



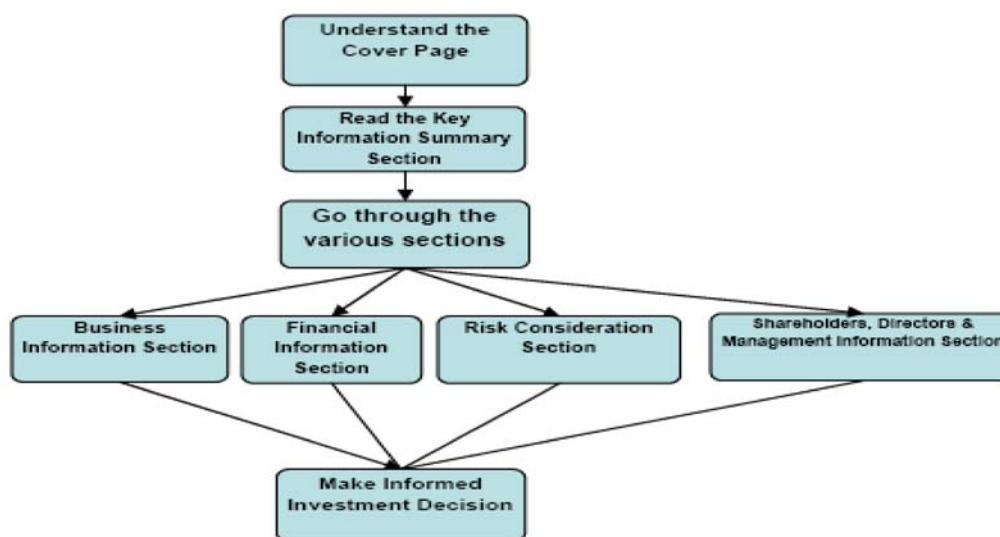
Index:	44,380.96	-2.91%
Cap:	N9.45trn	- 2.9%
Volume:	2.03 billion	+176.2%
Value:	N13.0bn	+261%

- Benjamin Graham

Analysing Offer Prospectus for effective investing 3

... Continued from last week

Public Offer Prospectus Review Process



“ If the Utilization of Proceeds section lists debt repayment or a dividend to pre-PO investors, this cash is essentially going to clean up past obligations, rather than provide funding for future growth opportunities.

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INVESTORS' EDUCATION

Common mistakes made by novice investors

... Continued from last week

Mistakes are a part of trading. Every trader makes them. But the most successful traders in the world—the ones who make huge profits every year—are the ones who make the least number of mistakes. The following is a list of common trading mistakes. Once you have learned to avoid these errors, you will expand your knowledge of the stock market and increase your chances of making more winning investments.

Following the Crowd

Although it has been said, there is safety in numbers that statement almost never applies to trading. Successful traders know that it is better to “lead the pack” than it is to blindly “follow the herd.” Because the biggest profits are made by catching moves before the crowd has a chance to react, it’s important that you form your own opinions and then act on them with total confidence.

Losing Your Cool

The most successful investors possess personalities that allow them to keep their emotions in check, even when they are wrong about their position. By remaining objective at all times, you will make more intelligent decisions and avoid making trades based on anger or revenge. If you have difficulty controlling your emotions, you probably will not make a very good trader.

Being Over-cautious

Procrastinators make lousy traders. Although one should never act on gut instinct alone, being too cautious or indecisive can be almost as destructive to your trading results. The best traders are the ones who are able to respond quickly and automatically to what they see in the market. Those who do not have the courage and conviction to act on their judgment are better off investing their money some other way.

Being Greedy

It is one of the first things every beginning trader learns: let profits run. However, how do you decide how far to let them run? When a trade goes in your favor and you have already made a handsome profit, it is sometimes a good idea to take the money and run. One of the biggest mistakes some traders make is staying in the market for too long hoping for a windfall that will make them rich all at once. Of all the emotions that can affect trading results, greed is the most destructive.

Not Doing Your Homework

Although it can be tremendously rewarding, trading also is quite demanding. Anyone who tells you differently has not traded for very long. The best investors are the ones who have made a commitment to do what it takes to become a success.

... To be continued next week