

Richard C. Young Explains: How to Invest Like Einstein

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When asked to name the greatest invention in history, Albert Einstein responded, *compound interest*.

Over three decades ago I started our family investment counsel firm focusing on the miracle of compound interest to help retired and soon to be retired investors just like you.

My short and quick goal was, as it remains today, safety of principal and a consistent flow of income through investors' long and peaceful retirements.

In J.R.R. Tolkien's *The Hobbit*, when the wizard Gandalf asked Bilbo Baggins to take part in an adventure, the Hobbit told Gandalf that he viewed adventures as "... nasty, disturbing, uncomfortable things! Make you late for dinner."

To meet our mission for family-centric clients, we wrap the Hobbit's security blanket around Einstein's concept of compound interest. This duo forms the foundation of our prudent investor platform. And no, we do not advise investing adventures for our clients.

Consistent Cash Flow and Security of Principal

To a one, when clients join us, they know that we, on their behalf, are focused on a consistent flow of cash, security of principal, and the miracle of compound interest. We neither speculate nor market time. We base our sound investments on the Prudent Man Rule, first initiated by Justice Samuel Putnam back

in 1830.

The discretely managed portfolios at our investment counsel firm are crafted selecting individual securities for clients one at a time, like rare postage stamps. As you know from reading my reports, we have moved away from the mutual fund model, especially as regards index funds, products whose time has past.

We craft portfolios by combining dividend-paying blue-chip stocks, each with a long record of increasing dividends annually. Our portfolios also include a substantial mix of blue-chip fixed income, whether corporate or government securities. The majority of portfolios are weighted 60/40 (stocks/bonds) or the inverse.

Our most defensive portfolios are aimed at investors looking to draw 4% (our base target) annually from retirement portfolios with (1) minimum volatility and (2) a high degree of comfort.

If you prefer a personalized approach, give my family-focused investment counsel firm a call (888-456-5444) to discuss today how we might make your investment life a little bit easier, and more productive for you.

At Richard C. Young & Co., Ltd. we all look forward to sharing our retirement (current or future) strategies with you.

Warm regards,



Dick Young

Coronavirus Snapped the Cord on the Market Elevator

For the past ten years, the stock market has been an elevator that has only gone up. Now the cord has snapped. What floor are you falling from? Here's how I explained what I call "elevator investing" some years back. I wrote:

Elevator Investing


Where do you want to be when the cord snaps? I often think of risk management with a simple elevator analogy. In the investment process, I quantify risk first. Then I evaluate potential gains. Just envision, if you were in an elevator and the cord snapped, where would you be better off? Dropping from the second floor or the 10th floor? Makes your palms sweat. You sure would not fare well plummeting from floor 10. Today's level of risk in the financial markets is at the 10th floor, moving ever higher. Many investors will not survive the coming collapse. Collapse? Is this appropriate wording? Sure is. America is now in the late stages of the business cycle. The government is out of control. And the Fed continues to manipulate interest rates in favor of Wall Street and against American savers. I lay out the late business cycle details for you later. When you read the evidence, you'll agree that the potential for game-changing, black-swan-initiated losses accelerates monthly.

The rapid pace of recent declines in market indices is neck-snapping for anyone. For investors who ignored risk, they are positively devastating.

If you want to understand how a top-ranked investment advisor attempts to minimize risk in clients' portfolios, please sign up

for the monthly client letter from my family-run firm, Richard C. Young Co., Ltd. by [clicking here](#) (free even for non-clients).

Here is Your Family's Guide to the Coronavirus

I visit Dr. Ward at least once a week when Debbie and I are  in Newport for the Summer. – Dick Young.

Dear Patient,

As promised, I am sending this email to share some useful information that I have found over the last week. As one of your healthcare providers, it is my intention to provide you with knowledge to keep you calm and healthy. I am lucky enough to have access to information coming out of Wuhan, China where this disease began. The treatments used on the front lines were a combination of western pharmaceuticals along with Chinese Herbal Medicine and shown to be quite effective. Therefore, I have been able to understand this disease through the eyes of Chinese Medicine and gain access to the most useful treatments used for it in my medicine. I have been studying case studies and trying to stock my herbal pharmacy in case I need to treat anyone.

In this email, I'd like to share information to help you identify the virus more easily for yourselves and your loved ones. I'd also like to share useful tips on keeping your immune system strong.

About the COVID 19 virus:

COVID 19 is an RNA virus (much like the flu) that can develop

into pneumonia as it becomes more severe. The coronavirus pneumonia is seen as “damp pestilence” in our medicine meaning that the dampness obstructs the normal functioning of the lungs. The dampness is very heavy and congests any Qi movement up or down. It is the amount of dampness that differs this virus from typical pneumonia. What the doctors noted in China for early symptoms of the virus was that...

