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Myth 7: Stocks Are Riskier Than Bonds; Myth 7a: Bonds Are Riskier Than Stocks; Myth 8: The 2000s Were a Lost Decade for the Stock Market; Myth 9: New All-Time Highs in the Stock Market Mean Its Going to Crash; Myth 10: A Yield on an Investment Makes It Safer; Myth 11: Commodities Are a Good Long-Term Investment; Myth 12: Housing Is a Good Long-Term Investment; Myth 13: Investing in the Stock Market Is Like Gambling at a Casino; Key Takeaways from Chapter ; Notes; 5 Defining Your Investment Philosophy
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What a Financial Advisor Can Do for You

Sommario/riassunto

A simple guide to a smarter strategy for the individual investor A Wealth of Common Sense sheds a refreshing light on investing, and shows you how a simplicity-based framework can lead to better investment decisions. The financial market is a complex system, but that doesn't mean it requires a complex strategy; in fact, this false premise is the driving force behind many investors' market "mistakes." Information is important, but understanding and perspective are the keys to better decision-making. This book describes the proper way to view the markets and your portfolio, and show you the simple strategies that make investing more profitable, less confusing, and less time-consuming. Without the burden of short-term performance benchmarks, individual investors have the advantage of focusing on the long view, and the freedom to construct the kind of portfolio that will serve their investment goals best. This book proves how complex strategies essentially waste these advantages, and provides an alternative game plan for those ready to simplify. Complexity is often used as a mechanism for talking investors into unnecessary purchases, when all most need is a deeper understanding of conventional options. This book explains which issues you actually should pay attention to, and which ones are simply used for an illusion of intelligence and control. Keep up with—or beat—professional money managers Exploit stock market volatility to your utmost advantage Learn where advisors and consultants fit into smart strategy Build a portfolio that makes sense for your particular situation You don't have to outsmart the market if you can simply outperform it. Cut through the confusion and noise and focus on what actually matters. A Wealth of Common Sense clears the air, and gives you the insight you need to become a smarter, more successful investor.
