



101 REASONS WHY MANAGING YOUR OWN MONEY IS THE QUICKEST WAY TO BUILD WEALTH

Millions of people all over the world seek the key to building wealth, yet it remains an ever elusive achievement even to those that have more resources than the average Joe. In fact, it doesn't matter if you are black, white, Latino, Asian, Arab, Christian, Buddhist, Muslim, Brazilian, Japanese, Kuwaiti, British, German, Spanish, Italian, Cuban, Chilean, Argentinian, American, or Canadian, the key to building wealth is the same no matter your nationality, ethnicity, race, or religion. Yet so many people seek so many different solutions such as changing investment firms from Merrill Lynch to Goldman Sachs to J.P. Morgan in seek of higher returns; seeking out independent financial consultants; speculating in assets they don't understand; and buying investment newsletters to provide research & recommendations. And the great majority of people that have been searching in this manner to build wealth are still searching today.

Why?

The answer is quite simple. All of these investors have a particular shared denominator of failure and another denominator highly predictive of success that is missing. Their common denominator of failure is their motivation to find the easiest method to build wealth. The placement of their money in someone else's hands to manage, the purchase of newsletters to provide their stock picks for them, and the greed driven behavior of gambling in speculative assets are just some of the many pursuits investors undertake in search of wealth. Their common missing ingredient and their reason for lack of success is their exhaustion of all possible methods to build wealth except for one - Seizing personal responsibility for learning how to manage their own money.

So the million dollar question is literally this: What is the fastest way to build wealth?

Ready for the answer? Take the time to learn a proper investing system, seize responsibility for your financial future, and manage your own money.

Unfortunately there are truly no viable alternatives to this answer. There is a reason that the best method to accomplish something is almost never the easiest way. When it comes to investing, it is simply amazing that the vast hordes of investors believe that the easiest ways to invest are the best ways to invest. We're here to show you why this is the furthest thing from the truth. Below we provide

101 Reasons Why Managing Your Own Money is the Safest & Quickest Way to Build Wealth

No one will ever care more about the performance of your money than you. Period.

(1)

No financial consultant or investment firm will ever care more about the performance of your portfolio than you. Reasons (2) and (3) are quite lengthy because they help clarify reason (1).

(2)

A financial consultant's job is to make his or her firm wealthy, NOT to make you wealthy. These two objectives are vastly different. This is perhaps the second most important reason why you must take responsibility for managing your own money. Most people realize that most financial consultants are nothing more than glorified salesmen and saleswomen, even if they do work for a prestigious investment firm. If you currently employ a financial consultant, the next time you visit the office, make a point to speak to the branch manager and ask him for the annual returns of the top five best-paid financial consultants in his office over the last five years. Then ask him which financial consultants in the office have earned the best returns for their clients over the last five years and ask to see these returns. Don't let the branch manager answer your questions by giving you the annual returns of the best five internal or external money managers that the investment firm utilizes. This response does not answer your question. First of all, it is highly unlikely that the top producers hire the top five best performing money managers year after year as any major global investment firm utilizes hundreds of money managers.

By this, I mean that most financial consultants make zero decisions about what stocks are purchased with the money that you give them. They hire either internal or external money managers to do this for you. You want to find out what are the returns of the top five best-paid producers in your office based upon the mix of money managers they hire for their clients. If a branch manager refuses to divulge this information, you have to wonder why. If they tell you they do not know, and they only know the returns of the various money managers their offices employ, this is even more incredulous. Why would the manager assign such little significance to the kinds of returns his top producers are earning for their clients that he or she doesn't even track this information? And if he or she can provide this information, ask if the returns he or she can give you are the exact figures that his or her top financial consultants have yielded on average for all their clients or if they are just estimates. Again, if a manager is just guessing, you have to wonder why they wouldn't know this seemingly critical information.

Finally, if they know, but won't tell you, why would they not release this information? Shouldn't the best paid financial consultants in any office be earning their clients the best returns year after year after year over all other financial consultants by a very wide margin. And if not, why are they being compensated so highly? The answers to these questions, if you receive honest answers, should reveal that great salesmen are compensated very handsomely by their firms while almost zero premium is put on the ability of a financial consultant to earn great returns for their clients.

(3)

Hiring a truly gifted financial consultant is still not the answer, because chances are that a truly gifted financial consultant will not hire you. Building on point (2), many investors will then say, OK. I'll find myself the financial consultant, the one that falls in the top 0.5% of all consultants that really know what they are doing, and I'll hire him or her. Here is why they are wrong again. Because most people never take the time to properly learn how to invest themselves, they never can understand the investment strategies of those that truly know what they are doing. This lack of understanding, despite any efforts on behalf of the consultant to educate the client, inevitably leads to incessant questioning of this consultant's actions, strategies, etc. which can grow very tiresome very quickly.

