



Extraordinary returns follow extraordinary discipline. Discipline in buying and selling, and maybe the most important one of all, holding. *Developing the conviction to hold is something that I've learned over time. It didn't come easy.* The basis of this article is to give some insight on how to develop the conviction to hold your winners.

It is very tempting to sell along the way, and it's okay to take a little off the table, but the big money is made by holding.

"It never was my thinking that made the big money for me. It always was my sitting."

Reminiscences of a Stock Operator

Many of us, including myself, look at stocks that have made big moves and think to ourselves, "*If I would have only knew about that company and bought it back then.*" But would you really have developed the conviction to hold during the run up? The problem is that to achieve a multi-bagger in the portfolio, you have to hold a multi-bagger. And if you want it to change your life, you need to hold a lot of it.

Don't bother finding the next multi-bagger if you aren't going to develop the conviction to hold it

Over the last decade, I've been lucky enough to be invested & traded in a System or few stocks that have gone up 5-10-over a multi-year time horizon. From my experience, **the only way to hold onto a big position after it makes a big move is to know the underlying company or Systems better than anyone else.**

Greed and fear will test your resolve, so you need to learn to keep these emotions in check. You need to believe in your due diligence and form an unwavering conviction.

Turtle Wealth Management

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So how do you develop the conviction to hold?

I think many misperceive high conviction for close-mindedness, ignorance, and arrogance. The conviction I'm talking about is quite the opposite. You need to constantly assess your positions and openly listen to counter arguments. Only then will you have the conviction to hold multi-baggers because you will understand all sides to the story.

You also need to develop a thick skin. If you are not ready to be criticized for your convictions than you aren't ready to make real money.

A big part of successful investing or Trading is becoming content doing **nothing**. If you are in great companies or Systems, a **lot of times your biggest risk is boredom**. Warren Buffett's famous quote, "**Our favorite holding period is forever**". If he likes where the business is headed, he'll continue to hold it and probably buy more. Don't be active for activity sake. **Remember, there are no day traders on the Forbes 400 list.**

Learn to be content holding and doing nothing.

"Patience is power.

Patience is not an absence of action;

Rather it is "timing"

it waits on the right time to act,

For the right principles

And in the right way."

– Fulton J. Sheen

Regards,

Rohan Mehta

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