All persons displayed a thick white sticky tongue coating

Patients had either a dry cough or no cough at all

Patients complained of SEVERE nasal congestion (runny nose and sputum are not a typical presentation for COVID19 but rather indicates the common cold or flu instead)

Patients complained of a sore throat lasting for 3-4 days

The above symptoms could last for approximately 1 week. If the disease was to progress to Coronavirus Pneumonia, the doctors noted it would be earlier after 2-3 days of dealing with the above symptoms. Once the virus has reached the lungs and/or trachea, the patients exhibited these symptoms:

1)90% of Patients developed a high fever

2)80% of Patients developed a dry cough (aggravated or initiated)

3)30% of patients had shortness of breath and fatigue

It is important to note that it is rare this virus will develop into the second stage of symptoms. Data from the largest study in China showed 80% of positive patients had mild symptoms and did not require any hospitalization, while 15% showed severe symptoms and 5% were critical. Those patients at risk for the virus developing into severe or critical symptoms are patients who are immunocompromised,

elderly, have cardiovascular disease, diabetes, hepatitis B, chronic obstructive pulmonary disease, chronic kidney disease, and cancer. China's CDC analysis found that out of 44,672 patients the fatality rate in patients who reported no other previous health conditions was 0.9%.

For those of you that are dealing with any of these diseases, I urge you to be cautious but not fearful. Our advantage of having so many others deal with this disease ahead of us can keep us strong and keep the virus from escalating.

Prevention:

*This virus is transmitted through droplets in the air. The airborne route is between 6 and 10 feet. If the virus drops onto a metal surface, it can survive for 12 hours. So wipe all public metal surfaces and wash hands after touching them. If it drops onto fabric, it will survive for 6-12 hours. Normal laundry detergent will kill it. The virus can live on your hands for 5-10 minutes. It is during this time that we often will touch somewhere in our face area and become compromised. Therefore, wash hands regularly, carry hand sanitizer with you when you leave your home, and avoid touching your face.

*The virus will enter through the mucosa of the throat or nasal passages. Therefore, it is helpful to keep these areas clean and efficient by either **gargling** with warm salt or suck on **Zinc lozenges**. I find doing the zinc and salt water after being in public is a smart preventative.

Being sure to keep the nasal passages working effectively and moist with a **saline nasal spray** will also prevent the virus from entering as easily. Therefore, I'd suggest spraying before going out.

*Of course, don't forget the basics like drinking plenty of water, getting regular exercise, fresh air, sufficient sleep,

and good nutrients via food and supplements. Specific focus should be on **Vitamins A, D, and C**. Also, avoid cold, greasy, and heavy foods. Eat light. Have soups and cooked veggies, less spicy, oil and salty foods, less pickled foods, avoid alcohol, and avoid too much sweet (desserts and fruit juices).

*Because this is an RNA virus, **Elderberry** extract is extremely effective for prevention. You can take this in lozenge form, gummy form, or syrup form.

*N-Acetyl Cysteine (**NAC**) is also a good antioxidant supplement to consider since it is helpful with treating immunity, respiratory diseases, improving mood, and decreasing the effects of stress.

*Lastly, Chinese herbal formulas such as **Yu Ping Feng San** are well known for keeping the body strong and protected. This was one of the formulas used in China by the healthcare workers in the hospitals to keep themselves healthy. If you are interested in this one, please contact me since online sources aren't always safe.

I am continuing to navigate through this time as a practitioner and striving to provide you as much care as I can while we are isolating ourselves. Please don't hesitate to contact me with any questions or concerns.

Best in Health,

Dr. Ward

Never Bet the House

Investing is not betting. There are people who buy stocks to invest in them, and people who buy stocks to bet on them. Never be the latter. After the crash of 1987, I compared that to the surprise defeat of “sure thing” Sonny Liston by Muhammed Ali. I wrote:

“Bet the house on Liston...it’s a sure thing.”

Once again, what could never happen, happened. Once again, the underdog defeated the favorite. And once again, people learned – many the hard way – that there are few “sure things” in life.

The lead quote appeared in a provocative Wall Street Journal ad run by FGIC (municipal bond insurance). The headline, of course, looks back at the astounding boxing victory of a brash Louisville fighter, Muhammed Ali, over the seemingly invincible world heavyweight champ Sonny Liston.

It seems to me that many investors look at today’s stock market as the Sonny Liston of the financial market place. The unbeatable surge in stock prices appears to have no end. Future gains are being written off as a sure thing. Could be, but I doubt it. I doubt it very much. This is not to say that there aren’t ways to scalp some profits out of the markets and hold down your risks at the same time.

