

This quarter we have decided to spare you our musings and give you ten simple investment questions to ponder. Take a moment to read the questions below and think about them as you are enjoying the sun and your summer vacation. For the more ambitious all of the themes touched on below are all in our previous newsletters archived at www.patientcapital.com.

We'll provide the answers in our next newsletter. Hopefully, the exercise will help you to understand the process of preserving and creating wealth.

10 Investment Questions to Think About

- 1) What offers a better return; a portfolio that earned six per cent for four consecutive years or a portfolio that earned fifteen per cent for three years in a row and then lost twenty per cent in the fourth year?
- 2) Which has the worst performance; the TSX dropping from 14,000 to 13,600 or a stock that fell from \$8.00 to \$7.50?
- 3) Do stock splits make an investment any more valuable?
- 4) If a stock falls fifty per cent in price does it mean that it is a good investment?
- 5) Which asset class has performed better since PCM's inception in March of 2000; T-Bills or the S & P 500?
- 6) How many investments does a portfolio need to be truly diversified?
- 7) What are an investor's best friend and worst enemy?
- 8) What is the most important rule of investing?
- 9) How did one of Europe's wealthiest families, the Rothchilds, claim to have made their fortune?
- 10) According to legendary investor, John Templeton, what are the most dangerous words in the investment business?

Enjoy the rest of your summer!

Vito Maida

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