

UNCOMMON INVESTMENT PLANS

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1. **Your House** is not an asset, regardless of what the banker tells you.
 - a. If you plan to buy a house, plan to have a large deposit (20% +) or pay all CASH for it preferably.
 - b. If you already own a house, pay it off quickly. It can be done in 7 years or less.
2. **Cash Reserves** – 3 to 6 months expenses – Emergency Fund – No room for “Murphy.”

ASSET TYPES:

3. **ASSET #1 – PAPER ASSETS** – Stocks and Mutual Funds, etc..
 - a. Due diligence is the key here – Don’t lead with emotions or you’ll lose your savings.
 - b. Large Cap stocks – IBM, MICROSOFT, EXXON
 - c. Penny Stocks – Companies with Stock value under \$5! Know before you go invest.
 - d. 401k, IRA, Mutual Funds, etc.. – Retirement Plans.
4. **ASSET #2 – REAL ESTATE**
 - a. Rental Property
 - b. Buildings, Condos, etc.
 - c. Must generate positive cash flow.
5. **ASSET #3 - BUSINESSES**
 - a. Are you building a business?
 - b. Do you have a team already assembled?
 - c. What’s the purpose of the business? What is the mission and vision?
 - d. What **products or services** are you selling?
 - e. How will the business make a profit? What are your greatest expenses?

ASSET PROTECTION:

6. **Gold and Silver** – Hedge against inflation
 - a. The Fed Reserve has been pumping more money into our economy making the poor even poorer, and the US debt ceiling is breached – Dollar has been losing value. Put at least 15-20% of your investments here.
 - b. Gold and Silver have been on the rise. These are commodities whose productions are subject to supply and demand laws – unlike the supply of money across the world.
7. **Insurance** – Health, Home and Car Insurance – all help prevent from having to spend too much money when you have to deal with any emergency – somewhat like an emergency fund.
 - a. Review all coverage and make sure you’re not covered by too much or too little.
 - b. Get exactly what you need. Don’t overpay – Shop around.
8. **Wills** – Do you plan to pass on the wealth?
 - a. YHWH thinks about generations and so should you – a legacy to your children’s children – not just good works, but wealth too.
 - b. You must make sure your wealth doesn’t end up being given to the state, but passed on to your children and their children.

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What is a Stock?

Stock seems to be like some household term that we hear a great deal about and more so as we delve further into the information age. But what is a stock really?! A stock itself is simply a share in a company. That's it! As simple as that sounds, Wall Street and the media have done a great job to confuse investors. To illustrate what it is we are talking about in more detail, let's go over a quick example of two individuals who own a company and how their ownership share relates to owning a stock. Imagine two individuals are trying to open up a small gym down the road. First they would need to finance the project with some money, then have to purchase/rent a building to facilitate the business, then among other things purchase equipment set up the gym and then open doors for daily operations. In this example, they both would share costs, share liabilities, and reap the benefits together 50/50 because they both have a half stake in the company. If for instance over time the business grew to a total value of 1,000,000 dollars, both partners would individually have 500,000 dollars in the company. After some time, one partner decides that they are not content with the size of the company and wants to collect more cash to reinvest into the business to grow the gym further generating larger profits. They would need to go about doing this by going through the various steps in forming a corporation and going public as an Initial Public Offering giving the general public a chance to buy into the gym by issuing shares of common stock. In this example they choose not to want to give up a significant amount of their share but decided that 10 percent would be sufficient enough to generate enough cash to further the company. As a result of this, the two partners will no longer own the company 50/50 anymore, but rather each will have 45 percent and potentially hundreds and even thousands and millions of shareholders will own the remaining 10 percent as the two had originally planned it to be. In this brief simplistic example, you can see the transfer of ownership from the original owners of the gym to the stockholders by the issuing and purchasing of stock in the company giving a more complete understanding of what it means to be an owner in a company. You can also see why business owners offer stock options to and how it can possibly benefit the corporation.

