



Understand the Investment—and Yourself

08 August 2026 | Risk | 4 minutes

THOUGHT FOR THE DAY

If you know your opponent and know yourself, you need not fear the outcome of a hundred battles.

Sunzi tradition

What does it mean?

Sunzi's words come from the world of war. We can apply them peacefully to money: knowing an investment well is not enough. It is just as important to know how you react when the future is uncertain.

When you understand your feelings, you can set clear rules in advance. A good plan helps when values fall, time feels short, or other people become excited. It cannot remove risk, but it can protect you from rushed decisions.

YOUR TASK FOR TODAY

Choose one investment and complete these sentences: "I am holding it because ..." and "I will review it if ..."

Put it into practice

- 01 Write down what you would do if an investment lost a large part of its value.
- 02 For one important investment, note: What is its purpose? What could go wrong? Why are you keeping it?
- 03 Before your next decision, decide how much money you will invest, how long you plan to stay invested, and how much you will keep in reserve.

YOUR QUESTION

Which of your own reactions could make a good decision harder?