



A Peek into the PRIME QUADRANT®

Thank you to all our supporters of the 2016 Prime Quadrant Conference!

We are so pleased to have achieved another sold out event.

Click below to watch this year's highlight video!



Upcoming Events

January 18, 2017:
Bitcoin, Blockchain
and the World of
Digital Currencies

What is the PQ?

In financial terms, the Prime Quadrant is the optimal zone in which you achieve the highest return per unit of risk.



STORIES OF INTEREST

[The Most Overlooked Trait of Investing Success](#)

Just as in medicine, making good decisions is not the same thing as convincing others to make good decisions.

[Making Sense When There is No Sense to be Made](#)

Just knowing that we have biases is not enough to stop them. Being proactive is a must.

[Afraid Of What Comes Next for the Markets and Economy?](#)

In investing, what always matters is not *what* happens but how it differs from what people were *expecting* to happen.

[The Difference Between a Statistic and a Fact](#)

Understanding the difference between the two can help explain a lot of disagreements.

THE WAY WE SEE IT

Below is an excerpt from Mo Lidsky's IQ series presentation on the Common Mistakes of Seasoned Investors.

[20% Fat vs 80% Fat Free](#)



There's a famous story about rabbinic student that approaches his Rabbi and asks, "Rabbi, am I allowed to smoke when I'm praying?" to which the Rabbi affirmatively responds "Absolutely not. It's a disgrace to God and a disgrace to prayer." Bothered by the response, a couple days later the same student returns to the

Being in the Prime Quadrant requires seeing the big picture and making intelligent choices, from among all investment options and strategies, to best meet your goals.

Prime Quadrant is an investment research and consulting firm that helps high-net-worth Canadians make better investment decisions.

Mo Lidsky's most recent book [Partners in Preservation: How to Know your Advisor is Truly Protecting your Wealth](#) is now available on Amazon!



PARTNERS IN PRESERVATION

HOW TO KNOW YOUR ADVISOR IS TRULY PROTECTING YOUR WEALTH

MO LIDSKY

[In Search of the Prime Quadrant: The Quest for Better Investment Decisions](#) is available at Amazon, Barnes & Noble and Indigo.

Rabbi, and says “Rabbi, am I allowed pray while I’m smoking?” To which the Rabbi responds “It’s not just allowed, you’ll set a beautiful example for all the other smokers.”

The term framing (or frame dependence) means that the way people respond to situations depends on how the situation is framed or presented, rather than on the actual facts of the situation. In other words, in making investment decisions, investors are usually more influenced by *how* the information is presented than *what* information is presented.

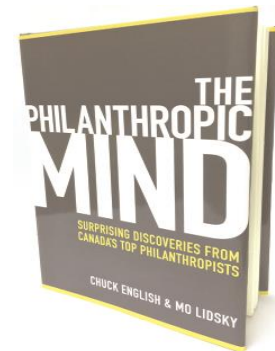
Investment companies know how to market their products by appealing to these biases, being acutely aware that via the presentation you can get the truth to tell any lie you want.

A classic example of this is the narrative behind many principal protected notes (PPNs). PPNs attract investors by guaranteeing their principal with some exposure to the equity markets, thus providing all the upside of the market with limited downside. Investors pay exceptionally rich fees to invest in these vehicles, thinking they have just discovered nirvana. However, with further analysis, investors would realize that PPNs have considerably more moving parts than they think and will unlikely return the result they were anticipating. Proof of this lies in the fact that a large majority of the people who produce these PPNs don't even buy them for themselves.

To prevent being the vulnerable one in these scenarios, it helps to remember that every transaction has two parties - buyer and seller. And if something is so good, why would someone else – particularly the institution selling you the product – take the other side of the trade? So, in approaching opportunities, always ask about the rationale and motivation of the organization or individual presenting the information.



[The Philanthropic Mind](#) is also available on Amazon, Indigo and Barnes & Noble.



“You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete.”

- Buckminster Fuller



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