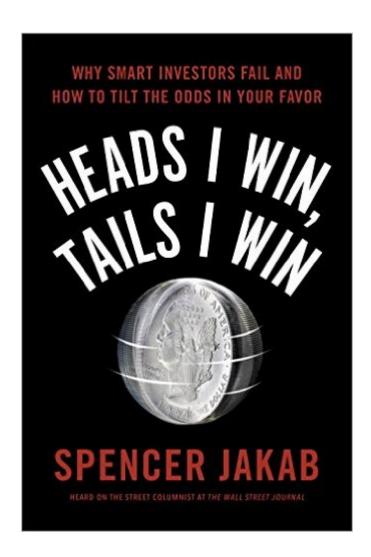
The book was found

Heads I Win, Tails I Win: Why Smart Investors Fail And How To Tilt The Odds In Your Favor





Synopsis

INVESTING IS ONE OF THE FEW AREAS IN LIFE WHERE EVEN VERY SMART PEOPLE LET HOPE TRIUMPH OVER EXPERIENCE Â According to Wall Street Journal investing columÂ-nist Spencer Jakab, most of us have no idea how much money weâ ™re leaving on the tableâ "or that the average saver doesnâ ™t come anywhere close to earning the â œaverageâ • returns touted in those glossy brochures. Weâ ™re handicapped not only by psychological biases and a fear of missing out, but by an industry with multimillion-dollar marketing budgets and an eye on its own bottom line, not yours. Â Unless youâ ™re very handy, you probably donâ ™t know how to fix your own car or give a family member a decent haircut. But most Americans are expected to be part-time fund managers. With a steady, livable pension check becoming a rarity, weâ ™ve been entrusted with our own finances and, for the most part, failed miserably. A Since leaving his job as a top-rated stock anaÂ-lyst to become an investing columnist, Jakab has watched his readersâ "and his family, friends, and colleaguesâ "make the same mistakes again and again. He set out to evaluate the typical advice people get, from the clearly risky to the seemingly safe, to figure out where it all goes wrong and how they could do much better. Blending entertaining stories with some surÂ-prising research, Jakab explains Â How a typical saver could have a retirement nest egg twice as large by being cheap and lazy. A Why investors who put their savings with a high-performing mutual fund manager end up worse off than if theyâ ™d picked one who has struggled. Â The best way to cash in on your hunch that a recession is looming. Â How people who check their brokerage accounts frequently end up falling behind the market. Â Who isnâ ™t nearly as good at investing as the media would have you think. A He also explains why you should never trust a World Cupâ "predicting" octopus, why you shouldnâ TMt invest in companies with an X or a Z in their names, and what to do if a time traveler offers you ecoÂ-nomic news from the future. Â Whatever your level of expertise. Heads I Win, Tails I Win can help you vastly improve your odds of investment success.

Book Information

Hardcover: 288 pages

Publisher: Portfolio (July 12, 2016)

Language: English

ISBN-10: 0399563202

ISBN-13: 978-0399563201

Product Dimensions: 6.2 x 1 x 9.2 inches

Shipping Weight: 1 pounds (View shipping rates and policies)

Average Customer Review: 4.1 out of 5 stars Â See all reviews (34 customer reviews)

Best Sellers Rank: #26,547 in Books (See Top 100 in Books) #103 in Books > Business & Money

> Investing > Introduction #513 in Books > Business & Money > Personal Finance

Customer Reviews

This book harkens back to a question I first encountered in a university investment class back in 1979. Our text was Burton G. Malkielâ ™s A RANDOM WALK DOWN WALL STREET, which had broken ground a few years early by theorizing that all meaningful information is instantly incorporated in stock prices, thereby making it impossible to outperform the market by calculated stock picking. Random Walk Theory postulates that the market can only be beaten by:A) Coincidental luck, i.e. beating the market 10 years in a row would be like flipping a coin 10 times in a row and it landing on heads every time. The law of probability says that must happen occasionally, but isnâ ™t predictable.B) Taking on more risk than the market as a whole. You might beat the market by using leverage (margin, options, or leveraged ETFâ ™s) during those periods when you anticipate the trend correctly, but the leverage will eliminate those gains just as rapidly when the market reverses and goes against your position. I remember that one of the students had the temerity to ask our professor if he really believed the random walk theory. â œl wouldnâ ™t be teaching an investment course if I did, a • the old prof answered slyly. I still wonder what he meant by that. Did he mean that he didnâ ™t believe Random Walk Theory, or that he believed it but couldnâ TMt admit to believing it and still keep his job as a professor of finance? As for me, I had been a stock market junkie since high school. I grew up watching Louis Rukeyserâ ™s Wall Street Week, which advocated calculated stock picking on the basis of fundamental company and economic analysis.lâ ™d done well with stocks like IBM and Conoco, so I thought of myself as a budding stock picker who didnâ ™t put much stock in the random walk.

