

You Must Find Investments that Fit Your Needs

In the past, I've explained to investors that they need to find investments that fit their needs. You must measure your needs against what I referred to as a "complete understanding of where we are in terms of both the economic and monetary cycles." I wrote:

I am not looking for the investment markets to do anything for me. I long ago positioned myself to wade through any form of financial market dislocation. I always evaluate risk before potential returns. I invest with a complete understanding of where we are in terms of both the economic and monetary cycles. Where I would invest new money at the start of a cycle is quite different from where I would invest in the latter stages of a cycle.

Consumer Staples and Health Care Shares

As a cycle matures, understand that the number of suitable options for investment begins to dry up. It becomes much harder to find investments that fit your needs. Often, you will find yourself sifting through the rubble of industry sectors currently out of style with the investment community at large. Today, I am thinking energy and materials, including pipelines, which are on the top of my shopping list through thick and thin. Despite the cycle, consumer staples and health care always make my short list. Most other industries blow in and out of favor depending on how Wall Street has temporarily abandoned one or more. Your smart option is to search out opportunity amongst the out-of-favor.

The Great John Neff

John Neff, in his Vanguard Windsor fund days, was an

outstanding proponent of investing in the forlorn, the unloved, the out-of-favor. John was noted for his patience and willingness to be out of synch for extended periods. During my institutional brokerage days, I loved working with Wellington Management, Windsor fund's management company. I knew many managers and analysts at Wellington and fondly remember, when I was the new kid on the block with a lot to learn, the helpful, informative lunches and analyst sessions. These learning sessions still serve me well today. And the contrary opinion, out-of-phase success of John Neff played a big part in the learning curve I share with you over four decades later.

Understandably, many retired and soon to be retired investors would rather focus on their families and hobbies than on developing the skills necessary to succeed at choosing the right investments.

Help is available that can relieve you of the burden of managing your portfolio. If you need assistance in making the right choices for your investments, fill out and submit the form below. A seasoned member of the investing team at my family-run investment counsel firm, [Richard C. Young & Co., Ltd.](#) will contact you to provide a free, no-obligation portfolio review. Start working to find the investments that fit your needs today.