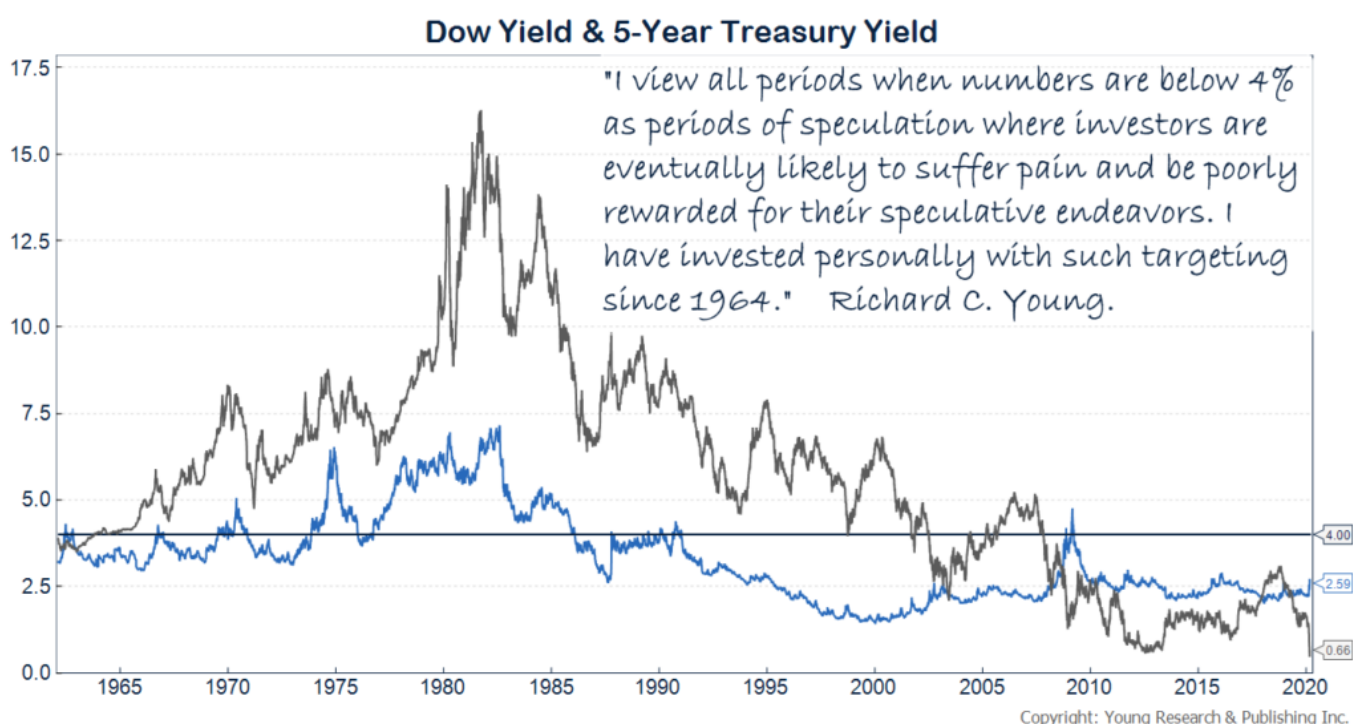
In the past two weeks, shareholders have faced market declines with gut-wrenching volatility similar to the 1987 crash. Many were unprepared, both in terms of portfolio balance and mental fortitude, to weather such a rollercoaster ride.

It is on rare occasions like these that having an investment counsel firm in your corner can make all the difference to your

success. Like a coach in the ring, the right advisor can protect you from emotionally-driven decisions.

If you would like to speak to a seasoned member of the investment team at my family-run investment counsel firm, Richard C. Young & Co., Ltd., please [click here](#) to request a free, no-obligation portfolio review.

Richard C. Young's Old Line "4% Rule"



There Are No Second Chances at Retirement

There are no second chances at living a full and happy retirement. You enter retirement only with what you bring with you, and you leave behind whatever remains. You don't get another try, but there is a way to make your investment plan pay you to retire. The only catch is, many of you will have to make a 180° degree change in how you approach retirement. Here's how I explain my plan:

You Need to Make a 180° Switch in Your Approach to Common Stock Investing

In the past you have probably looked on common stock investing as a program of (1) buying a stock and (2) selling it to someone else at a profit. Most likely you have not given dividends any thought at all. I want you to make a 180° turn. In the future I want you to invest to capture a long-term stream of dividends.

If you require current income, you will want a high current yield from your core stocks as well as bigger and bigger quarterly dividend checks in the future. If you do not require current income, you will look for 10% or better dividend growth and reinvest your dividends to allow the miracle of compounding to work for you year after year.

If you need help building a portfolio of dividend-paying stocks that can pay you during your retirement, please [click here](#) to request a no-obligation portfolio review from a seasoned member of the investment team at Richard C. Young & Co., Ltd., my family-run investment counseling firm. We can help you get your retirement right on the first try.