There are two main reasons why individuals buy stock in a company. These two reasons include a capital gains appreciation one can receive from successful trading or for profit distribution in the form of a dividend. Capital gains appreciation is simply purchasing a stock for a lower price than what you sold it for on a later date. So, if you purchased 50 shares of Walmart at 50 dollars a share and sell off your shares for 75 dollars at a later date, you would have seen a 50% capital gains appreciation of 1,250 dollars leaving you with a total of 3,750 dollars in your total investment in Walmart. This would be an extremely favorable investment and one that is possible through acquiring sound advice and executing smart financial decisions. Another reason someone purchases stock in a company is to receive a periodic dividend as a result of profit distribution. Shareholders are entitled to profit distributions when companies generate a profit and opt to pay dividends. In many cases, individuals make investment decisions on stocks based on potential capital gains and dividends and weigh their options accordingly.

An underlined benefit eluded to in the gym example is by owning stock, you are now a business owner. If you own 5,000 dollars worth of Exxon Mobile, you own 5,000 dollars worth of all assets that the company owns. This means that you get excited when you see people pulling into your gas stations with their large SUVs. As a business owner, you have voting rights and a right to your share of the assets in the company if for whatever reason the company went bankrupt and they needed to sell off their valuables. Being financially tied in a company, you are interested in the decisions and steps your company is taking to experience a greater level of profitability and anticipate positive news that increase the value of your investment.

July 30, 2010

Penny Stock Opportunities

Penny Stocks

Micro cap equity or as most people refer to them as penny stocks, are publicly traded companies that sell for less than five dollars according to the Securities and Exchange Commission. Some of these companies are literally penny stocks, even selling for a fraction of one cent. These type of companies are high risk and high reward. Unlike large companies that are well known, these companies are unheard of by the general public. This doesn't mean they don't have a great business or sell products that are sold regionally to average everyday consumers; it just means that they still have a lot of growing to do. Which of course is where the high reward comes into play. FutureMoneyTrends.com is always looking for the next big trend and company positioned to profit from that trend. Using penny stocks to capture huge profits is definitely somewhere we want to position ourselves when the time is right. The key of course is finding the right companies that are unknown to the talking heads on CNBC, hedge funds, and average day traders.

Prior to doing any investments, especially in penny stocks, make sure you find out all the facts first and please consider how the economy and future trends will effect these micro cap companies.

November 8, 2010

Gold Standard Debate

Leading economies should consider readopting a modified global gold standard, according to Robert Zoellick the president of the World Bank. Wow, this op-ed piece by the World Bank president last weekend in the Financial Times put us on our heels! If you recall it was on September 9th this year that we announced a gold currency would be a major trend in the next decade. Of course most people saying this or even bringing the idea up are very far from conventional thought, so hearing it from the World Bank president who recommends the G-20 to seriously consider it at their next meeting was pretty shocking to say the least.

Now with all due respect to the World Bank president, the verbal debate at the G-20 would be historic, but the real debate is already in full swing. China, Russia, and other emerging markets are buying gold by the ton, literally. In fact, as mentioned in our [Gold 1980 Vs Today](#) trend alert, in Malaysia a private Islamic currency has already been introduced into the market place. Being used in everyday transactions by business owners, cab drivers, and others choosing gold and silver coins rather than the official government made money. Gold has recently surged to record highs as global investors are seeking safety from a pending currency war.

Last week we saw Ben Bernanke bring a bazooka filled with Federal Reserve notes ready to drop [QE2](#) on the currency markets. All of this also comes right after a mainstream money manager, Shayne McGuire, predicting that we would see gold hit 10,000 dollars per ounce. Mr. McGuire runs a 330 million dollar gold portfolio at the Teacher Retirement System of Texas. That's right, this isn't James Turk making this prediction, this is a pension fund manager. Of course since making that call he has been heavily ridiculed from the mainstream media, as well as, Wall St. analysts, but in our opinion, being ridiculed by the mainstream media only strengthens our confidence in his prediction. If there's one trend that stays consistent, it's that the conventional wisdom is almost

always dead wrong.

In any event, the above is all great news for the smart money invested in future trends.

