

# 10 PRINCIPLES FOR INVESTMENT SUCCESS

Templeton Maxims



FRANKLIN TEMPLETON  
INVESTMENTS

## Gain from Our Perspective®

By bringing together multiple, world-class investment teams in a single firm, Franklin Templeton Investments is able to offer specialised expertise across styles and asset classes, all supported by the strength and resources of one of the world's largest asset managers. Having pioneered global investing 70 years ago, our global perspective is shaped by local expertise. Today, we have over 650 investment professionals on the ground across the globe, spotting investment ideas and potential risks first-hand. Our experience, global resources and focus on investment excellence have helped us to become a trusted partner to millions of investors worldwide.

# THE TEMPLETON MAXIMS

The maxims in this booklet were created by Sir John Templeton, who was the founder of the Templeton investment group and worked for the company until his retirement.

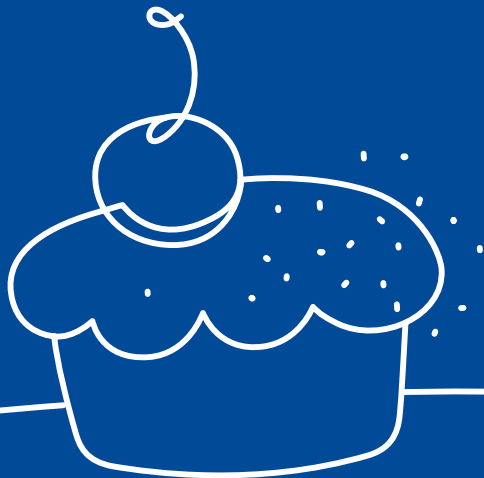
He was regarded as one of the world's wisest and most respected investors. Forbes magazine described him as “the dean of global investing” and “one of the most successful money managers in history”.

The Templeton funds still follow his investment management principles. These maxims have stood the test of time and we believe they are of enduring value to investors.

# 1 INVEST FOR REAL RETURNS

The true objective for any long-term investor is maximum total real return after taxes.







# 2 KEEP AN OPEN MIND

Never adopt permanently any type of asset or any selection method. Try to stay flexible, open-minded and sceptical. Long-term top results are achieved only by changing from popular to unpopular the types of securities you favour and your methods of selection.

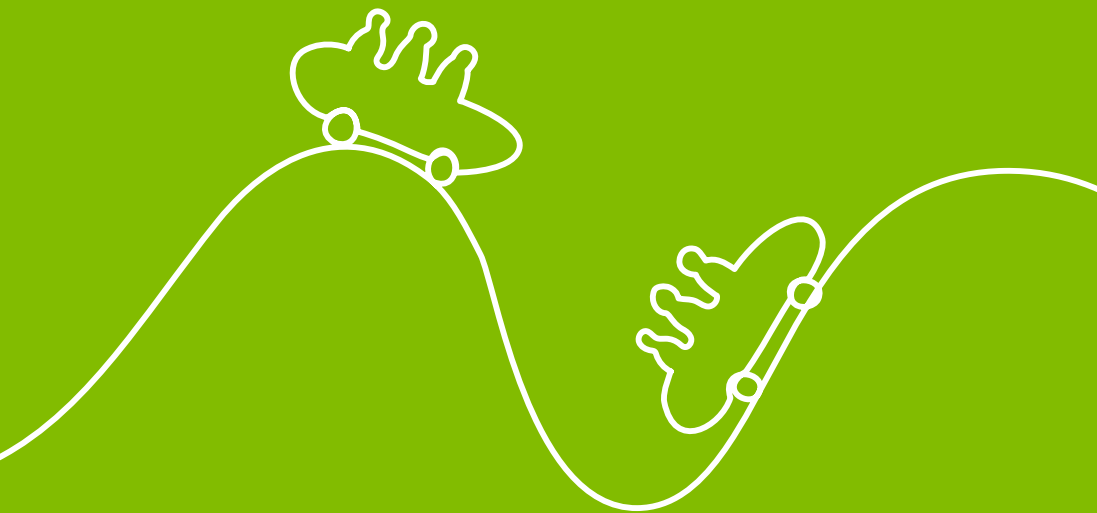
# 3 NEVER FOLLOW THE CROWD

If you buy the same securities as other people, you will have the same results as other people. It is impossible to produce a superior performance unless you do something different from the majority. To buy when others are despondently selling and to sell when others are greedily buying requires the greatest fortitude and pays the greatest reward.



