



Why Didn't I Buy Apple Stock?

by Cullen Douglass, CFP®

Why didn't I buy Apple stock? If I had invested \$1,000 in Apple stock in 1996, what would it be worth today? The math is staggering. The annual return was over 27% to July 2015. That is more than an investment in Microsoft or IBM would have returned during that period. Those two companies had double-digit returns over the past 20 years. As a financial advisor, I wish I had a crystal ball and could look in to the future and know which stock to pick and which company to invest in. The portfolio of these three companies would have given an investor a double-digit return over the past 20 years, which would make my job of helping clients build wealth easier. If I had been smart enough to advise a client to put \$1,000 in Apple stock, the value in July 2015 would have been more than \$117,000. That's a home run for my clients and their financial goals.

Then I hit the reality button. I wasn't smart enough, or lucky enough, to forecast Apple's success over those 20 years. For the first five years, IBM and Microsoft were far more successful than Apple. I'm sure I wouldn't have held Apple stock after analyzing its performance. It's always easier to sit back and say "shoulda, coulda, woulda". Without the data, it's impossible to guess correctly. You can't have all the information until after the fact.

Knowing that, how do I advise clients? Do I quit because I don't have all the answers about what stock to pick? Or do I build a portfolio that helps them meet their financial objectives and helps them protect their downside through a diversified plan? Like an old parable says, do I bet on the tortoise, or the hare? Find a advisor and get started on your goals and objectives.

Cullen Douglass uses Integrum Wealth as a marketing name for doing business as a representative of Northwestern Mutual. Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company, Milwaukee, WI (NM) (life and disability insurance, annuities, and life insurance with long-term care benefits) and its subsidiaries. Cullen Douglass is a Representative of Northwestern Mutual Wealth Management Company® (NMWMC), Milwaukee, WI (fiduciary and fee-based financial planning services), a subsidiary of NM and limited purpose federal savings bank. Cullen Douglass is a Registered Representative of **Northwestern Mutual Investment Services, LLC** (NMIS) (securities), a subsidiary of NM, registered investment adviser, broker-dealer and member FINRA (finra.org) and SIPC (sipc.org). Cullen Douglass is an Insurance Agent of NM.

Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™ and CFP® (with flame design) in the U.S., which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements