

The Case for Individual Stocks: Now More than Ever

UPDATE 11.18.2020 from E.J. Smith: Has there been a company better positioned for the pandemic than the Home Depot? If your fire pit is more like your new outdoor living room, you know exactly what I'm saying. It's almost impossible to find those neat outdoor heaters. The same goes for pressure-treated wood. We're all trying to make our involuntary staycation one worth remembering.

During a talk with Dick Young yesterday, he recalled graduating from Babson in 1963. Home Depot co-founder Arthur Blank also graduated from Babson that year. Their class has, as a whole, been most active in giving back to the school.

Mr. Blank recently announced a \$50 million gift to Babson. It will go towards entrepreneurship. For as long as I can remember, Babson has been ranked #1 by U.S. News & World Report for entrepreneurship. I expect that to continue now for 50 million more reasons.

No one can predict the future of the Home Depot, but when it comes to companies well-positioned for America's current conditions, it's hard to think of a better one.

Below read more from Dick Young on why now, more than ever, you should be looking at individual stocks.

UPDATE 9.28.2020: I have outlined further my current strategy for investing in individual stocks [here](#).

Originally posted March 27, 2020.

I subscribe to both Value Line and VL's conclusion on stocks.

Two weeks ago I began a formula-based buying program that I plan

to continue throughout 2020.

My formula is devoted 100% to stocks. I continue to build my counter-weighting fixed-income portfolio and continue to add to three fund positions.

I first started buying the funds in the early 1970s. (about 50% fixed income).

Today, I avoid most funds and all index funds.

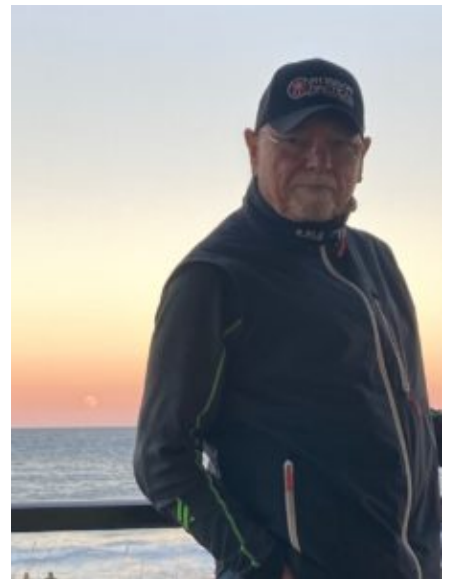
THE CASE FOR INDIVIDUAL STOCKS HAS NEVER BEEN STRONGER

The battle with the coronavirus is having an incredible impact on daily life, the global economy, and on the stock market. In regard to the latter specifically, volatility has been off the charts, punctuated by the near-3,000 point drop on The Dow Jones Industrial Average on Monday, March 16th and the 2,112 point (12%) spike up on March 24th. The other major U.S. stock indexes have also experienced exaggerated volatility and large net losses of late. This has hurt a huge percentage of the investment community, which has trillions of dollars in assets allocated to broad index mutual funds and ETFs. This asset class has exploded in popularity over the past couple of decades. However, when the overall market falls so far so fast, these securities incur the full brunt of the downturn.

Value Line, on the other hand, with more than 87 years of experience in both bull and bear markets, has long preached the benefits of owning a collection of good-quality individual stocks, rather than the ordinary index fund. In our flagship service, The Value Line Investment Survey®, and its digital counterparts, we track approximately 1,700 stocks across more than 95 industries. Our independent, expert analysis, which includes a research staff of more than 70 professionals and a

number of battle-tested proprietary ranks & ratings, has helped investors get the most out of the decade-long bull market, and will aid investors in navigating this troubling time, and the eventual market recovery that will follow.

Richard C. Young Helped ME Get Re-Centered



Dick Young

The latest from my son-in-law, E.J. Smith at YourSurvivalGuy.com:

I had a great talk yesterday with a prospective client who is ready to come aboard. He's a successful entrepreneur and triathlete coach. He said he doesn't just stand on the side and coach. He's in the pool, figuring things out with his athletes. I like that.

For example, if he sees a problem with an athlete's swim stroke, he gets in the pool to copy the problem, and then he works on drills to correct it. It's a hands-on approach that puts him in the shoes of his customers.

"I miss Richard C. Young's Intelligence Report," he said. "It's the reason I have the savings that I do."

"I never get tired of hearing that," I replied.

"One of the things that helped me," he said, "Is that Richard Young's report helped me get re-centered with my finances every month. Every month it was a reminder. And I needed that to take action."

And that means a lot coming from a coach.

Action Line: *We all need to be re-centered. It's one of my goals for these posts. To help you beat inertia and "Get re-centered."*

Originally posted November 13, 2020.

Originally posted on [Your Survival Guy](#).