I have dropped large accounts in the past because of such meddling, sophomoric behavior from clients that had a lot of money. Furthermore, I have refused to accept large accounts as well because I could tell, in speaking with a prospective client, that he or she firmly held so many misconceptions about investing that he or she would be a nightmare to deal with. Consultants that truly know what they are doing, despite their efforts, can not educate anyone fully in 3-4 hours time if one has been conditioned for years to believe the nonsense that global investment firms have taught him or her. Furthermore, because great consultants realize that so many widely believed concepts about investing are nonsense, and have achieved their great performance by realizing this, they will constantly be fighting an uphill battle against clients that believe this nonsense. Therefore the chances that they would keep these clients in the long run are slim to none.

Even if one finds the rare consultant that truly knows what he or she is doing, and truly has outperformed the markets significantly year in and year out, because these types of consultants invest so differently than the status quo, any lack of exposure to such intelligent investment strategies will undoubtedly cause fear. It is human nature that ignorance leads to fear. In turn, fear causes incessant badgering and questioning, a behavior that 100% of the time will cause a great financial consultant to terminate a relationship with a client.

Because great consultants achieve their outperformance by making decisions that go against the grain of what 99% of other financial consultants do, a great level of understanding of how to invest properly is necessary for one to even to maintain a relationship with a great consultant. In the end, even if one doesn't wish to manage his or her own money AND even if one is able to find that rare 1 in 1,000 financial consultant that really knows what he or she is doing, one still needs to learn a comprehensive investment system just to maintain a healthy relationship with their knowledgeable consultant. Ultimately, this is why you should learn to manage your own money!

(4)

Global investment firms always tout a message of trust in their commercials. But where is the historical performance that merits that trust? 6% to 10% a year?

(5)

If being a financial consultant required such specialized knowledge, why do investment firms hire financial consultants from a vast array of backgrounds and degrees? The investment industry is most likely the industry that possesses the greatest amount of diversity regarding the former professional careers of its frontline personnel. This is because there is no specific set of knowledge required to be a great financial consultant. Only great people skills and sales skills. You can not find a single other industry that is so willing to hire people from all walks of life. If you want to become a lawyer, you need a law degree. Want to become a marketing executive with a large firm? You better have at least eight years of marketing experience with a Fortune 500 company. However, if you want to become a top manager at a prestigious investment firm, your degree is irrelevant as long as you have an uncanny ability to sell.

(6)

Think about what #(5) implies. Think your financial consultant has an MBA or business degree in finance? Think again. The typical financial consultant does not have an MBA. However, the common denominator that all successful financial consultants have is a great knack for being able to sell.

(7)

There is so much misinformation disseminated by investment firms in order to keep you dependent upon them. That alone is a reason why you should cut the umbilical cord to investment firms and learn to do it yourself. There is a reason why investing legends like Warren Buffet state that he only reads firms' analyst reports when he wants a good laugh. He realizes the level of misinformation that is necessary to build client-firm dependency. You should too.

(8)

You'll never build wealth quickly with diversified portfolios (diversified by asset allocation, diversified by style, diversified with mutual funds). But this is all investment firms do. I once met a top financial consultant at a major firm that believed in buying nothing but index funds for his clients. If this is how your money is being managed, do you really need to pay someone to buy index funds for you? Figure out the equation: A. Diversification won't create wealth. B. Investment firms diversify portfolios. C. I give my money to an investment firm, thus my portfolio is diversified. What's your conclusion?

You will never build wealth at an investment firm. Preserve it? Maybe. Build it? Fat chance.

(9)

6% to 10% will never help you build wealth. You must learn to at least earn 15% to 25% or more every year. At 8% a year, it will take you 9 years to grow \$250,000 to \$500,000 and 18 years to grow \$250,000 to \$1,000,000 in a non-taxable account, not considering the erosion in purchasing power due to inflation. At 25% a year, it will take you less than 7 years

to grow \$250,000 into a \$1,000,000 in a non-taxable account. That's the difference between building wealth and preserving wealth. 6% to 10% a year helps you preserve wealth, not build it.

(10)

Major global firms will NEVER find the best stocks in the global market and hold them in your portfolio.

(11)

Reason #(10) is true because major firms coverage of small and micro cap stocks are appallingly light. Firms must provide extensive coverage of large cap stocks, the Genentechs, the IBMs, the McDonalds, the General Electrics of the world to appease their clients. However, the Microsofts of the future are small and micro cap stocks now. You can't build wealth buying and holding the IBMS of the global stock world. Yes, I know that the great Warren Buffet was a buy and hold man, but today's investment world is much different than it was 50 years ago, or even 20 years ago. The explosion of derivative instruments and many more investment vehicles have formed a certain interdependency among assets that never existed before. Furthermore, the actions of some nation's banks have introduced a very tangible fragility into the global economy today.