A well researched and written book. Referencing many great investors from Peter Lynch to Warren Buffett. "A central tenet of this book is that itâ TMs better in the long run to be smart than lucky." â celf you take away only one lesson from Head I Win, Tails I Win, then, itâ TMs that being smart is way more important than being lucky. Investing is a repeatable exercise and thereâ TMs no avoiding losing money or, almost as painful for some people, letting a hot stock tip go by that makes someone else a fortune. The people who wind up with the biggest pot of money at the end, though, are almost always the ones who didnâ TMt worry about that and played the odds correctly.â •While some people magically (i.e. fluke luck) predicted the financial crisis, virtually none of those people

got fully reinvested in the stock market (i.e. dumb strategy), and missed out on tremendous gains from 2009 through 2016. Stocks pose risk, and markets will undoubtedly crash again in the future, but for investors that can stomach the volatile moves, long-term gains will be there. â œTherein lies the rub of investing in stocks. In order to unlock their extra return, you have to be willing to accept big losses in the interim. Reacting to those ups and downs by selling or buying at the wrong times is a big reason why investors wind up living in Lake Moneybegone.â • â œSimply checking your investments less frequently decreases the odds of doing something silly.â •Short-term trading can hurt returns, drive up costs, and be tax inefficient. While having the data to support investing in broad benchmarks (e.g. S&P 500), the book does briefly address value investors (e.g. Warren Buffett) and companies with long-term sustainable dividends have the potential to outperform the market.

Download to continue reading...

Heads I Win, Tails I Win: Why Smart Investors Fail and How to Tilt the Odds in Your Favor Fail, Fail Again, Fail Better: Wise Advice for Leaning into the Unknown Heads or Tails Animal Heads: Trophy Heads to Crochet Gods Generals: Why They Succeeded And Why Some Fail Small Favor: The Dresden Files, Book 10 Chocolate Milk, Por Favor: Celebrating Diversity with Empathy Soccernomics: Why England Loses, Why Spain, Germany, and Brazil Win, and Why the U.S., Japan, Australia—and Even Iraq—Are Destined to Become the Kings of the World's Most Popular Sport Soccernomics: Why England Loses, Why Spain, Germany, and Brazil Win, and Why the U.S., Japan, Australia— and Even Irag— Are Destined to Become the Kings of the World's Most Popular Sport The Mental Game of Poker: Proven Strategies for Improving Tilt Control, Confidence, Motivation, Coping with Variance, and More Full Tilt: Ireland to India with a Bicycle Full Tilt (Janet Evanovich's Full Series) Smart Money Smart Kids: Raising the Next Generation to Win with Money How to Fail at Almost Everything and Still Win Big: Kind of the Story of My Life You Are Not So Smart: Why You Have Too Many Friends on Facebook, Why Your Memory Is Mostly Fiction, and 46 Other Ways You're Deluding Yourself You Are Not So Smart: Why You Have Too Many Friends on Facebook, Why Your Memory Is Mostly Fiction, and 46 Other Ways You're Deluding Yourself Smart Investors Keep It Simple: Creating passive income with dividend stocks The WSJ Guide to the 50 Economic Indicators That Really Matter: From Big Macs to "Zombie Banks," the Indicators Smart Investors Watch to Beat the Market (Wall Street Journal Guides) Why Nations Fail: The Origins of Power, Prosperity, and Poverty The Signal and the Noise: Why So Many Predictions Fail--but Some Don't

Dmca