

Hooked on Investing

By Steven Mayo, July/August 2018

Since I was a young boy I have enjoyed fishing. As I reflect on my acquired fishing skills, I can also see how the fishing mindset can assist a good investor. It's summer, and this is my light hearted attempt to compare the attributes of fishing and investing.

1. Patience is obviously the number one requirement for both. Waiting for the right day, and the right catch is hard to do. The investment sea is big but you can refine what you are looking to catch or buy. You may be looking to get pickerel or a dividend growing company. You know what you want, and you need a good price; that takes some patience.
2. Holding on to worms is like holding cash. I think it's important not to use up all your worms at one time. Enough said!
3. Sunny days versus rainy days. Quite often your best fishing days are after storms, and that is definitely true for investing. Prepare your mind to take advantage of storms.
4. Avoiding rough waters also applies to lousy investment choices. Avoiding risky fishing and investment behavior keeps the boat and portfolio steady.
5. It's okay to have bonds and GICs in your portfolio. It's like wearing a life jacket! Safety matters and safe harbours matter.
6. Beware of long range forecasts. The weather forecast and investment forecasts are ever-changing. It's important to update your knowledge regularly in both areas.
7. Life Lessons: Experience pays off. A good fisherman and a good investor both rely on their knowledge, skill and experience. Both are trying to reduce risk and navigate their boat or portfolio through good times and bad. Both are in it for the long run, but are always aware of the waters they are in. They have a plan and stick to it.

May you catch the big one this summer!

Five Interesting Trivial Fishy Facts:

1. A biologist who studies fish is called an ichthyologist
2. The most poisonous fish in the world is the Stone fish.
3. The sturgeon is considered the largest of all freshwater fish and have weighed in a 2250 lbs.
4. All the sturgeon (the fish from which we get caviar) caught in British waters are property of Elizabeth II, Queen of England.
5. The largest known fish in the seas is the whale shark. It weighs up top 20 tons and can grow to a length of 40 feet.

Quote: The only reason I ever played golf in the first place was so that I could afford to hunt and fish.

~ Sam Snead

Steven Mayo is a Vice President, Investment Advisor with RBC Dominion Securities Inc. (Member-Canadian Investor Protection Fund). This article is not intended as nor does it constitute investment advice. Readers should consult a qualified professional before taking any action based on information in this article.