Nothing in this world is static. Certainly, the global climate is not the same today as it was 50 years ago. The temperatures of the world's oceans are not the same as they were even 20 years ago. And financial markets are not the same today. Buy and hold blue chip stocks if you want. But you will never build wealth this way today.

(12)

Information technology and the flattening of the information world now makes it easier for you to be much more knowledgeable than any financial consultant employed by any of the major investment firms.

(13)

Financial consultants, because of the payout grid that dictates their salaries, are often motivated by selling you the highest commission based products, not necessarily what is in your best interest.

(14)

Investors that have actually built wealth through investing like Warren Buffet, George Soros, even Mark Cuban, have all managed their own money. Investors that have already amassed great wealth employ money managers. That should tell you something about what's necessary to build wealth.

(15)

Even large global investment houses only have the resources to track about 1,500 stocks. There are estimated to be over 75,000 stocks that trade globally. Investors want coverage of the most popular stocks in their country which means that the great majority of stocks that firms' analysts cover are large cap domestic stocks. When I worked for a large Wall Street investment house, many times stocks I wanted to buy that were traded in China, stocks that returned triple digit returns in less than a year, had zero coverage at this firm. You want to own the best stocks in the world, you have to manage your own money. Give your money to someone else to manage, and chances are very very high that you will never own the best stocks and opportunities in the world.

(16)

When was the last time you heard a truly unique approach to investing from a financial consultant anywhere? If you have spoken to 10 different consultants at 5 different firms, most likely their pitches will sound like broken records. Now think about this? How can it be that in an arena as creative as investing, that different financial consultants from different firms that live on different continents all apply the same principles and strategies when managing your money if these similar approaches are not sales driven but return driven?

(17)

If you utilize a money manager to handle your money, the great majority of financial consultants don't understand anything more than you do about investing. Most people don't realize this because they don't know the proper questions to ask their financial consultants. Take care to learn the proper questions and you will reveal their weaknesses.

(18)

The great majority of financial consultants can be summed up in one word. Salesman. Enough said.

(19)

Investment firms convince you to do so many things that are not in your best interest. We'll list these things now.

(20)

If you don't want to buy in bull markets, buy in bear markets, buy during corrections, and buy during market tops, learn to manage your own money.

(21)

If you don't want to be cashed out during times of market volatility and pay fees on cash because your consultant doesn't know how to make you money during poor markets, then manage your own money.

(22)

Perform a Google Search as follows: "SEC fines, Citigroup, Merrill Lynch, UBS Paine Webber, Morgan Stanley, J.P. Morgan" and read all the articles that are returned. The SEC stands for the Securities Exchange Commission, and they impose fines on investment houses when they engage in illegal or unethical behavior. Do you still believe that these firms have your best interest at heart after performing this search?

(23)

Henry Blodget, once Merrill Lynch's top internet securities analyst, and other Merrill analysts once wrote in private emails that the internet stocks Merrill Lynch analysts were touting were "crap" and "junk" and that the only thing special about them were the investment banking fees these companies were paying to Merrill. (Source: The Washington Post, April 24, 2002). Though many firms have claimed to have separated investment banking from their brokerage houses today, do you really believe that a huge investment banking client that has paid massive fees to an investment firm will not pressure top management to tone down negative ratings regarding their company or to amplify otherwise already positive reports? Remember, Warren Buffet says he reads analysts' reports only when he needs a good laugh. How do most stock pickers at firms choose stocks for you? By reading their firm's analysts reports.

(24)

It doesn't really make a difference in 99 cases out of 100 if an absolutely green financial consultant straight out of college manages your money or a 20 year veteran with silver hair manages your money. You'll receive roughly the same results because internal systems that guide consultants to choose money managers or firm developed asset allocation models don't change whether a consultant is 25 years-old or 65 years-old. If this doesn't scream sales optimization strategies over portfolio return optimization strategies, then I don't know what does.

Individuals that say they have tried managing their own money but have failed have never implemented a realistic or proper system to do so.

(25)

There is now a course to learn a comprehensive investment system for the first time ever called SmartKnowledgeU™ that not only teaches never before revealed secrets regarding how to identify the best stocks in the world but also teaches how and when to buy and sell stocks. (okay, a little shameless promotion here but since it's not even in the top 20 on this list you can't call it that shameless right?)

(26)

There is a global investment crisis aka the Peak Investment Crisis that is brewing and inevitable though the vast majority of investors are unaware of it (and this is NOT a reference to any global market correction that may have happened recently). If you learn how to invest your own money now, which means learning a comprehensive investment system, you are highly unlikely to be caught unprepared when this crisis hits and destroys trillions of dollars in the stock market.

We are not saying that this investment crisis will happen tomorrow. But there are many undeniable facts, not theories, about the global economy that presage an economic disaster that will happen most likely sometime within the next five years. It may start this year or it may not really muster enough momentum to precipitate a global reaction until two or three years from now. But the probabilities are very high that it will happen soon. Learn a proper investment system that teaches you to understand the global economy to guide your investment decisions and you will profit tremendously from this crisis.

