EVENSKY & KATZ / FOLDES FINANCIAL
WEALTH MANAGEMENT

**NewsLetter Vol. 11, No. 7 – December 2018**

**Dear Reader:**

**NOT LOOKIN' GOOD**

For active managers. From the S&P DOW Jones SPIVA Scorecard:

> Overall performance of active equity funds relative to their respective benchmarks over the medium term also improved, although the majority still underperformed their benchmarks. Over the five-year period, 76.49% of large-cap managers, 81.74% of mid-cap managers, and 92.90% of small-cap managers lagged their respective benchmarks. Similarly, over the 15-year investment horizon, 92.43% of large-cap managers, 95.13% of mid-cap managers, and 97.70% of small-cap managers failed to outperform on a relative basis.

https://us.spindices.com/documents/spiva/spiva-us-mid-year-2018.pdf

**WHERE'S THE BENJAMINS ($100 BILLS)?**

In billions of notes, how much cash was in circulation in 2017?

| | |
|---|---|
| $1 | 12.1 |
| $2 | 1.2 |
| $5 | 3.0 |
| $10 | 2.0 |
| $20 | 9.1 |
| $50 | 1.7 |
| $100 | 12.5 |

$100 bills as a percentage of total cash: 78%

There are 36 $100 bills in circulation for every man, woman, and child in the United States.

Where are the $100 bills?

- $80 billion in domestic depository institutions
- $453 billion with domestic businesses and individuals
- $1.07 trillion held abroad!

www.wealthmanagement.com

**GREAT MINDS**

From Deena's office:

Great Minds Discuss Ideas
Average Minds Discuss Events
Small Minds Discuss People

**SOUND ADVICE**

Some basic but wise advice from The Bogleheads' Guide to the Three-Fund Portfolio: How a Simple Portfolio of Three Total Market Index Funds Outperforms Most Investors with Less Risk, by Taylor Larimore, via my friend Alex:

1. A 100% stock portfolio can be dangerous.
2. Believing a broker is your friend can be dangerous.
3. Avoid the lure of individual stocks.
4. Past performance does not forecast future performance.
5. Investment newsletters are a waste of money, and market-timing doesn't work.
6. Past performance does not forecast future performance (some advice requires repeating).
7. Avoid expensive stockbrokers and their hidden fees.
8. Buying high and selling low is a losing strategy.

The Boglehead Philosophy
1. Develop a workable plan.
2. Invest early and often.
3. Never bear too much or too little risk.
4. Diversify.
5. Never try to time the market.
6. Use index funds when possible.
7. Keep costs low.
8. Minimize taxes.
9. Invest with simplicity.
10. Stay the course.

https://www.amazon.com/gp/product/1119487331

**THERE'S A SECRET CODE ON YOUR MILK. HERE'S WHAT IT MEANS.**

Most dairy farmers don't bottle and sell directly to grocery stores. They work with regional dairy plants, which act as middlemen. You can see what dairy bottled your milk. Just grab a gallon and look at the code!

Here's what to do:

- Find the secret code—usually located near the expiration date. It looks like: 01-12345 or 01-02.
- Pull up Where Is My Milk From (http://whereismymilkfrom.com/#) and type in the code to see where your milk was bottled.

http://www.msn.com/en-us/foodanddrink/tipsandtricks/theres-a-secret-code-on-your-milk-heres-what-it-means/ar-BBOQWSS?li=BBnb7Kz&ocid=iehp

## BOZO JIM CRAMER BLAMES MOMENTUM ETF FOR HIS RECENT PERFORMANCE WOES

The title above is not mine; it is the heading of an article by Evan Simonoff, my friend and the editor of *Financial Advisor* magazine. It seems Cramer's poor performance isn't his fault but everyone else's (although readers of my Newsletter will know I don't necessarily disagree with Evan's characterization of Mr. Cramer). From the article:

> One doesn't have to be Isaac Newton to realize that when a security goes vertical like some tech and credit card stocks have for almost this entire, extended bull market, they can also go the other way. Momentum stocks have been experiencing some tough times over the last five weeks. After 10 years of sensational performance, many think they were due for a major correction.
>
> But Jim Cramer of Mad Money fame penned a piece Thursday in which he seems convinced that some of his favorite stocks, notably Amazon, Visa and Mastercard, are trading like "Mexican jumping beans" all because of evil "voyeuristic ETFs" that are "completely hidden."
> So which ETF is the most serious culprit ruining Cramer's life? It is iShares Edge MSCI USA Momentum Factor ETF (MTUM). Incidentally, I suspect Cramer's mood is not in a better state this week with the Dow down more than 600 points.
>
> Apparently, MTUM is one of several "totally abusive ETFs out there that really do unlevel the playing field and make a mockery of the whole business," he wrote.
>
> So who is he calling morons and doofuses? It's the "moron managers flitting all over the place, the kind Warren Buffett calls out as expensive doofuses," who are constantly engaging in the risk-on, risk-off trades that always appear to poop on Cramer's parade. And their current instrument is MTUM.
>
> MTUM may be one of many vehicles raining on the parade, but it's likely there are many other far more powerful algorithmic strategies making momentum investors miserable. In recent weeks, wizards like AQR's Cliff Asness have sent apologies to investors talking about their underwhelming investment performance in recent weeks [see "Hope Springs Eternal" later in the Newsletter].

https://www.fa-mag.com/news/bozo-jim-cramer-blames-etfs-for-his-performance-woes-41868.html

**MORE BAD NEWS**
From CBS News:

**Tough Retirement Realities for Baby Boomers**
The vast majority of older working Americans don't have sufficient savings to retire full-time at age 65 with their pre-retirement standard of living. That's one of the sobering conclusions from the recent Sightlines report issued by the Stanford Center on Longevity (SCL).

As a result, the report noted, workers approaching retirement will either need to work beyond age 65, reduce their standard of living, or do some combination of the two. This should cause some soul-searching among older workers, their families, and their employers…According to the SCL report, almost one-third (30 percent) of them have saved nothing toward retirement.

https://www.cbsnews.com/news/baby-boomers-tough-retirement-realities/

**STRANGE FACTS ABOUT THE USA**
From my friend Leon:

- More people live in New York City than in 40 of the 50 states.
- The word "Pennsylvania" is misspelled on the Liberty Bell.
- There is enough water in Lake Superior to cover all of North and South America in one foot of water.
- In 1872, Russia sold Alaska to the United States for about 2 cents per acre [about $25 at 5%].
- It would take you more than 400 years to spend a night in all of Las Vegas's hotel rooms.
- There is enough concrete in the Hoover Dam to build a two-lane highway from San Francisco to New York City.
- Kansas produces enough wheat each year to feed everyone in the world for about two weeks.
- The Library of Congress contains approximately 838 miles of bookshelves—long enough to stretch from Houston to Chicago.
- The entire Denver International Airport is twice the size of Manhattan.
- A highway in Lancaster, California, plays the "William Tell Overture" as you drive over it, thanks to some well-placed grooves in the road.
- The total length of Idaho's rivers could stretch across the United states about 40 times.
- The one-woman town of Monowi, Nebraska, is the only officially incorporated municipality with a population of 1. The sole 83-year-old resident is the city's mayor, librarian, and bartender.
- The number of bourbon barrels in Kentucky outnumbers the state's population by more than two million.

**THOUGHTS FROM VANGUARD**

An excellent interview with Dan Berkowitz, an investment analyst with Vanguard Investment Strategy Group:

> **"Active or passive? What investors and advisors need to consider"**
> *You often hear that actively managed funds tend to outperform in bear markets. Is that true, and can you speak to some of the misconceptions around fund performance?*
> **Dan Berkowitz:** Yes, this one has come up increasingly so, given where equity and fixed income valuations are these days. It's a natural question. And it's a common assumption that active managers as a group provide a better degree of downside protection in poorly performing market environments, or bear market environments, whether through a greater allocation to cash or through portfolio management skill. And there certainly are strategies in the active and index universe that are designed to provide a degree of downside protection.
>
> But when we look at active managers again as a group, we just don't see that they provide, at a high level, a degree of downside protection.

https://www.advisorperspectives.com/articles/2018/10/15/active-or-passive-what-investors-and-advisors-need-to-consider

**THIS IS WHAT A SOUTHERNER LIKES ABOUT THE SOUTH**

From my BFF Patti—the first one is her theme song:

- A true Southerner knows you don't scream obscenities at little old ladies who drive 30 MPH on the freeway. You just say, "Bless her sweet little heart."
- There is no magazine named "Northern Living" for good reason. There ain't nobody interested in moving up there, so nobody would buy the magazine!
- Southerners know everybody's first name: Honey, Darlin', Shugah.
- Only a Southerner knows the difference between a hissie fit and a conniption fit, and that you don't "HAVE" them, you "PITCH" them.
- Only a Southerner can show or point out to you the general direction of "yonder."
- Only a Southerner knows exactly how long "directly" is, as in: "Going to town, be back directly."
- Only Southerners grow up knowing the difference between "right near" and "a right far piece." They also know that "just down the road" can be 1 mile or 20.
- Only a Southerner both knows and understands the difference between a redneck, a good ol' boy, and po' white trash.
- And to those of you who are still having a hard time understanding all this Southern stuff, bless your hearts, I hear they're fixin' to have classes on Southernness as a second language!

Now, Shugah, send this to someone who was raised in the South or wish they had a 'been! If you're a Northern transplant, bless your heart—fake it. We know you got here as fast as you could.

**WHY I'M A GURU SKEPTIC**

Some recent market prognostications:

**March 2013**

Welcome, 2016: The Coming End of the 16-Year Bear Market

Two well-regarded forecasters, the Leuthold Group and Jeremy Grantham of GMO, both see low single digit returns from stocks over the next 7 years from current levels.

Could still be, but we're 5¾ years into the 7 years, and the annual total return has been 14%. To meet an annualized 6% return, the market loss will have to annualize at –14% until March 2020.

https://seekingalpha.com/article/1288681-welcome-2016-the-coming-end-of-the-16-year-bear-market?page=7

**December 2013**

Dow is up more than 5% five consecutive years now. A sixth such year has not happened before in history. A 5-year bull trend only occurred once before, in the 1990s, and was followed by 3 down years. Russell 2k rallies of similar size and duration to 2013's (excluding accelerations from major bear lows) are shown below. In each case all the gains were given back the following year…

To sum up, from a pure statistical perspective, removing any notion of the bigger picture, the probability for 2014 is at best a flat year for equities with a significant drawdown on the way, and at worst a significant down year. Stats are just a guide, but we see united predictions across a range of measures, drawn together at the top of the page.

Yet the bullish momentum of the market and "this time is different" thinking (Fed trumps all, equities need revaluing due to suppressed bonds and cash yields) are making for widespread complacency about (and dismissal of) the parallels…

Whilst we should not overly rely on any one indicator or discipline, it's the collective case that gives me such conviction on the short side (disclosure: short stock indices).

S&P total annual return (dividends reinvested) 2014 … 15.9%

**February 2014**

The Bear Market of 2014–2017 Is Starting. Why, How & When (Revisited)

As markets opened up on January 2, 2014, everyone was excited. After all, what was not to like? The stage was set for the bull market to continue, or so everyone thought.

How little did they know. What they didn't (and still don't) know is that the bull market topped out just two days earlier, on December 31, 2013, at 16,588 on the DOW (mathematical top, the actual top will come later in the year), ushering in the final stage of the Cyclical Bear Market that will take us into the final 2017 bottom.

S&P total annual return (dividends reinvested) from 2014 to the end of 2017 … 15.9%

http://www.investwithalex.com/the-bear-market-of-2014-2017-is-starting-why-how-when/

http://www.marketoracle.co.uk/Article43692.html

**February 2015**
Opinion: 7 danger signs of stocks' coming bear market
Protect your portfolio now before the downturn begins

With the US stock market trying to surpass its all-time highs, many investors still don't see the problem. After all, if the market is going up, why worry? Lately, many bulls feel invincible.

The problem is that if you wait until a bear market is formally announced, you will have lost a chunk of your paper profits. The key is to slowly take money off the table now. You may also protect your stock portfolio using hedging strategies, such as buying options.

S&P total annual return (dividends reinvested) to October 2018 … 11.5%

https://www.marketwatch.com/story/7-danger-signs-of-stocks-coming-bear-market-2015-02-13

**January 2017**
Despite Trump euphoria, Wall Street's 2017 forecast is the most bearish annual outlook in 12 years

S&P total annual return (dividends reinvested) 2017 … 20.9%

https://www.cnbc.com/2017/01/03/streets-2017-forecast-is-the-most-bearish-annual-outlook-in-12-years.html

And how about other gurus?