Debt Crisis Confirmation

Today the President announced that the official national debt will break \$15 trillion in 2011. This equals the entire U.S. economy and is roughly a 200% increase in our national debt in the last 10 years. The white house is projecting a \$15.476 trillion dollar deficit by the end of September 2011, which will make fiscal year 2011 the largest jump in our debt in history. After the election that was centered around out of control government spending, President Obama chose to completely ignore the will of the people and opt for bond suicide. If there was any doubt that this nation will face a bond crisis in the next 5 to 10 years, in our opinion this is confirmation that we will. How long will bond holders and investors continue to throw money at the U.S. Federal Government and be satisfied with a low return while food, energy, and now clothing prices are surging? In our opinion, this was it. With the election and all the talk about cutting spending, many investors and bond holders thought that we would finally see a change in Washington D.C. Instead, they received measly insignificant cut proposals from house republicans and a budget proposal from the white house that takes deficit spending to new records. The white house is projecting that interest payments on our debt by fiscal year 2015 will be \$554 billion, but remember, like all white house projections, these numbers are more than likely far from reality. Iraq was supposed to be the \$50 billion dollar war and the \$800 billion dollar stimulus was going to cap unemployment at 8%. The white house believes that investors are going to continue to accept record low yields in order to fund what we believe is fiscal insanity. In our opinion, the sovereign debt crisis is going to be just like the sub-prime crisis, everyone will deny it until it's too late. Unlike the housing crisis though, the government can't come to the rescue because it's going to be the government that needs the bailout.

Market Update

Andover Ventures Inc.(TSX-V: **AOX** & OTC: **AOVTF**) [profiled on February 6, 2011](#), by [FutureMoneyTrends.com](#) recently broke the \$0.76 resistance price pointed out by [Barcharts.com](#), **AOX** closed at \$0.79 **up roughly 20% in just the last week**. For more information about **AOX**, please take the time to review our [complete profile](#).

NWM Mining Inc (TSX-V: **NWM** & OTC: **NWMMF**) [profiled on January 17, 2011](#), by [FutureMoneyTrends.com](#) at roughly 10 cents per share closed today at \$0.17, **a 70% increase since our profile just 4 weeks ago**. **NWM** recently announced that they have started an exploration program at the Campamento exploration area that is south of the proven and probable gold reserve currently defined at the La Jojoba property. The drilling is scheduled to begin this week and will extend over the next 2-3 months. For more information about **NWM**, please take the time to review our [complete profile](#).

Third Largest Silver Producing Mine Workers on Strike for Sixth Day



A Strike at the San Cristobal Silver Mine enters its sixth day. With the silver market as tight as it is, this certainly can not help. Not only does the San Cristobal Mine account for HALF of Bolivia's exports, **this mine is the third largest silver producing and the sixth largest zinc producing mine in the WORLD!** This strike started last Friday when workers demanded better working conditions and the firing of several officials. Mining production has been completely halted now for almost an entire week. This has been completely ignored by the financial media.

U.S. Government Breaking the Law



Yesterday the debt ceiling was officially breached, eight days earlier than forecasted. Actually, Timothy Geithner gave us a range between April 7th through May 31st when the debt ceiling would be breached, but like all government forecasts, the Treasury Department's forecast was too rosy and ended up being completely wrong. So, technically the world is supposed to stop at this point, no more borrowing is allowed, the media should be going crazy, and the complete collapse of the dollar should be big

