The Investment Answer by Daniel Goldie and Gordon Murray

We believe it to be a worthwhile read and invite you to contact our offices for a complimentary copy.

To begin with, the book unfolds the insights of more than 60 years of market research in clear and easy to follow language, and does so in a spare 96 pages. Beyond its simple eloquence, however, it is also a testament to one man’s desire to share something important with the world, even as he faced imminent death.

Gordon Murray wrote this book with Daniel Goldie after being told that the brain cancer he’d first fought two years previously had returned. Knowing that the odds were against a successful outcome from a second round of treatment, he chose to forego any further medical procedures. With time now short and a certain end looming, he set out to write a book aimed at helping people make sound decisions about how to invest their hard-earned savings. Murray had spent 25 years on Wall Street, working for the likes of Goldman Sachs and Lehman Brothers, and he knew there was no help to be found there. Quite the contrary, his experience had shown him that Wall Street stacks the odds against the average investor. A different approach was called for, one founded upon the best available evidence from the fields of finance and economics.

Murray and co-author Goldie framed their book around five basic decisions that every investor must make. The decisions, as described in the book, are as follows:

1.) The Do-It-Yourself Decision
Should you try to invest on your own or seek help from an investment professional? And if so, which type of advisor is best?

2.) The Asset Allocation Decision
How should you allocate your investments among stocks (equities), bonds (fixed income), and cash (money market funds)?

3.) The Diversification Decision
Which specific asset classes within these broad categories should you include in your portfolio, and in what proportions?

4.) The Active versus Passive Decision
Should you favor an actively managed approach to investing that seeks to outsmart the market, or a more passive approach that delivers market-like returns?

5.) The Rebalancing Decision
When should you sell certain assets in your portfolio and when should you buy more?

In answering these questions, they make a clear and compelling case for a philosophy and approach that are very much consistent with our own. Hence our desire to let you know about it.

And if you’re interested in hearing more about Gordon Murray’s story, there is both an NPR radio broadcast and an ABC Nightline feature in which Gordon is interviewed, in both cases less than a month before his death.