“The most important quality for an investor is temperament, not intellect.”

– *Warren Buffett*

It reflects our temperament, if not our intellect, that we manage the innate risk function of financial markets. By doing our homework monitoring fundamental data and following our disciplined approach to quality over quantity selection process, we remain confident we can add value to the pursuit of a better total return on invested capital. Managing risk is our business.

– *Kevin Simpson*