



After days like yesterday and today, I normally would write a lot about market history, precedents and talk about our various indicators. To be perfectly candid, I am wiped from the holiday, still battling being under the weather and spent the evening doing more research on the 1930s. So, believe it or not, and most of you don't, I am going to confine my comments to a few paragraphs.

To begin with, my time target of a significant low by October 17th remains in place. But to be totally honest, I absolutely did not expect anywhere near the level of market carnage we've seen this month. If I had, I certainly would have played the short side of the market and rung up some of the best gains in my investing career.

Our strategies, for the most part, remain awash in cash. Some are 100%, while others have some investments. All strategies are outperforming the market in a huge way, but frankly, I'd rather underperform in a runaway bull market! To reiterate what I said last month, we have not totally eliminated loss, but the downside has been happily mitigated.

Many of you have called, emailed or just stopped me in person to ask what I suggest you do with your portfolio. Rather than give you the quick 30 second answer, I think you should really consider whether you want to manage your own portfolio or turn to a professional.

And not just any professional.

Listening to the masses who continue to espouse buying and holding simply does not work. If you invested in the stock market 10 years ago, you are now DOWN over a 10 year period. That's just not the recipe for success. Sorry. I heard too many advisors in the media say that they are fully invested, have been fully invested and plan to stay fully invested.

It does not work!

Whether you want to discuss your situation with me or someone else isn't the issue. Just PLEASE make sure that person or firm follows a disciplined, active investment plan that takes a proactive approach.

I have always been open to scheduling a call or meeting with you, so please take advantage of that offer now! Don't sit on your hands hoping things get better. HOPE is not an investment strategy!

You can click on this link to review our 8 investment strategies, which don't just use stocks to make money.

STRATEGIES

Back to the markets. What is going on today has no precedents in the modern investing era. None. Zero. Zip. You have to go all the way back to the 1930s, as I written about before, to find anything remotely close to today. And since the market and government have evolved a million fold since then, I just can't place a ton of credibility on that.

We are in the midst of a global deliberating process that took decades to build, slowly and steadily. But when the system is forced in the other direction, it's anything but slow and steady. It's more like a waterfall or trying to squeeze a pack of elephants through a narrow doorway.

Not only are banks and investment banks being forced to sell and reduce exposure, but the hedge fund industry, fresh off the largest redemption period in history is seeing even more liquidations. These things almost always overshoot to the downside and that's exactly what's going on.

It's fast, furious and terrifying to watch, but it's going to end quickly, as I mentioned in the past two editions of Street\$marts. For the new folks receiving our updates, you can view all of the prior Street\$marts issues by clicking here, **PRIOR ISSUES**.

Judging by the ugliness of Thursday's close, the best thing for the market would be a nasty open, followed by some stabilization and firming after lunch with strength into the close on record volume. Without that, the weekend will be a nail biter and more selling should be seen early next week.

Like all other past crisis in our history, this too shall pass, but it won't be without collateral damage, a topic for a different day. Stocks are close to a low, but I seriously doubt many people will have emotional wherewithal to take any action. It's tough for professionals in this environment. It's nearly impossible for individuals. Experience matters and whomever is handling your money should have lots!

As always, PLEASE don't be complacent with your hard-earned investment dollars. It's just not ok.

You are encouraged to contact me directly by phone, email or carrier pigeon for help. I had to add pigeon since we've had this white one living in our courtyard at the office and he just won't leave. He thinks it's home and he's using doors and windows to relieve himself!

I hope you have a restful weekend away from the doom and gloom headlines. Sorry for any spelling errors or others. I need to hit send and go to bed.

To Your Financial Success,



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