

Are You a Shepherd or a Gunfighter?

Before you answer, remember that at least 50% of gunfighters end up dead.

Are you the type of person who will dutifully grow your investment portfolio over the years by shepherding it in the right direction?

Or will you risk it all in one high risk gunfight after another until your number is called?

Consider what I wrote here, thirty years ago in December of 1988. It's a comparison of some high-level shepherding vs. some inexperienced gun slinging.

Do you know the two most powerful words in investing? If you've been with me through the years, you know the answer. But for all of my new subscribers, the two magic words are COMPOUND INTEREST. Let me show you their importance and suggest an exclusive menu of high-yield winners perfect for your portfolio.

The name Joseph Rosenberg may not mean anything to you. Joe's a money manager for Loews Corp. How much does Joe shepherd? Over \$1 billion. A few years ago I made a presentation to Loews' top management. The group included CEO Laurence Tisch, now also head man at CBS. Rarely if ever have I been more impressed with the composite investment knowledge of a small management team. It's, of course, not for lack of acuity that you'll find Laurence and Preston Tisch listed among the Forbes "Four-Hundred Richest Americans" at a staggering \$1.7 billion.

"The Most Important Thing in Investing"

You can imagine my interest when I opened my 1989 Fortune "Investors Guide" and saw staring at me a near-full page color photo of Joe Rosenberg in his mountain climbing clothes. Joe is an adventurer at heart, but when it comes to investing, listen to Fortune tells readers:

"Joseph Rosenberg, who manages more than \$1 billion for Loews Corp., believes so fervently in the awesome power of compounding that he carries a compound interest table in his pocket at all times...even to the peaks of Yosemite. His faith is simple and absolute." Says Joe of the powers of compounding: "It is the most important thing in investing."

About the same time I was enjoying Fortune's neat picture of Joe sitting high atop a peak at Yosemite, I read an article on a young woman referred to by the Wall Street Journal as "the new Wall Street guru." The Journal informed us that this young lady had enjoyed a single-day media coronation, "while some legendary investors [including Joe and the Tisch brothers, I might add] have built their records over decades."

And how is the "new guru" doing? Not so well, I'm afraid. Her fund ranked dead last in its category in the 1988 period annualized by the Wall Street Journal. So much for new gurus.

Think about it. Do you want to become wealthy by following my policies of compound interest performance, or do you want to draw to an inside straight, pan for fool's gold, or perhaps relive the financial equivalent of the gunfight at the OK Corral? As Joe Rosenberg told Fortune readers, "It's foolish to undermine the power of compounding by taking big risks that could kick you out of the game."

To harness [the power of compounding](#) you must be a shepherd, not a gunfighter.