

The Importance of Investment Discipline

Robasciotti

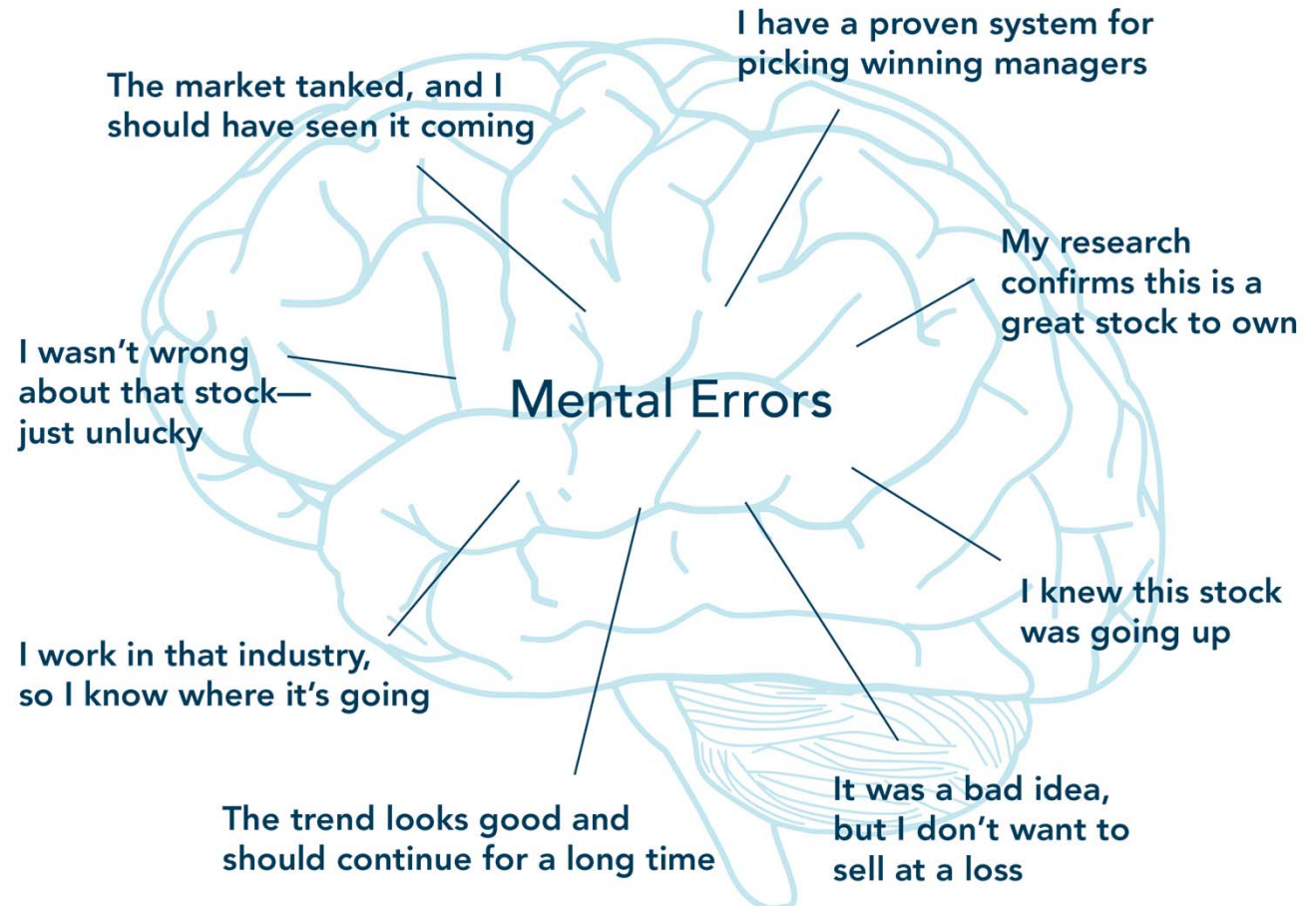
& Associates, Inc.

