

A Peek into the PRIME QUADRANT®

SAVE THE DATE

The Prime Quadrant Conference

November 12, 2014

The Arcadian Court, Toronto

Some recent additions to our speakers include:

- **AVERY SHENFELD:** Chief Economist and Managing Director of CIBC World Markets and former faculty member at the University of Toronto and Harvard's John F. Kennedy School of Government
- **DR. SHERRY COOPER:** Chief Economic Counsel to MDC Partners, former Chief Economist & Executive Vice-President of BMO Financial Group and author of bestseller *The New Retirement: How It Will Change Our Future*

Upcoming Events

Investor IQ Series

May 6 - *How to Identify Value in Your Investing*

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

Falsification

Confident people beware — your thought process is likely distorted by the *confirmation bias*, predisposing you to actively seek out evidence that supports your ideas, and brush off what contradicts them.

The Dismal Art

Where were all the so-called expert forecasters in 2008? Learn why the rise of prognosticators and sophisticated forecasting is not yielding more accurate results. (Caveat: this is a bit long, but well worth it).

Methods to Improve Decisions

In his latest whitepaper, Michael Mauboussin offers a guide on overcoming common investment mistakes, and demonstrates why being less stupid often trumps being extra smart.

The Rise and Fall of the Underhand Free Throw

Here's a great story about how we may be more influenced by popularity and uniformity than by what is most effective. We, at Prime Quadrant, prefer to focus on what actually works.



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. This includes investing in Traditional and Alternative Investments such as Real Assets, Private Equity, Hedge Funds, Distressed Assets, Credit, etc.

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



THE WAY WE SEE IT

This past week, I had the pleasure of speaking at a conference on, among other things, identifying best-in-class investment opportunities.

Identifying the finest is firstly about avoiding mediocrity and secondly about finding extraordinary value, usually unrecognized by the masses.

This obviously requires expertise.

An art neophyte could view Andy Warhol's *Green Car Crash* or Claude Monet's *Water Lily Pond* and not want to pay \$50 for them at a garage sale.

Whereas an art connoisseur will know immediately those two pieces are worth a fortune (i.e. \$71.7 million and \$80.5 million, respectively). A whiskey novice may trade in a glass of 30-year fine oak Macallan, costing over \$1,200 a bottle, for a Strawberry Daquiri, because it "tastes better".

The omission of the novice can easily be the opportunity of the aficionado.

Investors must have a full understanding of the options across all asset classes, which ones sit at the apex, as well as where and how to access them.

As legendary investor, Howard Marks, once said, "Investing is a process of relative selection. First, the process must be rigorous and disciplined. Second, it is - by necessity - comparative."

— *Mo Lidsky*

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



“You're twice as biased as you think you are (four times if you disagree with that statement).” - Morgan Housel

PRIME QUADRANT*
BETTER INVESTMENT DECISIONS

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