(27)

Most people that try to do it themselves and fail have no system. They buy stocks that are plastered all over the financial media, which more times than not, means that the stock has already had a fantastic run. After all, stocks that are languishing will not attract so much media attention. So they do the worst thing possible. They buy high and when the stock corrects, they sell out low.

(28)

Individuals often say they can't manage their own money because they have lost money when trying to do so. However, the majority of individuals that say this never learned a proper investment system before commencing the management of their own money. So if you are among this subset of investors, below are many more reasons why anyone absolutely can learn to manage their own money.

(29)

In the past, learning how to invest was all about number crunching, Dry and boring. Today long tail investment strategies have introduced a lot of creativity into investment strategies and actually made learning how to invest fun.

(30)

Your neighbor told you he had a hot tip for a can't miss stock. You bought and you lost big. You vow to leave investing to the experts. Sorry, but this is hardly qualifies for an attempt to manage your own money. Foolishness, yes. Serious go at managing your own money? Hardly.

(31)

You mistake years of investing for years of investing experience. If you've been investing for 30 years but have never managed your own money, you have zero years of investment experience when it comes to being able to do it own your own. Most people don't realize this, think they've learned enough by speaking with their investment advisor over the years, embark on their own and lose money. Learn an investment system first and this won't happen.

(32)

You believe that all the cumulative knowledge you've gained from being a client of a well-respected brokerage house of financial consultant should be enough to allow you to manage your money successfully. None of this information you've learned will help you build wealth. If you've built wealth through them, you wouldn't be trying to learn how to do it yourself. Forget about all these strategies and principles and seek out an investment system that doesn't have as its number one goal closing a sale.

(33)

In this ever increasing age of immediate gratification, you've never given yourself proper time to learn a real investment system. You may have tried something for three months, and after questionable or poor results, discarded it. Ever try learning anything worthwhile within 3 months with great success? Learning how to invest and how to build wealth is not difficult yet it demands a certain level of commitment and time. Too many people these days expect a lot for nothing. They want a secret formula that will give them explosive growth. They jump from one foolish spam email that screams "I'm almost positive this stock will give you 1,580% returns in six months" to the next \$10,000 software program that promises to have cracked the "secret patterns and codes" that predict every single upleg in the markets in chase of quick profits. This is not learning a system. This is foolishness. There are secrets to building wealth, but they all involve learning proper systems of investing that won't make you rich overnight but will make you rich only when you assume a proper commitment to learning.

(34)

You actually spend an adequate investment of time learning a system, but you spent time learning the wrong things. You invest with these strategies but never build any wealth and declare that you're better off letting the "pros" handle it. Modern portfolio theory of diversification is over half a century old. There is nothing modern about it. Learn the long tail of investment strategies that have updated yesterday's outdated strategies and you will finally learn the secrets about building wealth.

(35)

You start an investment club with industry experts. Experts in nanotechnology, in biotechnology, in pharmaceuticals, in precious metals, but still your investment club has not made you rich. Industry experts are a great place to start. In fact, they will be able to shed more light on companies than the average person. Still if no one in your investment club has learned a proper system of investing, all that insight is useless. You must have the framework available to take advantage of all that insight. That framework is a solid system of investing, and all members of your investment club should possess this.

(36)

Most people misunderstand what a solid investment system is. This is not something that you gain from reading a \$39.99 book and not something that you can learn from "dabbling" in investing. Just as you would not expect to be able to solve complex algebra algorithms or problems without a comprehensive structured course, you need a comprehensive structured course to truly learn a system. Find one and learn it.

(37)

Most people don't utilize leverage when learning an investment system. If your strength is not independent learning, then find a tutor to aid you. Understanding your personal strengths and weaknesses are paramount to investing success. If you have learned a great investment system but don't have time to apply it properly, form an investment club and leverage the ideas of others to save time or bounce ideas off of.

(38)

A talking, or screaming, head on some financial news channel on TV told you about a can't miss stock. You bought and you lost again. See Reason #(33). This is not a serious attempt to manage your money but mere foolishness.

(39)

You paid lots of money for an investment newsletter subscription. You bought everything they recommended but didn't really earn much money beyond what you earned before you bought the subscription. To build wealth, it's not good enough to know just what to buy. You must know when to buy, how to buy, when to sell, and how to sell as well. This is a complete investment system. Furthermore, newsletters that provide coverage on 100 stocks will never provide any utility to you unless you have already learned an investment system that allows you to filter down that list of 100 to only the best ones.

