



A Peek into the PRIME QUADRANT®

Thank you to everyone who made the Prime Quadrant conference the SOLD-OUT success that it was!



Upcoming Events

Investor IQ Series

January 27, 2016:
*Common Misconceptions
About Common Asset
Classes*

STORIES OF INTEREST

[Achieving the Goals By Not Focusing on the Goals](#)

Goals can point you towards your destination, but it is the system that will help you get there.

[The Power of Respectful Nudging](#)

An interesting take on how the private sector uses persuasive tactics to entice consumers, and tips on how not to get duped.

[Technology's Greatest Gift to Finance](#)

Among the many benefits of modern media and communication is the emergence of truth.

[When Our Brains Lead us Astray](#)

Here is a wonderful summary on the 7 most frequent behavioural biases affecting our investment decisions.

THE WAY WE SEE IT

The following excerpt was adapted from Mo Lidsky's opening remarks at the Prime Quadrant conference.

Last year one of the women who attended our conference approached me, saying, "Mo, I came here looking for an answer, but I'm leaving here more confused than when I walked in." To which I responded, "Fantastic! That's the idea." She nodded her head, gave me the sympathetic smile you'd flash someone who just doesn't 'get it', and gracefully walked away. But I actually meant it. Mark Twain once said that "Education is the path from confident ignorance to miserable uncertainty." And, whether we admit it or not, investing is all about navigating uncertainty.

Even when listening to the brightest and most successful asset managers in the world, one will invariably hear conflicting ideas or see them on opposite sides of the table.

One recent example is Sam Zell's sale of 23,000 apartment units for \$5.4 billion, to real estate mogul Barry Sternlicht. Both men have proven to be extremely savvy dealmakers, with an uncanny sense of timing before and after the 2008 credit crisis.

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.



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.

[In Search of the Prime Quadrant: The Quest for Better Investment Decisions](#) now available

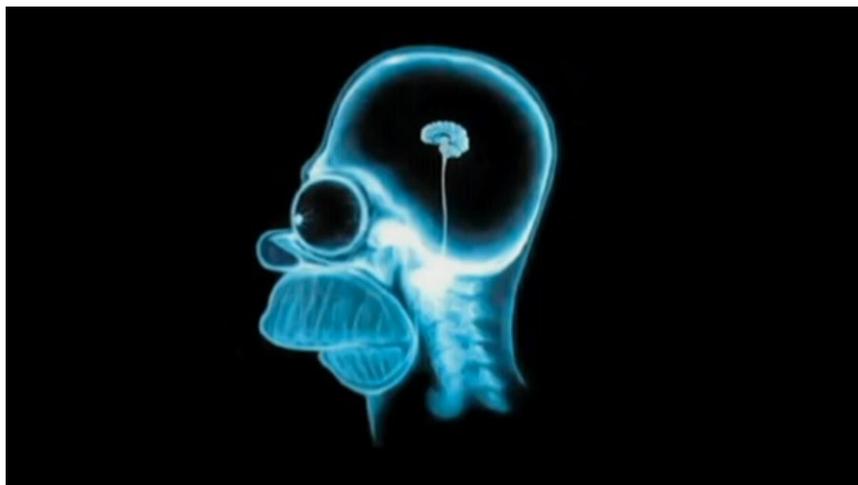
When seeing these shrewd and knowledgeable individuals on opposite sides, our natural response is often to wonder who is correct.

What is sometimes lost on investors is that they do not have to choose sides. Being on opposite sides of a trade or having a different prognosis does not necessarily make one side wrong, nor does it ensure that one party will lose money. Contrary to popular belief, investing is not a zero-sum game. In the Zell-Sternlicht transaction, Sam may be focused on a different demographic, Barry may have greater capacity to take on debt, and both can be right about the transaction being profitable.

In fact, highly capable investors can even be wrong about the investment, the future or the market, and still make money. They can achieve this by extending their time horizon, repositioning the assets, or utilizing any number of creative strategies to generate returns.

The purpose of listening to the views of others is, therefore, not to figure out who is right or whose predictions are more accurate, but to expand our thinking about our investing and our world. Ultimately, the only thing we know for sure about the future is that we don't know what it will bring, so the best we can do is consider the possibilities.

Here's an interesting (slightly unrelated but still worthwhile) [video](#) on the conundrum of choice.

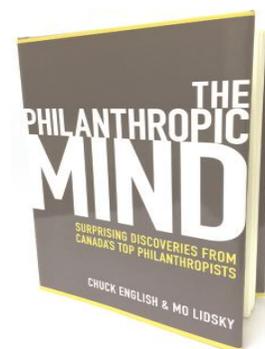


Education costs money. But then so does ignorance. *Sir Claus Moser*

at Amazon, Barnes & Noble and Indigo.



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





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