

From the editor...

Investing in the stock market is a lifetime activity. Adhering to the principles taught by BetterInvesting can help secure a sound financial future for you and your family. The sooner you get started the easier it is to meet your financial goals. In the short run, the market gyrates up and down as investors' moods swing between enthusiasm and pessimism. It's important to know that watching earnings is more important than watching price. Price volatility is composed mostly of noise in the short term, but reflects a more rational evaluation of a company long term. Let time work in your favor by buying a good company at a good price and holding as long as it continues to perform and generate new wealth in which you can share as a company co-owner. BetterInvesting does NOT teach "buy and hold" if you interpret that to mean "buy and forget". What we teach is **"buy and watch"**. So sell the stock if it

1. becomes radically overvalued (the PE exceeds 150% of your projected high PE), or
2. business performance is permanently impaired due to management failures or adverse business conditions.

Hopping in and out of the market is not the way to go.

- John Rogers

MARCH EVENTS

> **StockTalk:** March 12th, 9 to 10:30am at the Indian Tree restaurant.

[REGISTER TODAY](#)

> **Introduction to ToolKit6:** March 19th, 9am to noon at Colorado Christian University

Computer Lab, Beckman Center, Room 113. **[REGISTER TODAY!](#)**

> **Advanced ToolKit6:** April 2nd, 9am to noon at Colorado Christian University. **[REGISTER TODAY!](#)**

Go to our **[website](#)** for more information!

SPRING EDUFEST, APRIL 30TH

The theme for the Spring EduFest on April 30th at Colorado Christian University is **"Shaping Up Your Portfolio"** and is the first in a series of EduFests putting emphasis on preparing for and living in retirement. We're all in either of those two categories, so there is something of great interest for everyone.

Our keynote speaker will be Doug Gerlach. Doug is CEO of ICLUBcentral and StockCentral and a riveting speaker. ICLUBcentral supports our clubs through online services and key software products such as ToolKit. ICLUBcentral merged with BI in 2010.

You'll not want to miss this one!

TALES FROM THE BRIGHT SIDE

The more you know about investing, the better you're likely to do as an investor. The approach taught by BetterInvesting is called fundamental analysis. In short, this approach involves finding a good company with good management and buying at a good price. As a co-owner of that company, you can benefit and share in the wealth generated by that company's business activity. This **IS NOT** a zero sum game!

as new wealth is constantly being put on the table. Other investment approaches involve short term speculation which is a form of gambling because to make a buck someone else must lose a buck. There is no new wealth generated and the return can only come out of someone else's pocket. Speculation **IS** a zero sum game.

There are several ways to learn and increase your investing knowledge. To a large extent, it all depends upon your level of comfort with the learning method. Some learn best in a traditional classroom environment while others like to cozy up with a book and ponder the ideas contained at leisure. Some like the new online learning via webinars and yet others like to attend a national convention. The majority of BI folks like a combination of ways.

Your Rocky Mountain Chapter website has a page listing books that teach and help increase your understanding of fundamental investing. Some even touch on ways that other approaches can be used in support. You can use charting and technical analysis in a good way and remain a serious investor while avoiding the "wild west" game of rank speculation.

The reading list is divided into three sections according to your current level of knowledge. The beginners list is the place to start if you are new to all of this. It's a good place to review key concepts even if you some level of knowledge already. Once you've worked your way through this list, you can move on to the intermediate level and finally, the advanced level.

We currently have fourteen books listed altogether. We suggest reading each of these books as a club and discussing as an educational segment in your club meeting. You should be able

to read one book every three or four months. Any questions that remain puzzling may be referred to one of our chapter volunteers for clarification.

NEW CONTINUING THEME FOR OUR BIENNIAL EDUFESTS.

We realize how difficult it is these days to prepare for and live in retirement. The old days of lifetime employment with a company that takes care of your retirement needs with a defined benefits plan are rapidly fading away. More and more, the responsibility is falling on your shoulders. Unlike yesteryear, people no longer plan to work for a single company for the duration of their working life and companies no longer plan for that either. Companies now see the maintenance of a defined benefits plan as an onerous overhead cost and not even sensible as their employees probably will turn over every ten years or so. These are the new realities.

We must take responsibility for our own welfare and our own retirements. If we don't, we will end up as wards of the state living little better than a subsistence level. Not a pretty thought.

Those already living in retirement must learn how to maintain that nest egg so carefully built up over the years while generating income to cover expenses. Investing in stocks and bonds simply must be the bedrock of any such strategy.

Knowing that the average age of our membership is in the mid-fifties, we are going to re-theme our biennial EduFests to center on the overall theme of preparing for and living in retirement. **The new program will begin this fall, so stay tuned.**