(40)

You purchased books on value investing, how to invest like Warren Buffet, technical investing, and so on, but you still have not had huge successes with your investments. These are the wrong types of books to consult in learning an investment system and thus, the reason for failure. Traditional decades old strategies should not be applied today. Mimicking someone else's style does not work. I'm sure basketball players would like to elevate their game to the level of Michael Jordan's game, but mimicking his style won't make them play like Jordan.

(41)

You've tried managing your own money and have had years of great success but also years of huge losses. You decide that a steady 8% a year, just like the investment firms have been telling you for so many years, is the way to go. Sounds like you've been speculating versus having learned a solid investment system. While you are going to have some years that are much more spectacular than others when investing you shouldn't have years where you gained 40% and years where you lost 50%. That can only happen because you've been speculating and still have not learned a proper investment system.

(42)

You only buy stocks on tips from “experts” already in the investment industry. You figure this is the quick, painless way to find the best stocks in the world to invest in. However, it seems to be hit or miss with the stocks you have bought. Again, this is not learning an investment system.

(43)

The reason all the instances above are NOT justifications for why you can't manage your own money is because in none of the above instances was a systematic method of investing ever utilized. Would you ever read a book about how to fly a plane, even as detailed as it may be, and think you could really fly a plane. Would you ever just take the recommendation of a friend that Island XYZ is the best island in the world and blindly fly there for your honeymoon without performing any research yourself? Would you ever just quite your job and start a construction business tomorrow because your neighbor is making a killing in the construction industry? These are the exact fly-by-the-seat-of-your-pants decisions that investors make when managing their own money, and then when struck with failure, conclude that they can't manage their money.

(44)

Become a member of an elite group, the less than 5% of individual investors that actually learn how to invest for themselves. There is a reason that so few investors actually build great wealth through investing. I'm not talking about the investors that made \$25 million from real estate and then grow that amount through investing in the stock markets. I'm talking about the investors that started with very little and amassed a fortune through investing. The reason that so few investors amass a fortune through investing is that so few are willing to truly learn an investment system that teaches them how to invest themselves.

(45)

There is a reason why you consistently hear statistics like 3% of individuals own 95% of the wealth, no matter what country you visit. The reason is that these 3% of people took the time to learn how to manage their money themselves and thus have truly built wealth.

(46)

Like attracts like. Of all the investors I've met in my life, less than 1% actually learned how to do it themselves. However, the best ideas outside of my own that I've ever had have come from discussions with these 1% of investors. If you have something to offer to someone else, they will freely offer their views to you as well. There's something about human nature, unless you are a great philanthropist, that makes people dislike others that are not willing to put in the work themselves and instead only look for free handouts (advice) from the people that have put in the work.

You say you don't have time to manage your own money? Guess what? Your financial consultant has even less time.

(47)

The only excuse that you have for not building wealth is not taking the time to learn an investment system. Given that this is potentially the most important pursuit regarding your financial security, there really is no excuse for not learning how to invest yourself.

(48)

If you don't believe that your returns should be limited to the knowledge of your financial consultant, then manage your own money. For example, how many times have you asked your financial consultant, I'd like to invest in gold, or I'd like to invest in dollar declining funds, or I'd like to invest in Chinese markets, only to have your financial consultant stare at you blankly and say, “the safest way to invest is what I'm doing for you now.”

I once heard this anecdotal story. A wealthy individual asked his financial consultant, one of the top producers at his firm, why he didn't own any stocks in the Chinese stock market. The consultant said just give me some time and I'll get you a list of stocks that we can buy. When he produced the list, the list contained the American-based Chinese restaurant chain P.F. Changs. If this is the kind of advice a top producer gives, you may think how can he be a top producer? Just read this entire list, and you'll realize how easy it is for these types of situations to exist at top investment firms. You want

to know how a top producer at a prestigious global firm can give such shoddy advice? It's because he's not paid to produce great returns for you. He's paid to close sales. You want to duplicate this experiment today? If you live outside of Canada, then go to your financial consultant and ask him what he thinks are a couple of the best Canadian junior gold mining stocks and why? Ask him or her to answer on the spot.

(49)

If you believe that diversification is the pathway to mediocrity because even a 2000% gain isn't going to help you much if it constitutes 1.5% of your entire portfolio, then manage your own money.

(50)

In my many years working for global investment firms, I once heard one of the top producers call a client and tell the client to urgently sell shares of a specific stock and then immediately call another client and tell this client to buy the shares of the same stock. There are plenty of people like this working for global investment firms that are rewarded by these firms for such actions (because these actions earn the firm money as well as of course the consultant). Do you really want someone like this managing your money?

(51)

The reason that the only excuse for not learning an investment system is laziness is the following: even if you work full time, it will take no longer than a few hours a week for one year to master an investment system with the proper course. That is one year of sacrifice of perhaps missing your favorite TV shows. That is not a lot of sacrifice for a lifetime of building wealth and security for your family. Again the only excuse is laziness.

