

# INVESTING RULES

By Karl Arnold Belser 3/9/2011

## 1. DETERMINE HOW MUCH MONEY YOU NEED. DON'T BE GREEDY.

He who knows that enough is enough will always have enough. – Lao Tzu

Knowing others is intelligence; knowing yourself is true wisdom.  
Mastering others is strength; mastering yourself is true power. – Lao Tzu

## 2. BE PRUDENT DURING YOUR WHOLE LIFE.

The journey of a thousand miles begins with one step. – Lao Tzu

People in their dealings of affairs often fail when they are about to succeed. If one remains as careful at the end as he was at the beginning, there will be no failure. – Lao Tzu

## 3. INVEST IN BUSINESSES YOU UNDERSTAND. DO YOUR HOMEWORK.

To know yet to think that one does not know is best, Not to know yet to think that one knows will lead to difficulty. - Lao Tzu

## 4. TRUST YOURSELF. DON'T GET SWEEPED UP IN GROUP THINKING.

The power of intuitive understanding will protect you from harm until the end of your days – Lao Tzu

It takes real courage and it often is the most profitable to act independently of the motion of the crowd.

Continuous study and trusting your instincts is paramount.

## 5. MARKETS TEND TO RETURN TO THE LONG TERM AVERAGE VALUES.

Market Fluxuations are largely psychological.

Markets will oscillate between being overvalued and undervalued and will rarely be level at their true value.

The bigger the swing in one direction, the bigger the swing in the other.

## 6. INCOME IS AS IMPORTANT AS CAPITAL GAINS.

Smart money is patient money.