**USA Today April 2007**
From an interview with Steve Ballmer, CEO of Microsoft
"There's no chance that the iPhone is going to get any significant market share. No chance," said Ballmer. "It's a $500 subsidized item. They may make a lot of money. But if you actually take a look at the 1.3 billion phones that get sold, I'd prefer to have our software in 60% or 70% or 80% of them, than I would to have 2% or 3%, which is what Apple might get."

iPhone Sales in billions
2007 – 1.39
2012 – 125
2017 – 216.8

https://www.statista.com/statistics/276306/global-apple-iphone-sales-since-fiscal-year-2007/

https://usatoday30.usatoday.com/money/companies/management/2007-04-29-ballmer-ceo-forum-usat_N.htm

**WHAT A DIFFERENCE**

From my friend Leon:

**This was only 108 years ago. Amazing**

Here are some statistics for the year 1910:

- The average life expectancy for men was 47 years.
- Fuel for this car was sold in drugstores only.
- Only 14 percent of homes had a bathtub.
- Only 8 percent of homes had a telephone.
- There were only 8,000 cars and only 144 miles of paved roads.
- The maximum speed limit in most cities was 10 mph.
- The tallest structure in the world was the Eiffel Tower!
- The average US wage in 1910 was 22 cents per hour, and the average US worker made between $200 and $400 per year.
- A competent accountant could expect to earn $2000 per year, a dentist $2,500 per year, a veterinarian between $1,500 and $4,000 per year, and a mechanical engineer about $5,000 per year.
- More than 95 percent of all births took place at home.
- Ninety percent of all doctors did not have a college education. Instead, they attended so-called medical schools, many of which were condemned in the press and the government as "substandard."
- Sugar cost 4 cents a pound; eggs were 14 cents a dozen; coffee was 15 cents a pound.
- Most women only washed their hair once a month and used Borax or egg yolks for shampoo.
- Canada passed a law that prohibited poor people from entering into their country for any reason.
- The population of Las Vegas, Nevada, was only 30!
- Crossword puzzles and iced tea hadn't been invented yet.
- Two out of every 10 adults couldn't read or write, and only 6 percent of all Americans had graduated from high school.
- Marijuana, heroin, and morphine were all available over the counter at the local corner drugstore. Back then, pharmacists said, "Heroin clears the complexion, gives buoyancy to the mind, regulates the stomach and bowels, and is, in fact, a perfect guardian of health."
- There were about 230 reported murders in the entire United States!

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## AND FOR THOSE OF YOU OLD ENOUGH TO REMEMBER 1955

From my friend Peter:

If they raise the minimum wage to $1.00, nobody will be able to hire outside help at the store.

When I first started driving, who would have thought gas would someday cost 25 cents a gallon. I'm leaving the car in the garage.


Did you see where some baseball player just signed a contract for $50,000 a year just to play ball? It wouldn't surprise me if someday they'll be making more than the president.

The fast food restaurant is convenient for a quick meal, but I seriously doubt they will ever catch on.


No one can afford to be sick anymore. At $15.00 a day in the hospital, it's too rich for my blood.

**NO COMMENT**
From YouTube Pun Based Humor:


**COOL!**
You probably need to be an academic to have ever heard about SSRN, but “it’s an open-access online preprint community providing valuable services to leading academic schools and government institutions…SSRN is instrumental as a starting point for PhD students, professors, and institutional faculty to post early-stage research, prior to publication in academic journals.”

https://www.elsevier.com/solutions/ssrn

SSRN’s eLibrary provides 828,739 research papers from 406,723 researchers across 30 disciplines.

“Congratulations, Harold. You are currently in the top 10% of Authors on SSRN by all-time downloads.”

