

Investment Tip of the Month

You have read it or heard it a 100 times. "Past performance is no guarantee of future results". The SEC requires the statement to accompany any promotion by a mutual fund company in their advertising. Yet here we are very early in 2011 and the populist financial press is touting the best and worst mutual fund managers for 2010.

Morningstar, the Chicago Company that follows mutual funds listed the fund managers that "...posted exceptional gains" in 2010.

It is not important to know who these managers are or which funds they manage. History is history. I searched the article in detail to see if there was any forecast as to whether the "winning managers" would duplicate their results in 2011. Nothing! After all, wouldn't that be better information for investors? I really don't mean a forecast; investors would like a definite statement that says "Here are the managers that will beat the market in 2011". You will never find such a statement.

Nonetheless, I have seen headlines on the covers of the December 2010 financial magazines listing the 10 best funds for 2011 and the best stocks for the New Year. All you need to keep in mind is that magazines are in the business of selling magazines. With respect to financial magazines you will notice that funds and companies that are featured in articles are often some of the biggest advertisers in that issue.

I person who wants to be a successful investor need to be able to answer the 20 Must Answer Questions found on my website (www.billmullen.org), establish a diversified portfolio that is rebalanced quarterly and work with a coach to help you stay focused.



The Bonus of the Month

This Month's bonus report deals with elephants, financial planners, coaches and investor behavior. Indirectly, it touches on some of the things I discuss in the Investment Tip of the Month. Like my many things in life, the road to success is clearly marked. Traveling down the road is not always easy. For example, the road to losing weight is marked with two items—eat less, move more. However, the highway signs along the route offer all kinds of distractions.



In Closing

Here's wishing you a 2011 filled with;

- Blue Skies
- Green Lights
- A Successful Portfolio

Thank you for the opportunity to help with your investments. Referrals are appreciated!!!