

# Long-Term Thinking

On the long-term journey to building generational wealth, your mindset will prove invaluable. Making the leap into long-term thinking can be a challenge but, as investors, we must remain patient and allow the magic of compounding to work over time.

Sure, there will be some dips along the way that might tempt you to cut a stock loose, but if you ask any experienced investor about the mistakes they've made in their investing career, all of them will have a regretful story about selling a stock too soon. Remember, sometimes the best thing you can do is nothing.

## Why Time is an Investors Best Friend



If you look back at history and study how investing fortunes were made, you'll find it wasn't by jumping in and out of stocks based on fear and greed, but by buying great businesses and holding on to them over the long haul.

145 years of market data backs this up. If you were to buy a portfolio of stocks and hold them with a long-term horizon of 25 years, the probability of losing money is 0%.\*

We like those odds!

## The Key to Long-Term Thinking

### 1 Buy What You Believe In



Buying shares in a company you know and love makes long-term investing a lot easier. It's easier to hold on to a company through hard times when you understand their business.

### 2 Diversify



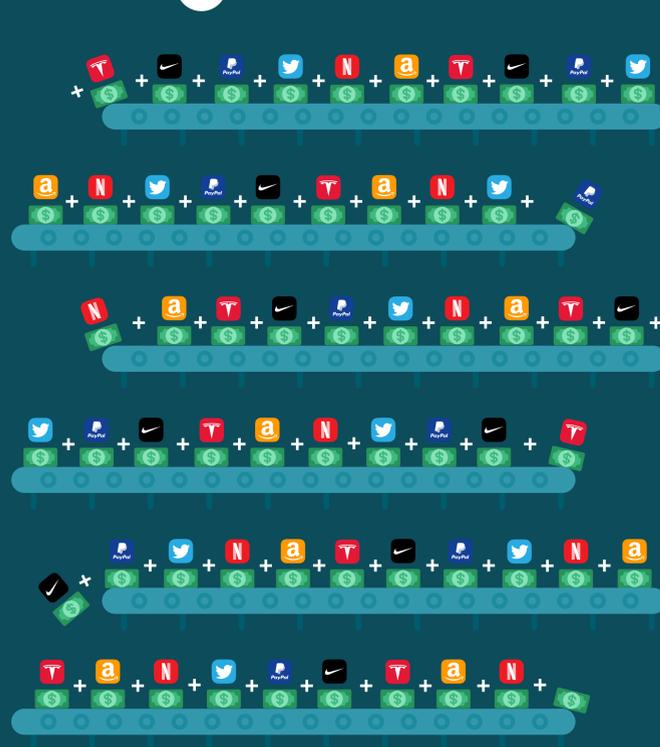
Diversification means spreading your total invested money over a range of companies and industries. This helps to protect your portfolio by spreading your risk.

### 3 Invest Regularly



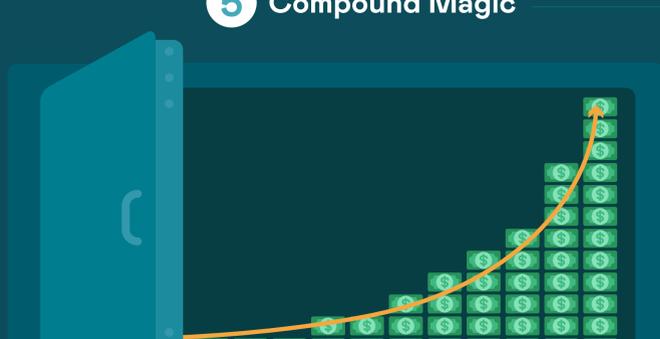
By using a method like dollar-cost averaging, you can put your money to work without worrying about the daily ups and downs of the stock market.

### 4 Be Patient



If your portfolio falls on hard times it can be tempting to sell. Just remember, times of turmoil are typically short-lived and selling too early will only punish your long-term winners and lock in temporary losses.

### 5 Compound Magic



Compound interest is the silver bullet when it comes to growing your wealth. The more time you spend invested, the more powerful it becomes.

## Now you can focus on the future!

No matter where you are at with your investing journey, you can always start Thinking Long-Term