**DOING GOOD**
These organizations topped the Chronicle's new cash-support ranking.

| RANK | ORGANIZATION | CASH SUPPORT |
|---|---|---|
| 1 | United Way Worldwide | $3,260,274,867 |
| 2 | Salvation Army | $1,467,750,000 |
| 3 | ALSAC/St. Jude Children's Hospital | $1,314,189,700 |
| 4 | Harvard University | $1,283,739,766 |
| 5 | Mayo Clinic | $1,140,619,378 |
| 6 | Stanford University | $1,110,664,853 |
| 7 | Boys & Girls Clubs of America | $909,035,450 |
| 8 | Compassion International | $819,417,089 |
| 9 | Cornell University | $743,502,739 |
| 10 | Lutheran Services in America | $731,566,533 |

https://www.philanthropy.com/specialreport/the-100-u-s-charities-that-ra/183

**HOPE SPRINGS ETERNAL**
From Financial Advisor magazine:

> AQR Quant Genius Apologizes to Clients over Performance
>
> Wall Street's quant wizards often argue that many of their math-driven strategies are designed for the long-term. But they've rarely had to shout this loud.
>
> Global equities posted the worst run in six years in "Red October," and it tore through the investing styles that slice and dice assets based on traits like momentum and growth. Most factor funds, as they are known, fell in concert with stocks. That not only capped an already miserable year, it threw into doubt their diversification benefits—forcing advocates onto the defensive.
>
> Cue Cliff Asness, godfather of quant investing and co-founder of the firm which helped popularize factors, AQR Capital Management. In a 23-page, 17,000-word blog post in October he acknowledged the strategies AQR favors have had "tough times," predicted no miracle bounce back, but argued that evidence and common sense dictate they will ultimately prevail.

Cliff is one of the smartest and most professional money managers I know, and his honest, thoughtful response to his funds' performance is a reflection of his quality. Although I'm a skeptic, we continue to follow his work.

https://www.fa-mag.com/news/aqr-plays-defense-as-crisis-of-confidence-looms-for-quant-land-41812.html

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## FINANCIAL PLANNING—A GREAT PROFESSION

If you have a few minutes to kill, here is a link to an interview I did at the Financial Planning Annual Convention:

https://www.assettv.com/player/assettv-us-sign-off-player/204348

## HMMM…

From my friend Bill G.:

> One of my favorite authors, Upton Sinclair, is credited with saying, "It is difficult to get a man to understand something when his salary depends upon his not understanding it."

Kind of reminds me of regulators and politicians.

## THE EVENSKYS DO NEW YORK

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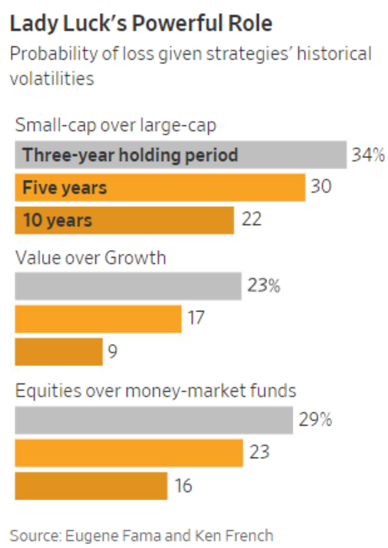
## STATISTICAL NOISE

An excellent summary by Michael Kitces of Mark Hulbert's excellent review of Fama and French's excellent article "Volatility Lessons" in the *Financial Analysts Journal*.

> It's generally understood that markets can be volatile in the short-term, and that it's necessary to evaluate an investment strategy (or the performance of an investment manager or financial advisor) over an extended period of time in order to really judge their efficacy. However, in a recent paper by Eugene Fama and Kenneth French in the Financial Analysts Journal, it turns out that even over 10-year periods—generally viewed as "long-term" by most advisors and clients making evaluations of investment results—stock market volatility is great enough that there's still a material risk that a superior strategy or factor will underperform. For instance, their analysis suggests that otherwise-long-term-outperforming value strategies still lag in 9% of randomly created 10-year investment horizons using historical data…implying that the underperformance of value over the past decade is still well within the range of normal statistical noise (and not necessarily a signal that value investing itself has lost its value). Similarly, given their even-higher volatility, there is a 24% chance that small-caps will underperform over a 10-year cycle (even when assuming their historical return premium is persisting) and a 16% chance that stocks will underperform Treasuries (even if their historical equity risk premium remains valid). On the one hand, the important implication of the research is that even 10 years is not necessarily long enough to determine if a manager (or a factor) has lost its ability to outperform. On the other hand, when the researchers also find that even over 20 years, there's an 8% chance that equities will underperform Treasuries despite the equity risk premium…




https://www.kitces.com/blog/weekend-reading-for-financial-planners-nov-10-11-2/.

https://www.wsj.com/articles/your-fund-performance-is-even-more-about-luck-than-you-thought-1541387460

https://www.cfapubs.org/doi/abs/10.2469/faj.v74.n3.6?mod=article_inline&

**FASCINATING VIEW OF ECONOMIC GROWTH OVER THE LAST SIX DECADES**
Keep your eye on China...

From my friend Peter:
https://youtu.be/MT5hszbwW9U

**WHY TEACHERS DRINK**
From my friend Judy:

The following questions were set in last year's GED examination. These are genuine answers (from 16-year-olds)…and they WILL breed.

