



Buy Low, Sell High sounds simple but clients need a framework

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# Wall Street Has Failed

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Source: [chargingbull.com](http://chargingbull.com)

PortfolioConstruction Forum Summit 2017 ([PortfolioConstruction.com.au/Summit](http://PortfolioConstruction.com.au/Summit))

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# Wall Street Sells Outcomes



Source: Platinum

PortfolioConstruction Forum Summit 2017 ([PortfolioConstruction.com.au/Summit](http://PortfolioConstruction.com.au/Summit))



# The Limitations of a Stock

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Source: The Daily Dot

PortfolioConstruction Forum Summit 2017 ([PortfolioConstruction.com.au/Summit](http://PortfolioConstruction.com.au/Summit))

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# The Barbeque is Dangerous



Source: Huffington Post

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# Fractal Markets Hypothesis

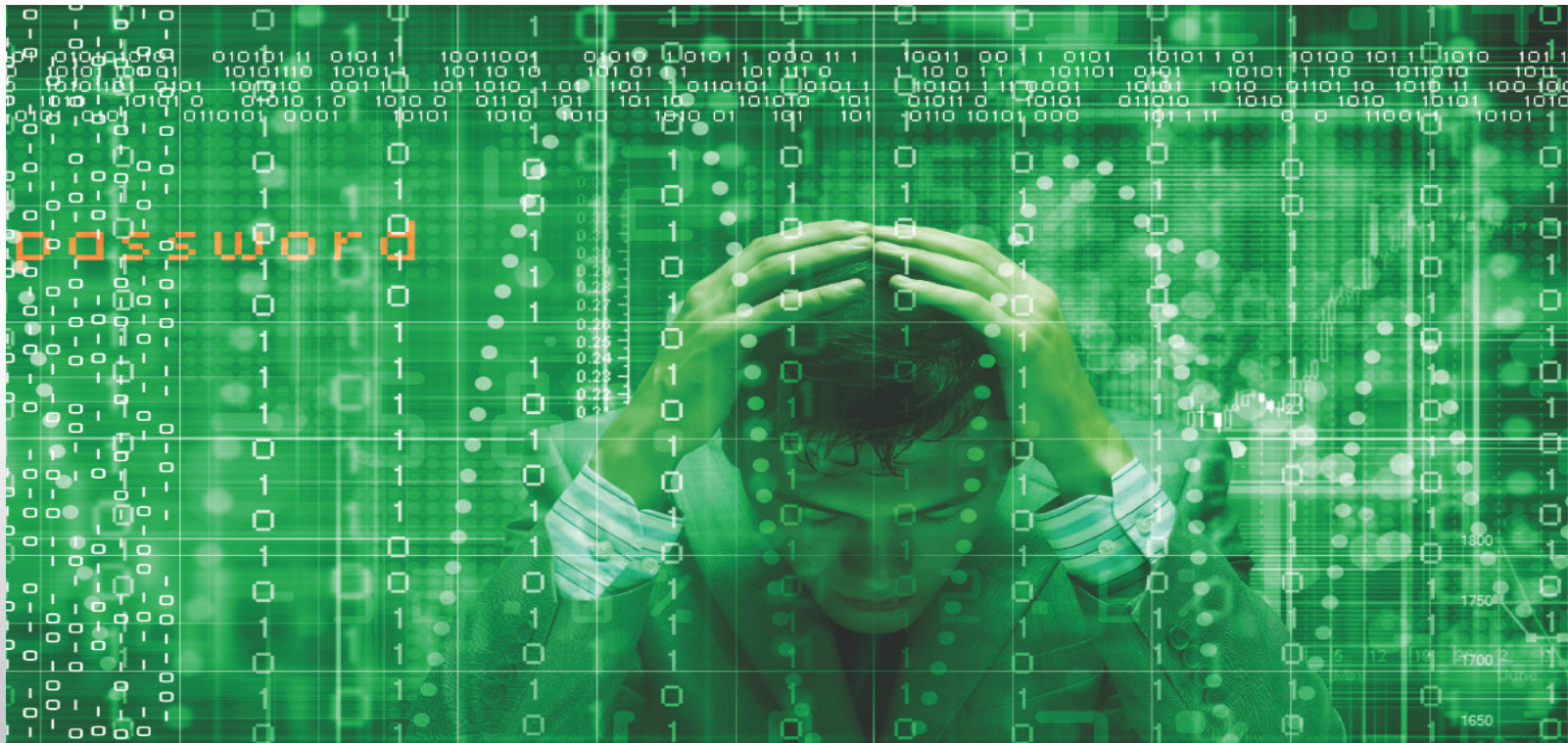


Source: [snowsbest.com](http://snowsbest.com)

PortfolioConstruction Forum Summit 2017 ([PortfolioConstruction.com.au/Summit](http://PortfolioConstruction.com.au/Summit))

