CONCLUSION

SOME THINGS WE CAN DO ABOUT IT

Working Americans need a Living Plan, and they need it Now. Most do not have such an animal. It is no longer Queen's, "I want it all, and I want it now". (The rock group Queen, not THE Queen. Freddie Mercury had a much better voice than Elizabeth II). Rather, it is more like the Beatles', "Help, I need somebody, Help, not just anybody". The lesser alternative is The Who's, "Hope I die before I get old; Talking about My G.G..G..Generation".

Conventional wisdom spawned by the media (Led by misinformation director, *USA Today)* drives the thought processes of mom and pop investors toward emotional investment decision-making. To reiterate, here are some do's and don'ts.

10 Don't's

Control those emotions, and please, please…

1. Do not pick last year's winners to out perform somebody. (That's like driving by looking in the rear view mirror.)
2. When picking a winner for next year, beware of what motivational speaker Nick Murray calls "The Miss America Principle--She don't win twice."
3. Don't bet the ranch on one idea, one pick.
4. Do not let the euphoria of "I can't lose" motivate your investment behavior.
5. Control the panic of "I'm too late" or "I better sell now when everyone else is" (You wind up selling a company that you just bought and didn't make any money on to buy one that's on top, ready to go down.)
6. At the same time, please don't let your cost basis drive your investment decisions. (Don't keep a big loser in the hopes it may go up to what you paid for it.)
7. Don't leverage (After all, if you lose it all, you can borrow more, can't you?).
8. Do not speculate when you think you're investing.
9. Don't get caught in the trap of looking for income while ignoring total return.
10. Don't rely on social security or the value of your house to fill your retirement needs

5 "Do's"

Instead consider these financial truisms:

1. Market outperformance is not a financial goal. It is impossible.
2. Forget about modern portfolio theory—the concept of the "Rational" investor has gone the way of Newtonian physics.
3. Make major changes to your investment portfolio only if there is a fundamental change in the quality of the investment, or if there is a significant change in your financial circumstances.
4. Diversification is a myth that only works until you need it.
5. Timing matters.

Investing is not rocket science despite what some product pushers may have you think. At the same time, it is a daunting task to do it without help. Fortunately there is help available and you do not need to pay some self-stylized "Expert" an arm and a leg (1% is way too much) for that help.