(52)

So you don't care that your financial consultant knows nothing about stock picking. You only care that he utilizes expert money managers on your behalf. Wrong again. Most all institutional managers, an estimated 98% track the domestic indexes in their own country. You still won't own the best stocks in the world even if your financial consultant employs money managers to manage your money.

(53)

Financial consultants have hundreds of clients. How much personal attention do you think your account is receiving, especially if it is less than USD \$5 million in size? If you have no time to manage your own money, that is still more time than your financial consultant spends managing your money.

(54)

To save time, financial consultants often gain exposure in foreign markets for you by buying mutual funds. Mutual funds, because of all the fees associated with them, are horrible investment vehicles. Furthermore, mutual funds diversify away the performance of any great individual stocks they hold.

(55)

Mutual funds were invented to allow investment firms to sell more product in less time. Selling a mutual fund requires a fraction of the time that would be required if financial consultants had to search and find the best companies in the world. It also allows financial consultants to invest you in asset classes, regional markets and so on, with zero knowledge of how to invest intelligently. When it comes to investing, knowledge equals power, and power builds wealth. You want knowledge, there is no alternative but to learn to invest yourself. If your financial consultant purchases mutual funds for you, it is because he/she has not time to find individual stocks for you.

(56)

Mutual funds, due to their institutional nature, will often tank during global market corrections as massive amounts of money are redeemed. Yet so many firms push mutual funds. Furthermore, to be able to meet redemptions, mutual fund managers must hold a certain portion of their fund in cash and manage liquidity in the fund. Do you really want to pay for inefficiency because when you buy a mutual fund you pay for inefficiency. 100,000 times out of a 100,000 times, a great individual stock is better to own than a great mutual fund.

(57)

Time is the one commodity that financial consultants do not have. Is this good if they are managing your money?

(58)

Here is the typical breakdown of management directives for financial consultants. 70% of all time spent marketing and meeting new prospects. 30% of all time spent with accounts, including routine account maintenance. Is this the equation you want for the management of your money?

(59)

If time is the commodity you say that you lack, and this is why you employ a financial consultant instead of managing your own money, this is also a poor excuse for the following reason. Most people work so hard to have a nest egg to invest and then spend no time whatsoever in protecting and growing that nest egg (In essence, handing your money to someone else to manage it IS spending NO TIME protecting and growing it).

(60)

You should make two to three to eight times the returns from managing your own money than you do by handing it to someone else. If time is the commodity you lack to manage your own money, do you see how this is a circular argument? You lack time because you don't earn enough returns on your investments. But if you made much greater returns you would CREATE MUCH MORE FREE TIME for yourself, because you would not have to work so hard at your job or you would have the luxury of being able to turn down a promotion in exchange for having a better quality of life.

(61)

Being wealthy is NOT just about having more money than your neighbor. It's also about having the leisure time you desire to enjoy life. By committing more time NOW to learn an investment system, you will free up much more time in your FUTURE. Everything has an initial period of sacrifice. Learning how to invest however, yields great rewards down the road, and is very much worth the initial period of sacrifice.

(62)

Finally if you are RETIRED, then you absolutely have ZERO excuse for not learning how to manage your own money!

Traditional education offers very little utility in building wealth in the real world. Because of this, you must seek investment courses outside of traditional education that will teach you how to truly build wealth.

(63)

It's truly not difficult to manage your own money. The reason so many people don't know how to do it is that there are very few good courses that teach people how to do this. The scarcity of such classes is purposeful as the institutions that control stock markets in this world don't want people to know what they know. By this, I mean that they take a much different approach to managing their own institutional accounts than they do when managing private individual accounts. This is the information they closely guard, that if the average investor knew, would make their existence moot.

(64)

Perhaps the most important class that could be taught in secondary education classes is one called "How to invest money". However, this class is not taught in traditional forums of education. Therefore it's up to you to learn how to do it yourself outside the realm of traditional educational.

(65)

People that try and fail, fail not because they aren't capable. They fail because they seek the wrong information about investing. The information age has made the long tail of investment strategies the best way to easily invest and make lots of money. Forget about fundamental investing and learn the long tail of investment strategies.

(66)

Saying you can't do something is a poor excuse for not even trying. Managing your money in the global stock market is no more complicated than an 8th grade level mathematics class. It just takes commitment and the patience to learn BEFORE entering the stock markets.

(67)

Investment firms spread tons of misinformation trying to tell investors that investing is complex so consequently you must use them. Of course they want you to believe this. If you didn't, they would be out of business. If you ever wondered why you have never made tons of money while your money was being managed by an investment firm, stop believing their myths.

Most people that seek to manage their own money give up if they don't achieve immediate results. Immediate gratification and taking shortcuts is a mindset that will lead to failure.

(68)

You must get over the immediate gratification aspect of managing your money. This is a lifetime pursuit. In the beginning it will require more time. Down the road, doing so will CREATE MORE LEISURE TIME as your returns flourish.

