

# Portrait of the successful investor

*What works for them can work for you*

“What’s the secret to investing success?” It’s a difficult—if not impossible—question to answer. Investing isn’t really about secrets. It takes a good deal of research and discipline, a fair amount of patience, and tolerance for mistakes to make a successful investor.

That said, if you sit down and talk with some of the more successful investors, you begin to see some characteristics they have in common:

## **A principled approach**

Before they even start to invest, successful investors have given a lot of thought to the investment process. They’ve established clear, practical principles to guide their investment decisions and portfolio strategies. Establishing these principles before constructing the portfolio makes it easier to achieve the desired risk/return profile and avoid financial mistakes.

## **A disciplined mindset**

Successful investors don’t pay a lot of attention to the market. Certainly they’re aware of long-term trends. But they don’t obsess about short-term market volatility. Instead, they stay focused on their plan and apply their investment principles to every financial decision. This discipline helps them remain calm no matter what the markets are doing.

## **An emphasis on reason rather than emotion**

Without doubt, investing can be an emotional process. But successful investors have found a way to take emotion out of investing. They consider both opportunities and risks on a regular basis with a calm, clear mind, and maintain a balanced perspective in times of market euphoria and in times of market panic.

## **A desire for independence**

Successful investors are independent thinkers. Instead of following the crowd, they base investment decisions on a reasoned, rational analysis of relevant information. They aren’t afraid to go against conventional wisdom when they feel it’s the right thing to do. That way, they can avoid the media investment hype and evaluate each opportunity on its own merits.

## **A team approach**

No matter how proficient they may be, successful investors realize they can benefit from the knowledge and experience of professionals such as investment advisors, accountants and bankers. Instead of trying to learn everything themselves, they view the investment process as a partnership. They often find a trusted, knowledgeable advisor, and work with that advisor to attain a well-defined goal.

So as you can see, the secrets of successful investing are not secrets at all—and they’re not quick fixes either. Instead of wondering how you can become a millionaire overnight, focus on the solid results you can achieve. Chances are you’ll be more successful than you ever imagined.

---

This content is for information purposes only and is not intended as specific investment advice. We strongly recommend that you consult your investment professional for a comprehensive review of your personal financial situation. Information is subject to change without notice and Fidelity Investments Canada will not be held liable for any inaccuracies.