

## **Biting Nails**

Apple was in the news and was the focus of our last newsletter. Since the dip in the share price, on the news of the bending iPhone6, the stock is hitting new highs. The process of watching what an investment is worth in any short term time frame can be an emotional roller coaster. Any chart of a company's stock price will show some pretty sharp ups and downs. If you don't have to buy or sell on a given day, then what other investors experienced that day may not matter that much in the long run.

### **Letting Go**

Perhaps the first and most profound way to invest well is to focus on longer time frames, getting rich slowly. While patience is very difficult, it is one of the keys to success in investing. Some of the best investors I have known see in their minds what an investment will be worth in 5-7 or more years. While the short term view of the market might fluctuate, they let go of initial costs and short term pricing irregularities and focus on the long term value of what they own. They succeed by seeing things in the long term.

### **Holding On**

One of my favorite analogies as an Indiana boy is that you need to know whether you are planting a corn crop or an apple orchard. You see, traders and speculators plant "corn" seeking short term rewards, but often at higher risk. Investors on the other hand plant apple orchards, where no apples appear for several years, but the harvest in the years ahead can be regular and bountiful.

### **Shaken, Not Stirred**

Let's face it, being an investor is not always easy, especially when there are events in the news that shake us up and worry us.....and others. Thinking back to 2008 and early 2009, we were all shaken up by the results of years of excesses in mortgage lending. The investors who have done the best since then were ones who were not stirred to make radical changes to their longer term investments. Most categories of investments did very well since the shakeup that occurred during that time.

### **Emotions of the Moment**

We are all emotional about our own money. It is very natural to be so. The question is; "Can we feel the emotions without feeling the need to act on every one in the moment we are experiencing them?" There can be a difference in reacting emotionally and choosing a response to an emotion

you are feeling. The maturing process is just as beneficial to investing as it is to other areas of our lives. What I feel in the moment is not always helpful to what I want in the long run. Learning to choose responses is just as helpful in investing as it is in life.

### **Bottom Line**

While the news brings us regular nail biting types of events, it is often best for us to see past them. Several firms have multi-decade long stock charts where they highlight different crises, from wars to crashes, to scares like what we are seeing in the news currently about ebola. After the dip on the chart for the each crisis you see a recovery and a push above the pre-crisis. Historically, it pays to leave the nail biting to others and to stick to a longer term investment process.

### **Your Feedback**

I would love feedback on this newsletter. Future issues may include a host of good ideas, insights, specific steps to take financially, life insights and of course "Wit and Wisdom". Most importantly, I'd like it to be of value to you and to encourage an exchange of great ideas and insights. Please send your feedback to:

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