Q. Name the four seasons.
A. Salt, pepper, mustard and vinegar

Q. What causes the tides in the oceans?
A. The tides are a fight between the earth and the moon. All water tends to flow towards the moon because there is no water on the moon, and nature abhors a vacuum. I forget where the sun joins the fight.

Q. What guarantees may a mortgage company insist on?
A. If you are buying a house they will insist that you are well-endowed.

Q. In a democratic society, how important are elections?
A. Very important. Sex can only happen when a male gets an election.

Q. What are steroids?
A. Things for keeping carpets still on the stairs

Q. Name a major disease associated with cigarettes.
A. Premature death

Q. How can you delay milk turning sour?
A. Keep it in the cow (simple but brilliant).

Q. How are the main 20 parts of the body categorized (e.g., the abdomen)?
A. The body is consisted into 3 parts—the brainium, the borax and the abdominal cavity. The brainium contains the brain, the borax contains the heart and lungs and the abdominal cavity contains the five bowels: A, E, I, O, U.

Q. What is a terminal illness?
A. When you are sick at the airport.

Q. What does the word 'benign' mean?
A. Benign is what you will be after you be eight.

Q. What is a turbine?
A. Something an Arab or Shreik wears on his head

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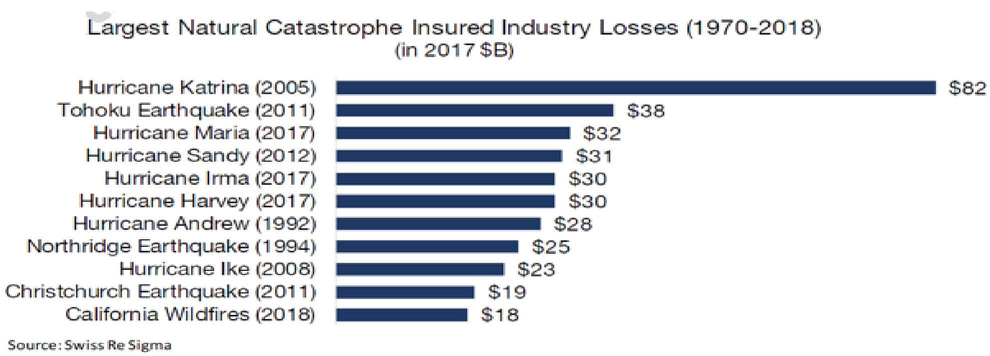
**DEPRESSING DATA**




**I LOVE THE INVESTMENT INSIGHTS FROM THE MEDIA**
Two headlines a few hours apart:

*Apple Beats Q4 Expectations with Best September Quarter Ever*
https://www.zdnet.com/article/apple-beats-q4-expectations-with-best-september-quarter-ever/

*Apple Stock Falls on Light Sales Guidance for Holiday Quarter*
https://www.investors.com/news/technology/click/apple-stock-q4-2018-earnings/

**BEST & WORST**
States to live in according to *USA Today*:

BEST (Top 5)
#1 – Massachusetts
#2 – New Hampshire
#3 – Connecticut
#4 – Colorado
#5 – Minnesot
WORST (Bottom 5)
#50 – Mississippi
#49 – West Virginia
#48 – Louisiana (at least my home state wasn't #50)
#47 – Alabama
#46 – Kentucky
AND
#33 – Texas
#28 – Florida

Obviously weather wasn't a major factor.

https://www.usatoday.com/picture-gallery/travel/experience/america/fifty-states/2018/11/06/whats-best-american-state-live-all-50-states-ranked/1901557002/

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**SCARY**

Student loan debt is now a crisis, says U.S. Department of Education Secretary Betsy DeVos.

The Latest Student Loan Debt Statistics

Personal finance website Make Lemonade says that the student loan debt is now the second highest consumer debt category—second only to mortgages and higher than credit card debt.