(69)

Learning to manage your own money will create a legacy for your children. Since your children will never learn how to do so within the confines of traditional education, after you learn, you can teach your children and give them a head start in building wealth that will place them 10 steps ahead of all their peers.

(70)

Seizing control of this significant part of your life will teach you how to seize control of other parts of your life as well.

(71)

Learning how to manage your own money will give you a greater appreciation for the movie "The Wizard of Oz". Everytime you watch it you'll realize that in the past you were the tin man or the lion or Dorothy and that investment firms were the man behind the curtain.

If you don't seek out a proper investment system to learn now, and you are beginning your investment life, you will inflict significant harm on the mindset required to build wealth by internalizing mainstream advice. Learning a proper investment system now allows you to filter out all the white noise of the investment world.

(72)

Most money managers have a very nationalistic slant in the management of portfolios, tracking the major indexes in your country. Or if you do not live in a country that has one of the major developed markets in the world, then they tend to have a very regional bias. For example, if you live in Indonesia, perhaps the manager is heavily invested in China. The problem with this is that even great markets, especially fast growing ones, became overbought and overheated, and a narrow regional or domestic focus exposes your portfolio to a lot of risk. If you want a global portfolio that will capitalize on the fastest growing countries in the world while capturing other assets in more developed markets for an element of stability, you simply must learn to do it yourself.

(73)

Building on the above, managers that seek out foreign markets primarily do this by purchasing emerging or developing market mutual funds. In major foreign markets, you want to own the best individual stocks, not mutual funds.

(74)

You'll be fed years of junk by establishing a relationship with a global investment firm. Not being fed years of junk that may take you years to "unlearn" is worth the price of learning how to do it yourself.

(75)

For example, diversification, asset allocation, volatility equals risk. These concepts are all junk. Making money in stock markets is about picking the right stocks in the right markets at the right time. Learn to do this and you'll become wealthy.

(76)

No money managers at global investment firms currently utilize the proper filters to find the best stocks in the world. You need to learn yourself if you ever want to apply the best investment systems in the world.

(77)

The reason (38) is true is that investment firms goals are very different than yours. Their goal is to gather as many assets as possible and earn as many client fees as possible. This goal leads to strategies that do not maximize the returns on your portfolios.

(78)

Even if you take shortcuts to managing your money, like paying for investment newsletter subscriptions, the only way you can build wealth is if you learn a proper investment system that allows you to leverage the information of top-tier investment newsletters. Notice again that we say top-tier investment newsletters, because just like financial consultants, perhaps less than 1% of investment newsletters are actually worth your money. However, even for the information of the best investment newsletters in the world to be worth anything to you, you must have learned an investment system that allows you to invest in their stock picks with efficiency and at low risk/high reward entry points.

(79)

You just can't mimic what successful investors buy or buy what a newsletter tells you to buy if you want to build wealth. If this was the case, there would be a million other Warren Buffets out there who just inspect the Berkshire Hathaway annual reports every year and copy the Berkshire portfolio. Besides knowing what to buy, you also have to know how much to buy, when to buy, when to sell among other things as important determinants of building wealth. Thus you must learn an investment system that you will trust.

(80)

Learning how to invest yourself is a much more important determinant of wealth than other things, like obtaining a CFP, a CFA or other advanced degrees that people choose to invest in instead of learning how to invest. Get a degree in learning how to invest instead.

(81)

The stocks that will make you wealthy over time are the ones nobody knows about. Therefore you can't depend on Bloomberg, CNBC, Jim Cramer, or Reuters to tell you about them. You must learn a system that helps you identify them.

(82)

Once you learn to invest, you can employ a domino effect to really quicken the pace of your wealth building. Once you convince some of your friends to learn how to invest, form an investment club. I guarantee you that if you have a group of five to ten or even 20 people that have truly learned an investment system, the ideas generated by this group will be 100 times better than a 100,000 financial consultants.

(83)

Most people that believe that learning a system is not worthwhile believe so because they have read stories similar to the following: We conducted an experiment to test the randomness of the stock market by having a monkey with painted feet dance around on a stock page. We built a portfolio out of those 20 stocks and it outperformed the 10 top money managers in our country. Most recently, in 2006, five Playboy playmates outperformed a well-known U.S. mutual fund, the Legg Mason Value Fund. They point to this as proof that investing in the stock markets is random and a crap shoot. Maybe it says more about the quality of people in the investment profession, but read below for a better explanation.

(84)

Several things make the above argument highly flawed. Number one, playing make believe with an imaginary portfolio can not mimic reality. Tell the Playboy playmates or the person managing a portfolio with a monkey selecting stocks to actually invest large sums of their own money and see if the results are the same at the end of the year. For example, the Playboy playmates were asked to choose a portfolio consisting of only five stocks. At a million dollars, every position would have \$200,000 to start. However, own \$200,000 in a stock that all of a sudden loses \$50,000 and see if they would really hold on to it to see the 30% gain at the end of the year. Or see if they have a system two years out where they protected their profits at the end of year one or lost them all. Imaginary contests can be played with no investment system whatsoever and therefore do not mimic reality.