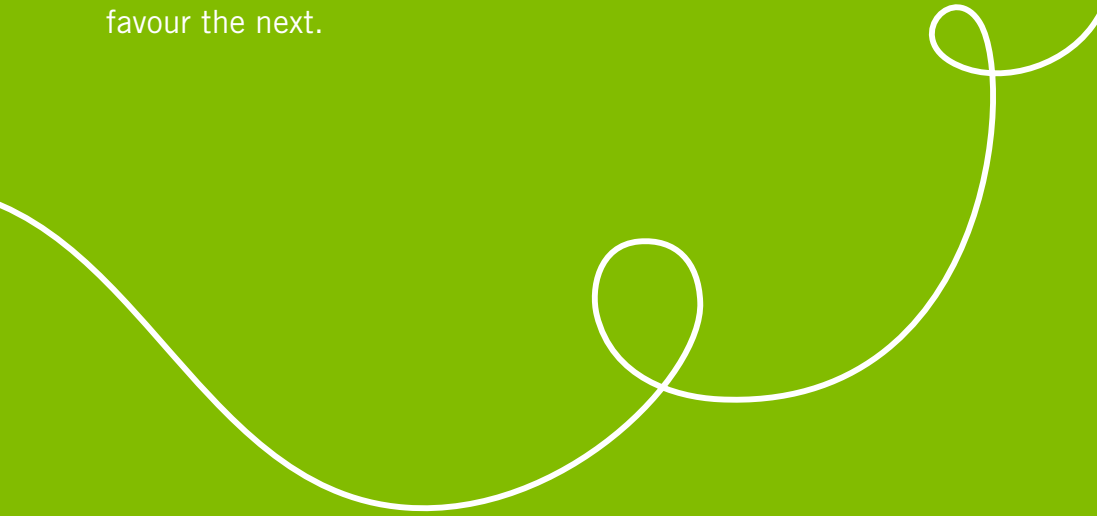






# 4 EVERYTHING CHANGES

Markets are constantly moving, with share prices going up and down in value on a regular basis. A particular industry or type of security can be popular with investors one minute but fall out of favour the next.



# 5 AVOID THE POPULAR

When any method for selecting stocks becomes popular, then switch to unpopular methods. Too many investors can spoil any methods for buying shares.







# 6 LEARN FROM YOUR MISTAKES

“This time is different” are among the most costly four words in market history.

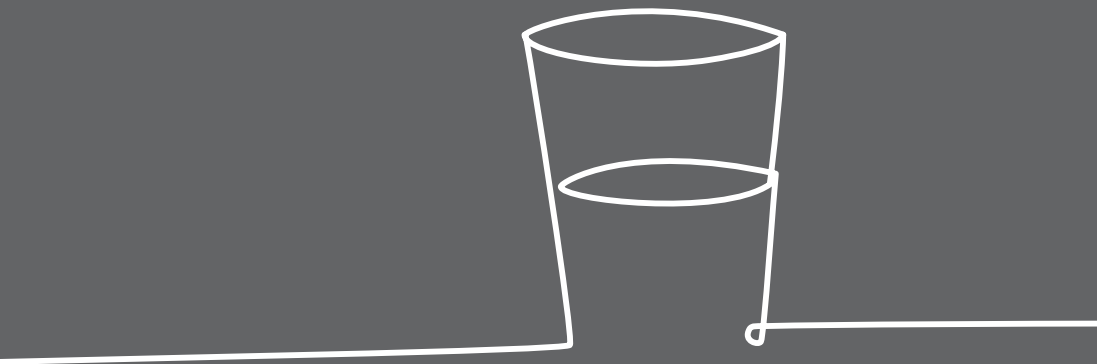
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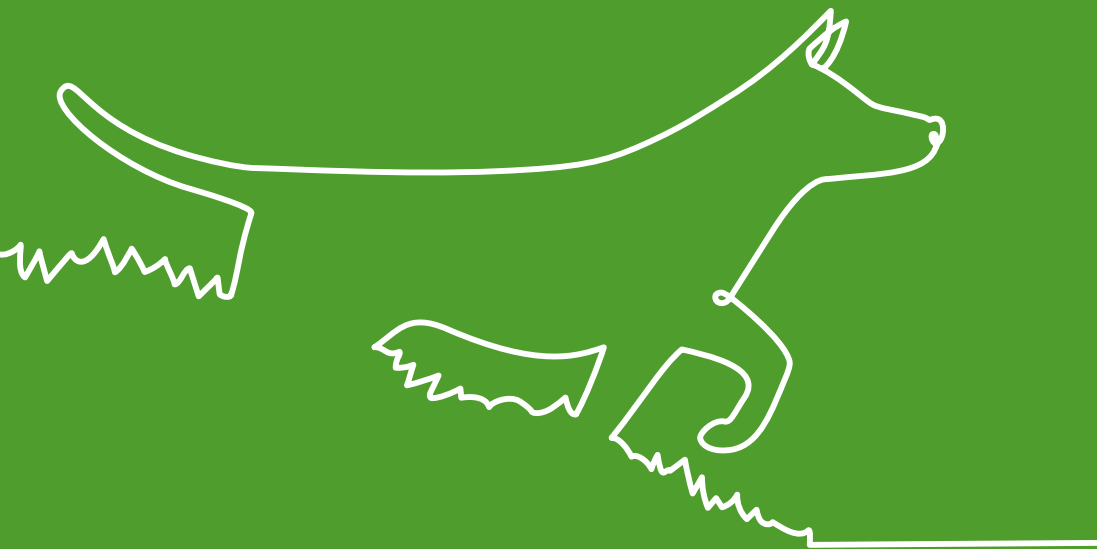
# 7 BUY DURING TIMES OF PESSIMISM