The Importance of Investment Discipline

- I. Humans Are Not Wired for Disciplined Investing
- II. Many Investors Follow Their Emotions
- III. Reacting Can Hurt Performance
- IV. Markets Have Rewarded Discipline
- V. Focus on What You Can Control

Humans Are Not Wired for Disciplined Investing

When people follow their natural instincts, they tend to apply faulty reasoning to investing.



Many Investors Follow Their Emotions

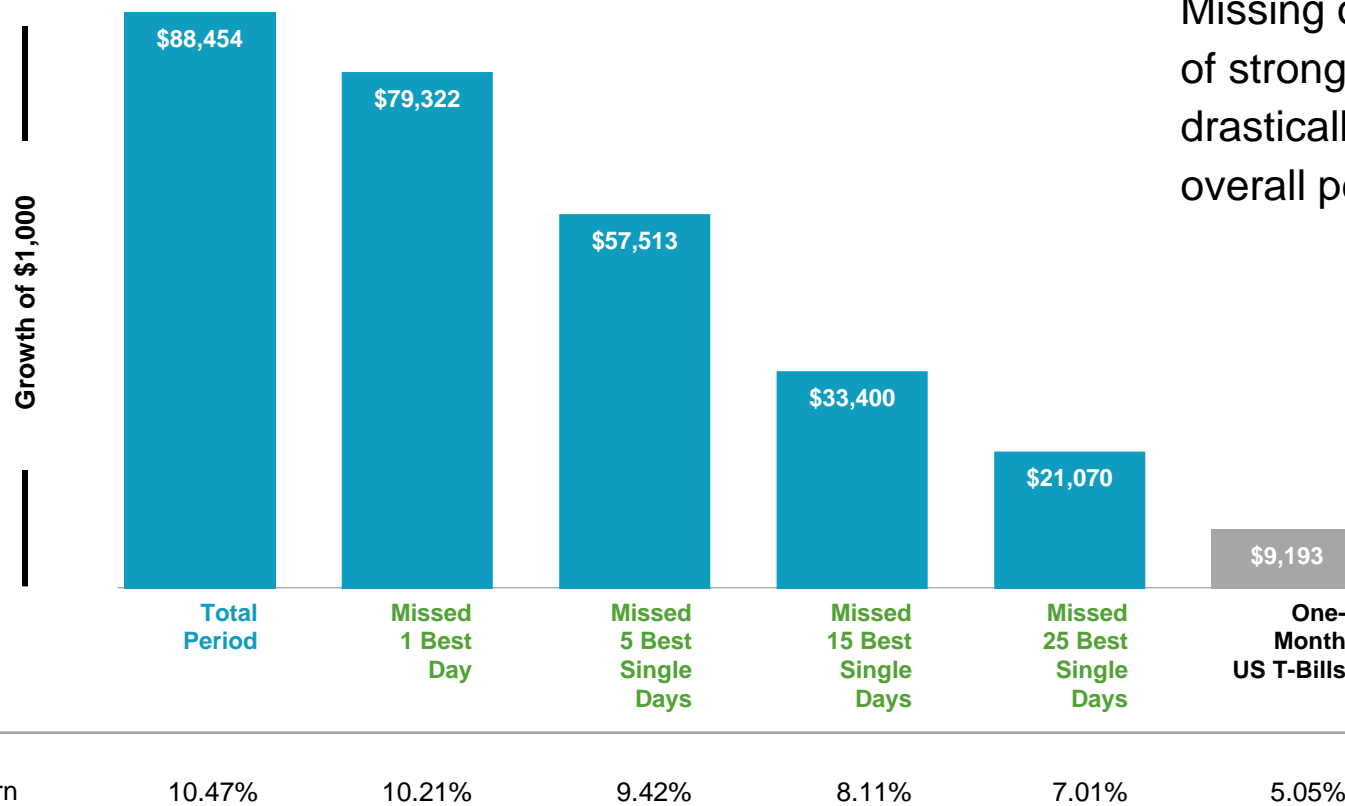


People may struggle to separate their emotions from their investment decisions.

