



The Single Most Important Fact to Know to be a Successful Stock Market Investor

By Dennis Blitz, President, The IRA Club

For investors few dreams are more appealing than enjoying long term stock market success. Yet, few accomplishments are as elusive. The frustration is compounded by fact that we know that there are some people who, year after year, achieve superior results. What do they know that the rest of the investors do not?

According to Dennis Blitz, president of The IRA Club and author of the forthcoming book *Saving More Is Not the Real Answer*, the secret to successful investing is hiding in plain site. Blitz suggests that investors think back to every interview and article about a successful investment market guru. When asked “what is the secret to your success”, the answer is almost always the same: “I use a disciplined approach to select stocks and I only buy those stocks that fit that criteria.” The guru will often reveal his or her stock selection criteria. Maybe they only buy stocks in companies whose sales are increasing faster than the sector or stocks in companies that have increased their dividends, or stocks of companies that have a high return on equity, etc.

Why are successful investors so willing to tell the world their valuable selection secrets? Because they know that it doesn't matter what criteria you use. The real secret to success is contained in the sentence that most of us hear yet ignore. The important sentence is “I use a *disciplined approach* to selecting stock.”.

While many investors buy a stock because it “looks good” or because they read about it in a newsletter or heard about on CNBC, studies show that success goes to the investors who find two or three criteria for stock selection and stick with them. (A list of proven investment criteria can be found at www.dennisblitz.com.)

Blitz adds that there is a second advantage to this method of investing: It helps answer the question when should I sell. For the disciplined investor they sell the stock when it is no longer meeting one of their criteria.

For more information on this topic and hundreds of additional investment ideas, watch for my forthcoming book [*Saving More Isn't The Real Answer*](#) or visit www.dennisblitz.com.

Dennis Blitz is an active writer and lecturer on the topic of investing; he is President of The IRA Club, an organization dedicated to providing investors with the education to achieve the greatest possible growth in their Individual Retirement Accounts. Mr. Blitz was president of Dearborn Financial Publishing before its acquisition by The Washington Post Company.