According to Make Lemonade, there are more than 44 million borrowers who collectively owe $1.5 trillion in student loan debt. The average student in the Class of 2016 has $37,172 in student loan debt. The average student in the Class of 2017 has almost $40,000 in student loan debt.

“Our higher-ed system is the envy of the world, but if we as a country do not make important policy changes in the way we distribute, administer and manage federal student loans, the program on which so many students rely will be in serious jeopardy,” DeVos said, according to her remarks released by the Education Department.

https://www.forbes.com/sites/zackfriedman/2018/11/28/student-loan-debt-crisis/#da0d13621e30

**FUN**

From my friend Alex:





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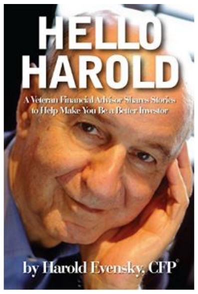
**IT'S FREE!!!**




Thanks to my partner Josh, the electronic version of my book, Hello Harold, is now free on Amazon.

> Here's the story:
> Welcome to Hello Harold (that's me, Harold Evensky). I've been a practicing financial planner for over three decades; financial planning is my avocation as well as my vocation. I've had the privilege of participating in the growth of my profession, serving on the national Board of the International Association for Financial Planning, as Chair of the Certified Financial Planning Board, the International Certified Financial Planning Board of Standards, as well as on advisory boards for Charles Schwab and TIAA-CREF.
>
> In those three decades plus, I've seen a great many changes, not only in the markets but also in how investors—and their advisors—respond to them. Some of those responses make very little sense. Financial planning is a powerful tool that can help you develop and maintain the quality of life you want. Unfortunately, there's a ton of noise and nonsense foisted on investors that can undermine their financial success.
>
> Maybe you're one of the many unlucky folks who've tried using a broker or financial advisor and wound up with one of the few less than ethical ones who had you invest in easy-answer funds that did more for the advisor's bottom line than yours. Maybe you decided to go it alone. Unfortunately, investing is not a simple task, and without a grasp of the fundamentals, many investors wind up making costly mistakes. Although there are innumerable books—many of them very good—designed to help you invest wisely, many are too long, too technical, too boring, too commercial, or too simplistic to hold the reader's attention.
>
> So it's my turn. I decided my book would be just right—not too long, not too short, not too technical, not too simplistic, not commercial, and, most important, fun to read. Hello Harold gives you the foundation you need to navigate the markets and plan your financial future. I take you along with me on phone calls and meetings, conferences and classrooms, and let you eavesdrop on my thoughts, conversations, and brainstorming sessions with clients, colleagues, and students. I introduce you to actionable concepts that will make you a far better investor, with a sound plan for your future. You may even have some fun along the way.
>
> Unlike with most books, don't feel obligated to move from page one through to the end. Each chapter stands on its own, so you can skip and jump to your heart's content, chasing subjects you find of interest in any order that appeals to you. No matter where you land, whether it's cash flow or market timing or taxes or any of a myriad of essential topics, you're likely to find something you hadn't considered before in quite that way. Each chapter is designed to give you insights that will improve your financial bottom line and your chances of achieving your financial goals.

https://www.amazon.com/Hello-Harold-Veteran-Financial-Investor-ebook/dp/B019G0SSJ4/

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## SEASICK?

**BREAKING NEWS**

Dow Ends Sharply Higher; Stocks Rally on Trade War Truce

TheStreet Mon, Dec 3, 4:02 PM EST

**BREAKING NEWS**

Dow Tanks 685 Points as Worries Over Economic Growth Sink Stocks

TheStreet Tue, Dec 4, 1:28 PM EST

Stocks decline sharply amid concerns over a lack of detail in the recent U.S.-China trade talks and signals from the bond market that suggest slowing growth in the United States.

I'll close with a few pieces of advice.

- Don't get seasick; don't pay attention to the daily financial pornography. It's noise, not news.
- Plan for the long term, not the last 10 minutes.
- If the world doesn't come to an end and you plan an investment intelligently for the long term (that's what we do for our clients), your financial life will be solid. If the world really comes to an end, you won't care.

Hope you enjoyed this issue, and I look forward to "seeing you" again in a couple months.

Harold Evensky
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