Today, I reach the half-century mark on this earth. I have spent over half of that time working in the investment management business. Over my more than 90,000 hours in the industry of managing money and caring for investors, I have met thousands of people, read a seemingly infinite amount of research and developed more than a few opinions about both investing (in bold) and life. So, I thought that given the fairly slow period of news and market activity the past few weeks, I would devote the Friday blog that falls on my 50th birthday to some bottom-line thoughts I have accumulated since entering the world as the son of Joyce and (the late) Carl Isbitts back in 1964. Here goes:

- **Investing is often portrayed as being much, much simpler and generic than it actually is.** More specifically, investors are made to think they are just like everyone else. I think that’s wrong of them to do that.

- There are things you can control in life and things you can’t. Focus your time and energy on the former.

- **Investment “costs” are grossly misunderstood** (if you caught that pun of gross versus net, as in your performance before and after fees, you get extra points!). Who helps them to mis-understand? Companies and people trying to sell them stuff based on the idea that low cost automatically means best decision. A lot of this uses historical “studies” that are not always explained completely. I think that’s a disservice to investors.

- I am proud to be a member of the Baby Boom generation, having been born in the final year of that period. But I fear that the Baby Boomers will ultimately be remembered more for their lack of discipline in many areas of life, and a perpetual desire to avoid growing up. But don’t worry, Boomers, it is not your fault (it never is, right). I blame MTV for taking us all off course.

- **We are facing a retirement crisis, but not the one most commentators are talking about.** The media typically describes the “crisis” based on how many investors have saved little for retirement and that time is running out. To me, the big retirement crisis is the one I believe will hit those who HAVE accumulated enough (or are on track to), but do not acknowledge or have a plan for an eventual rise in bond interest rates. They are unprepared for the havoc it may wreak on the money they worked hard to save for decades. They think they are safe, but so did all of the people in the “Halloween” movies.

- Some of the best ways to understand life and help determine what you want out of it, is to listen to the music of great songwriters. And it usually requires going beyond that group’s hit songs. A
few I’d recommend to those who care: Train, Five For Fighting and Bruce Hornsby.

- Placing your money in investments, whether you use an advisor or not, requires due diligence. I am not saying that you need to become a professional investment analyst. But you do need to at least seek enough knowledge to make decisions for yourself with competence and confidence. Question things, not like a detective looking for a crime (oh, there has been plenty of that on Wall Street!), but like a patient choosing a doctor. After all, it’s your financial health we are talking about here. At Sungarden, our most successful clients are those who have learned to work with us in this manner.

- Information is OK. But compared to knowledge, it is inferior. Figure out the difference. Then, focus your time on seeking knowledge and using it to promote happiness (for yourself and others in your life). Do that and you have indeed unlocked the door to great things.

And great things are what I wish for all in the Sungarden Family and beyond. Let’s see how much we can learn together in my next 50 years!

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