

## Investment in bonds

### Bonds for steady cash flow

While stocks are more fun and have greater potential whenever they are available at reasonable prices we also like bonds for their steady cash flow which lends stability to a portfolio. We follow here also a long term approach. If we find the yield attractive and the quality acceptable, then we keep the debentures without worrying unduly whether rates are moving up or down. Often we invest in non-investment graded sovereign bonds of emerging markets.

We are convinced that the investor who adheres to sound principles and has enough patience will be eventually rewarded by above average returns. Money will be a by-product of a job properly done. And never forget the first rule of investing, which is not to lose.