

## Resolve to Do Homework Before Investing

When it comes to investing, getting it right is essential. Whether you are a value investor, growth investor, active trader, or just someone who wants to build a retirement portfolio, these eight suggestions can be instrumental in helping you reach your financial goals:

1. *Think before you dig into your pocket.* Do your homework. Read, read and read some more. Consult a financial advisor to find options that work for your financial situation. Don't rush into any investment, no matter how good it may sound or how many friends have already committed funds to it.
2. *Know what you are buying.* Legendary investor Peter Lynch once advised to never put money in a company that produced a product or service you don't understand. He learned that from Warren Buffett, and both men have done quite well for themselves and investors. This doesn't mean that, like Buffett, you should avoid anything technology-oriented. Your Financial Advisor can help you learn as much as you can about a company and its products before you invest.
3. *Don't be afraid to go against the grain.* If all of your friends are excited about a particular investment, you might consider buying it too – but, again, do your homework first. If it turns out that each bought based on someone else's recommendation, you might want to consider the motivations of the original source.
4. *Monitor your investments regularly.* You don't need to rush home every evening and punch up your stocks or funds on the Internet. However, you should work with your advisor to carefully monitor each investment in your portfolio.
5. *Don't be afraid to admit to a mistake.* Don't feel every investment must turn out to be a winner. Your advisor can help you determine whether cutting your losses early on might save you more in the long run.
6. *Don't be afraid to put money into an investment off a major price decline.* But do so only after careful research and after you and your advisor have found an investment thesis that makes sense. Keep in mind that many investments get beaten up for good reason.
7. *Take all the "talk" about a particular stock with a grain of salt.* Your advisor can help you learn to cut through the clutter and make better, more sound decisions.
8. *Ask questions – all the time.* Never stop pursuing knowledge about the financial markets and investment strategies. When it comes to investing, knowledge truly is power.



**Lamar Watson**

Analyst  
Wise Investor Group  
Robert W. Baird & Co.  
(866) 758-9473

Lamar is a Security Analyst for The Wise Investor Group and assists Eric Wightman in day-to-day operations of portfolio management. Lamar received a BS in Business Management from George Mason University. He is also a Level 1 CFA candidate. Lamar enjoys playing basketball and spending time with his family. Lamar lives in Reston, Virginia.

*Article provided by Lamar Watson, Analyst, with the Wise Investor Group in Baird's Reston office. Lamar has six years of financial services industry experience and can be reached at 571-203-1633 or 86658-9473. Robert W. Baird & Co. Member SIPC.*