A rising market is born on pessimism, grows on scepticism, matures on optimism and dies on euphoria. The time of maximum pessimism is the best time to buy, and the time of maximum optimism is the best time to sell.









# 8 HUNT FOR VALUE AND BARGAINS

Too many investors focus on outlook and trend.  
Therefore, more profit is made by focusing on value.  
In the stock market, the only way to get a bargain  
is to buy what most investors are selling.

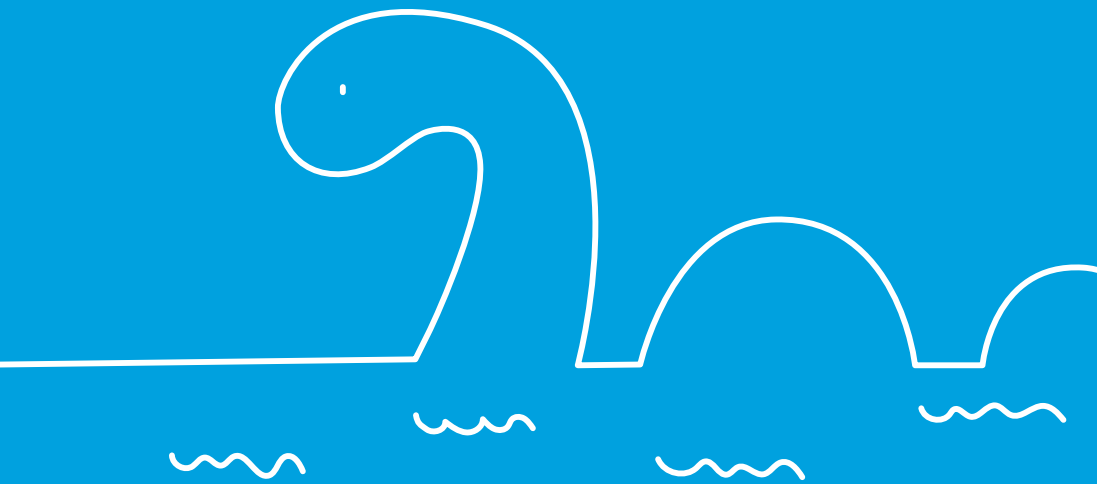
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# 9 SEARCH WORLDWIDE

To avoid having all your eggs in the wrong basket at the wrong time, every investor should diversify. If you search worldwide, you will find more and better bargains than by studying only one nation. You also gain the safety of diversification.







# 10 NO-ONE KNOWS EVERYTHING

An investor who has all the answers doesn't even understand the questions.



The value of investments and any income from them can go down as well as up, and you may get back less than you invested.

*This document is intended to be of general interest only. Nothing in this document should be construed as investment advice. Opinions expressed are the author's at publication date and they are subject to change without prior notice.*

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