



Book, Software and Website Reviews

Money Logic: Financial Strategies for the Smart Investor

Moshe A. Milevsky, Ph.D. with Michael Posner; Stoddart Publishing Co., Toronto, Canada, 1999, ISBN 0-7737-3171-7.

Moshe Milevsky, a Finance Professor at York University, and Michael Posner, one of Canada's most respected financial journalists, have combined to produce an interesting and useful new book for the Canadian investor. *Money Logic: Financial Strategies for the Smart Investor* examines a wide range of investment decisions using the concept of probability of regret—the probability of one alternative underperforming another over the relevant time horizon—to evaluate investment risk.

This is not an investments textbook. It lacks the breadth, rigor and ancillary materials needed for a course textbook. *Money Logic* is an excellent book for the Canadian investing public. This easily understood book covers a wide range of investment issues including dollar cost averaging, mutual funds, international diversification and retirement planning using both fixed income and equity instruments. The book is thoroughly grounded in Canadian tax law, Canadian financial institutions and the Canadian economic system. This makes the book far superior to most United States based personal investing books for a Canadian investor, but makes the text inappropriate for most US investors. Of special interest to Canadian investors are the thorough discussion and analysis of the Index-Linked Guaranteed Investment Certificate (ILGIC) and the Registered Retirement Savings Plan (RRSP). The RRSP is covered over several chapters including both the accumulation phase and retirement alternatives.

Canadian investors should give this book a try. It is interesting, well written and useful.

Douglas R. Kahl
*Professor of Finance, University of Akron,
College of Business Administration,
Department of Finance, Akron, OH 44325-4803, USA
E-mail address: kahl@uakron.edu*