news. Yet instead, nothing. The U.S. continues to borrow (now illegally), the media is not talking about it, and the bond market which is supported by freshly digital printed dollars doesn't seem to care either. The Fed now accounts for 70% of treasuries being purchased and the U.S. government has breached its own self imposed debt ceiling, yet no one seems to care. In our opinion, any sane minded person will at this point (if they haven't already done so) accept that nothing is going to change and prepare for the inevitable dollar crisis. Yesterday the Treasury sold 29 billion in bonds bringing the total U.S. debt to 14.311 trillion, the current debt ceiling is 14.294. Now with a 52.2 billion dollar buffer for the total debt, a technical default should happen within the next 10 trading days, let's see if that makes any news. **Bill Gross, the largest** bond fund manager **in the world**, recently had this to say regarding U.S. debt, "**unless entitlements are substantially reformed, I am confident that this country will default on its debt; not in conventional ways, but by picking the pocket of savers via a combination of less observable, yet historically verifiable policies - inflation, currency devaluation, and low negative real interest rates.**" We should note that Bill Gross currently holds no Treasuries, however most Americans, especially retirees, have plenty of Treasuries since they are told they are ultra safe by conventional advisers. In case anyone wanted to know, our staff is loading up on energy, agriculture, mining, alternative energy, and any investment that can potentially do well during a time of a systemic currency crisis. **To see our most recent purchase, [click here](#).**

Japan, Energy, and the US Economy

Already we have recently seen reports from Nissan that they have been forced to reduce or even halt production in some plants due to missing parts that they depend on from Japan. With the recent news yesterday, Bloomberg reported that it looks like Japan is preparing to bury the Fukushima reactor with thousands of tons of concrete. Bloomberg reported that they are currently considering pouring concrete into the atomic plant to reduce radiation and to try and contain the disaster. Now judging by the last few weeks, we would assume that if Japanese officials are openly considering this option, more than likely this means that it is already going to happen and is in the works. This is going to have a huge impact on Japan, the U.S., and energy markets overall. Any relief investors thought would come from the Tsunami, will be short lived. **With Japan losing some or all of its nuclear energy for an extended period of time; watch out, energy markets could go parabolic.** Natural gas, petroleum, and other sources of energy will be in HIGH demand, Japan will now have an enormous energy void to fill. [FutureMoneyTrends.com](#) is working hard on finding a ground floor alternative energy company to present to our members, hopefully by this weekend. Our goal is to present an alternative energy company to our members before any official announcement comes from Japan regarding the fate of Fukushima. With the sovereign debt crisis, Middle east, and now Japanese nuclear problems, energy companies are going to see a lot of money flow into them. Of course our trademark is, "*smart money invested in future trends.*" So, we will be working overtime in order to present an energy profile to our members as soon as possible. **Our last energy profile went up 10% on the first day on record breaking volume**, so as you can see, sometimes the news travels fast.

Gold and Silver Bubble Analysis

We believe precious metals are far away from turning into a bubble (for reference please see our article titled, '[Gold 1980 Vs. Today](#)'). However, from time to time we like to point out some shocking statistics in order to counter the barrage of froth talk coming from the media. PDAC, the largest mining show in the world, took place just a few weeks ago in Toronto, Canada. This is a show where investors, industry analysts, companies, and mining representatives all come together.

Now with gold rising from \$300 to \$1,440 in the past 10 years, you would think that this type of show would receive a lot of attention, especially if gold was in a bubble. If you look at some of the real estate seminars that were going on in 2006, thousands of them all across the country, every single weekend, certainly 1 mining show would bring at least a few hundred thousand interested investors. So, how many people attended the largest mining exhibit in the world? 27,700.... Need we say more.

Food Prices Headed HIGHER

Corn is not only used in animal feed and now fuel, but over 4,400 grocery store products. The primary fertilizer for corn is anhydrous ammonia, this time last year farmers were paying roughly \$425/ton. This year post QE1 and during QE2 the cost is north of \$750/ton. Not only will this cause corn and food prices to rise in general, but because of the high cost of fertilizer, this situation could even get worse because many farmers have been priced out of the corn market due to this high production cost. So, they have chosen to NOT plant corn, instead they are planting other crops like soybeans. A higher cost of production and less production is going to effect food prices significantly. **PLEASE**, use this information wisely, if you haven't read our [food inflation report](#), do so now, share this and other information with as many people as possible. Remember, there are many factors all coming together that are telling us there is going to be much higher food prices in the NEAR future. Just this morning the **CEO of Walmart, Bob Simon**, warned consumers that he expects serious inflation in the months ahead for food, clothing, and other products. When discussing Walmart's costs he told USA Today, "**We're seeing cost increases starting to come through at a pretty rapid rate.**"