(85)

If you are a baby boomer just starting a family, with skyrocketing education costs that now may even outpace inflation (and real inflation costs versus the bogus numbers often released by governments), it is estimated that tuition at the top schools could cost half a million to a million dollars by the time your children are ready to enter college. If you don't want the cost of your children's education to bankrupt you, you better learn how to build real wealth now.

(86)

By building a legacy for your children as well as teaching them something they will never learn in school, you will ensure that they won't still be draining your resources and living at home when they are 25 years old.

(87)

You'll never have to utter these 3 questions again, "What stock(s) should I buy?", "What stock(s) should I sell?"; and "What markets should I invest in?"

(88)

You'll never have to utter this question again, "Where is the best place to invest my money?"

(89)

You'll never have to utter this question again, "How do I handle the global market corrections?"

(90)

You'll never have to utter this phrase again, "Your fees seem really high for the returns you've been earning me lately."

Learning a proper investment system will drastically decrease the mistakes you make in investing your money, the inefficiencies that currently plague your returns, and the amount of fees you pay over your lifetime while dramatically increasing your returns and your leisure time. That is a payoff that is worth the initial investment of time and money to do so.

(91)

Your returns will never be plagued again by consultants that keep you fully invested in traditional stocks through global market corrections and having to hear "your best off staying fully invested through this time."

(92)

Markets are not efficient. Just think of how many major news stories have recently been scooped by blogs instead of the major media outlets. Financial information is the same. Learn how, why, when, where, and what to look for and your investment system will yield stock picks with low risk-high return set ups.

(93)

A certain amount of volatility in your portfolio is necessary to build wealth quickly. However, volatility does not equate to risk though investment firms lead you to believe this. Do you think Warren Buffet and George Soros built their fortunes without investing in a proportion of assets that were volatile? However, intelligently investing in volatile assets requires that one learns a solid investment system. The overwhelming number of financial consultants never learn an investment system. They learn investment theories and strategies, and most of all, sales strategies, but NOT an investment

system. Diversification is NOT an investment system. Asset allocation is NOT an investment system. Learning a solid investment system requires more time. Therefore it is up to you to learn a wise investment system.

(94)

The overwhelming curriculum of global investment firms' financial consultant training courses are spent on sales strategies. Ask a graduate of a big time firm's financial training course to pick the best gold and uranium stocks for you and the overwhelming majority of them will be clueless. But he or she will be adept at selling the hell out of you and convincing you to entrust them with the management of your money. This should tell you something.

(95)

Financial and fundamental analysis are dinosaur investment strategies when it comes to utilizing the best predictive information for stock appreciation. Modern Portfolio Theory was invented in the early 1950's. Does that sound "modern" to you? Do you want to be a dinosaur or move into the modern world of investment strategies?

(96)

A one time \$10,000 investment in learning an intelligent investment system primed to take advantage of the explosive growth in top-tier investment information is worth 1,000 times more than \$20,000 annual fees paid every year to an investment firm.

(97)

Learning how to invest yourself, even if you have a large account domiciled at a global investment firm already, will save you loads of money over time. Say you have a \$5,000,000 account and pay 1.5% annual management fees (the truth is if you have been sold hedge funds, your fees are probably much higher than this because hedge funds typically charge you 20% of your profits AND 2% management fees), then your annual fees amount to \$75,000. In ten years, you have paid a firm more than \$750,000 in management fees (presuming your account is growing). For a fraction of that money, you can learn a comprehensive investment system, manage your own accounts, and never have to pay management fees again.

(98)

How many times in your life when it was absolutely 100% necessary for something to be done right, did you decide to do it yourself? Isn't your financial future something that is worthy of being placed in this category?

(99)

How many times a year do you sit down with your financial consultant face to face to have a serious discussion about your stock portfolio? How many times a year do you take your car in for routine maintenance, including oil changes and car washes? Which is more important to maintain, your car or your financial livelihood?

(100)

Learning a comprehensive investment system and how to invest your own money will lead you to learning about many non-traditional asset classes, i.e., the asset classes that the institutional divisions of global investment houses invest in but rarely purchase for high net worth individuals. These non-traditional asset classes may very well provide some of the best returns in the markets over the next five years.

And finally....REASON 101

(101)

We're not saying that all financial consultants stink. Just the great majority of them. There are great ones out there. Most of them are probably independent. And I do recall one financial consultant that told me he avoided the firm's top ten stock picks like the plague. So they do exist. It's just that the energy expended to find one would probably be better spent investing in yourself and learning how to invest yourself.