

Conclusion: The Ten New Commandments for Smart Investing

The Ten New Commandments for Smart Investing sum up this book's message and tell you all you need to know about how to be a smart investor.

I'll state the Ten New Commandments and then restate them with an explanation of each one, recapping what has been said in the book and adding additional information.

The Ten New Commandments for Smart Investing

1. Follow a wealth-building strategy, not a gambling strategy.
2. Stop searching for the Holy Grail: give up the futile quest to beat the market.
3. Stop believing that past investment performance predicts future performance.
4. Don't be duped by the false claims of investment managers and advisors.
5. Fire managers and advisors who charge more than barebones fees.
6. Don't pay anyone to pick stocks for you; there's no reward for the cost and risk.
7. Avoid hedge funds like the plague.
8. Know the risks of investing; take only the risk you are comfortable with.
9. Keep fees and taxes as low as possible; they can swamp your investment returns.
10. Invest only in true low-cost index funds.