

# 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.