Following a reactive cycle of excessive optimism and fear may lead to poor decisions at the worst times.

Reacting Can Hurt Performance

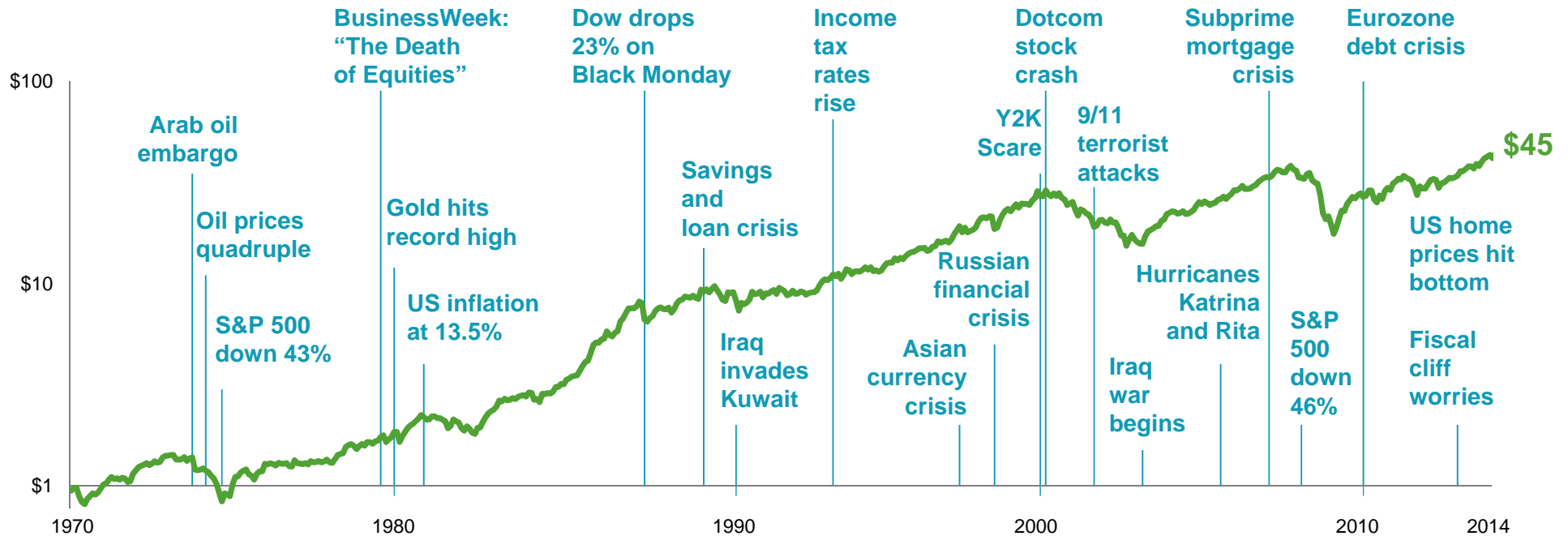
Performance of the S&P 500 Index, 1970-2014



Missing only a few days of strong returns can drastically impact overall performance.

Markets Have Rewarded Discipline

Growth of a dollar—MSCI World Index (net dividends), 1970–2014



A disciplined investor looks beyond the concerns of today to the long-term growth potential of markets.

Focus on What You Can Control

No one can reliably forecast the market's direction or predict which stock or investment manager will outperform.

Wealth managers can help you create a plan and focus on actions that add value.



Creating an investment plan to fit your needs and risk tolerance

Structuring a portfolio around dimensions of returns

Diversifying broadly

Reducing expenses and turnover

Minimizing taxes