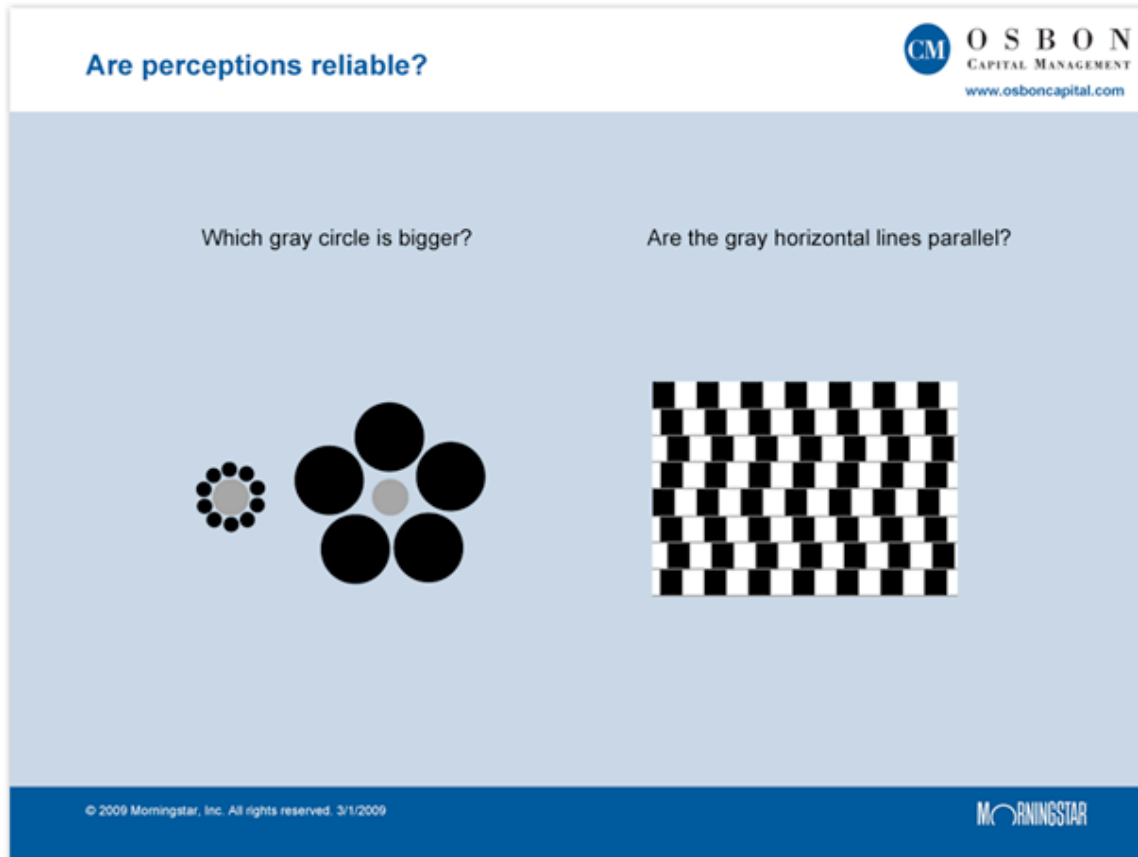




## Quick Q & A #7

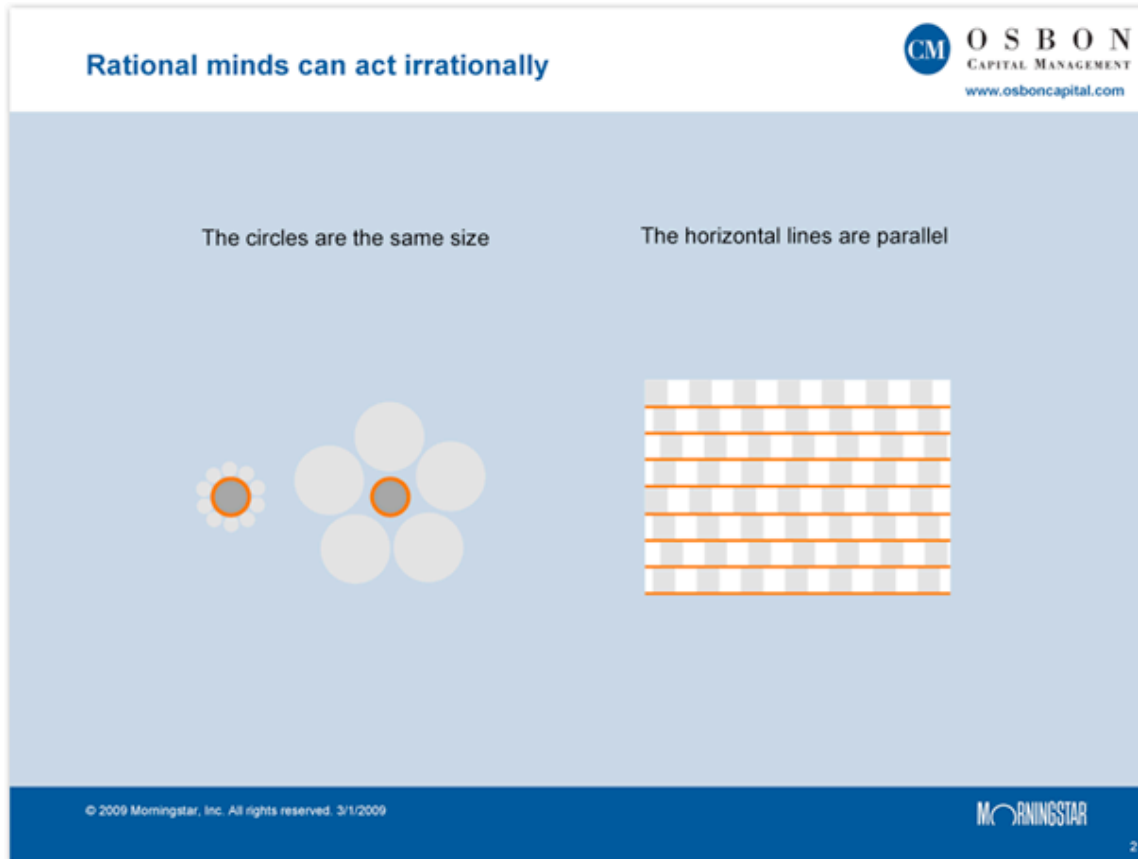
### Q: Can we really trust perception?



### A: Not always. It is easy to be fooled by what we see.

Our senses can trick us sometimes. For instance, which gray circle is larger in the graphic above? And are the gray horizontal lines parallel?

When we get fooled in a game, it can be amusing, but when it happens in investing, the consequences can be severe. In volatile markets, it is easy to see trends or patterns in stock prices that aren't really there. Trusting perceived patterns, hunches, or rumors, can lead to poor investment decisions.



One of the best ways to limit exposure to misperception is to simply reduce the number of decisions to be made. We advocate holding diversified portfolios of indexes – representing a wide range of asset classes – for the long term. Sticking to this approach defuses the Siren-like lure of “hot” stocks and arrests the temptation to time the market.

**Read more:** [More Quick Q&As from Osbon Capital Management](#)

**Next time:** Why is time your best friend?

**Contact:** John Osbon 617-217-2772 [josbon@osboncapital.com](mailto:josbon@osboncapital.com)

**Visit:** [www.osboncapital.com](http://www.osboncapital.com)

*Osbon Capital Management, LLC ("Osbon") is an SEC registered investment adviser with its principal place of business in the Commonwealth of Massachusetts. Osbon and its representatives are in compliance with the current notice filing requirements imposed upon registered investment advisers by those states in*



*which Osbon maintains clients.*

*This Q&A contains general information that is not suitable for everyone and should not be construed as personalized investment advice. The historical data presented herein are for informational purposes only and do not reflect actual client accounts.*

*Any historical returns are not net of advisory and/or other fees and expenses. Past performance is no guarantee of future results. There is no guarantee that the views and opinions expressed in this Q&A will come to pass. Investing in the stock market involves gains and losses and may not be suitable for all investors. Information presented herein is subject to change without notice and should not be considered as a solicitation to buy or sell any security.*

*For additional information about Osbon, including fees and services, send for our disclosure statement as set forth on Form ADV using the contact information herein. Please read the disclosure statement carefully before you invest or send money. For information pertaining to the registration status of Osbon, please contact Osbon or refer to the Investment Adviser Public Disclosure web site ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).*