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# Responses are Hardwired



Source: The Maritime Executive

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# We Struggle with Time



Photo taken at MOMA, New York

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# Keynes' Beauty Contest



Source: [missamerica1933.com](http://missamerica1933.com)

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# Loss Aversion

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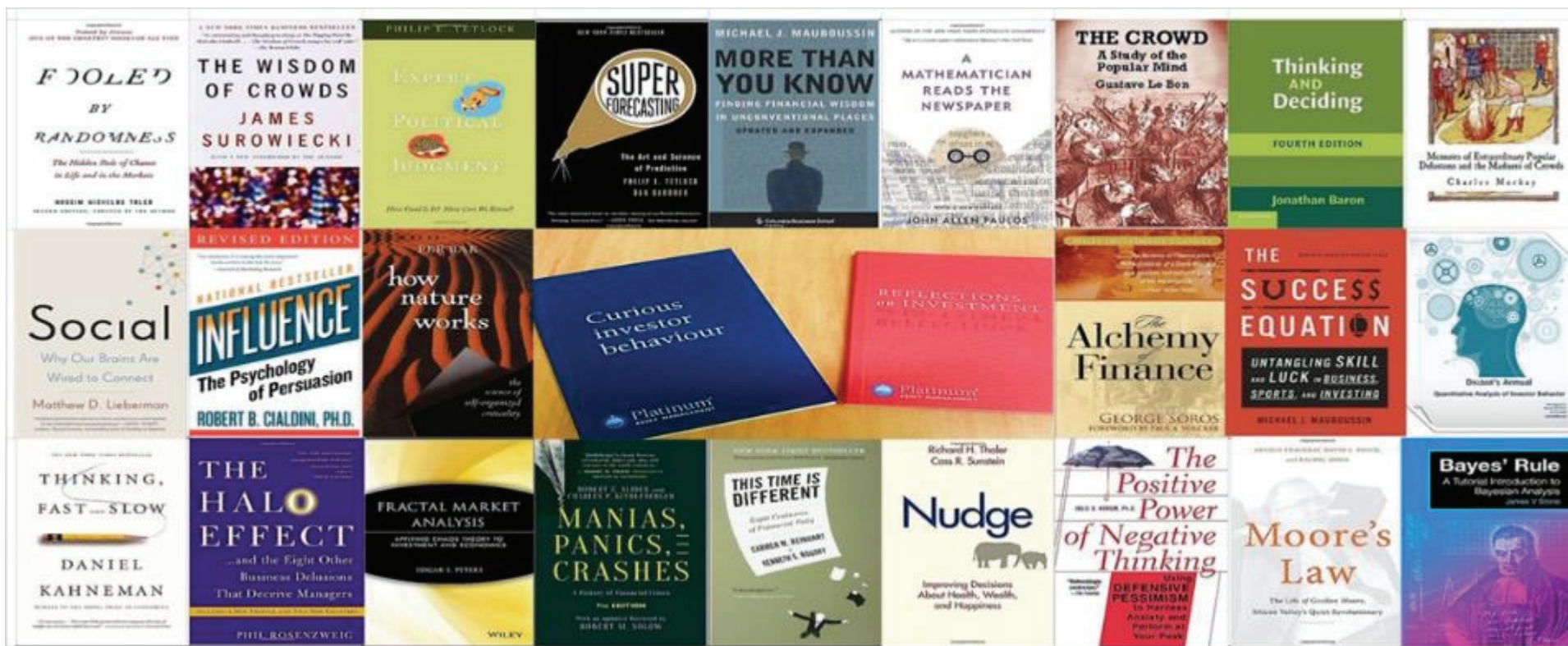
Source: BBC

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# Additional Reading



Source: Platinum, Amazon, Dalbar

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# Building a Framework

	Negative Change	Positive Change
Over-Reaction	<b>EXAGGERATED DEMISE?</b> LOOK TO <b>BUY</b>	<b>DANGEROUS EXTRAPOLATION?</b> LOOK TO <b>SELL</b>
Under-Reaction	<b>BROKEN BUSINESS?</b> LOOK TO <b>SELL</b>	<b>UNDERAPPRECIATED GROWTH?</b> LOOK TO <b>BUY</b>

Source: Platinum

PortfolioConstruction Forum Summit 2017 (PortfolioConstruction.com.au/Summit)



# Building a Framework

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**SALE**

Source: John Deere

PortfolioConstruction Forum Summit 2017 ([PortfolioConstruction.com.au/Summit](http://PortfolioConstruction.com.au/Summit))

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# Building a Framework

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**SELL HIGH**

**BUY LOW**

**SALE**



# Summary

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- Wall Street has Failed
- The Barbeque is Dangerous
- Responses are Hardwired

# Client Framework

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SELL HIGH



BUY LOW



# Disclaimer

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A photograph of several sailboats on the ocean under a cloudy sky. The central sailboat has a prominent purple sail, while the others have dark sails. The text 'The winds of change' is overlaid in a large, white, serif font.

# The winds of change