

A Simple Portfolio Strategy for the Trump Presidency

Over the last few weeks, and seemingly every time I look at the news, I see articles that are trying to forecast whether President Trump will be good or bad for the stock market. Here are a few examples:

- “The Trump Factor: Should Investors be Bullish or Bearish?” (Marketwatch)
- “With Donald Trump as President, Here’s What Will Happen to the U.S. Economy” (*The Street*)
- “How Donald Trump’s Presidency Will Affect the Stock Market” (*Forbes*)
- And, my personal favorite, the potential development of “Trump ETFs” being discussed at this week’s Inside ETF conference.

If I’m being completely honest, here’s how I feel: *I can’t take this nonsense anymore!* And that’s putting it lightly. Nobody can be certain what is going to happen to the stock market, and this early on, these types of forecasts are a waste of time. Their purpose is to generate clicks, not to spread information.

That said, let me offer some very simple advice for anyone. The key to investing in the Trump presidency is the same key as it was in the Obama, Bush, Clinton, Bush, Reagan, Carter (you get the idea) presidencies.

To explain this advice, I’ll give the floor to Howard Marks, one of my favorite investors: *“It shouldn’t take you too long to figure out that success in investing is not a function of what you buy, **it’s a function of what you pay...**”*

This is what all boils down to: “The price you pay.” Simple, huh? The problem is, for most people it’s not that simple. If it were, more people would do it! It requires patience, discipline, and an understanding of the **value** of the businesses you would like to buy.

At Iron Gate Global Advisors, the price you pay is something we take very seriously. Hundreds of hours go into the investments we make.

To be even more specific on our process, we answer these four main questions before buying any business (stock):

1. Is this in an industry that we understand?
2. Do we believe in the management of this company?
3. Can we buy the company at a good price, below its intrinsic value? (This is the price you pay!)
4. Is this business going to continue to grow at an acceptable rate?

Through this process, we’ve achieved returns through several administrations, and can confidently invest (yes, even in the days of a Trump presidency). So, the key to not only surviving, but thriving, in a Trump Presidency—or any

other Presidency—is to ensure that you buy great businesses at great prices.

Here's to wise investing,

Brett Pattison

Private Market Investments Webcast Reminder

One portfolio opportunity that follows the same four criteria mentioned above are our Private Markets investments. We've talked about these types of investments in past blogposts.

If you haven't read the articles, you can find them below:

- [Lack of Liquidity can be an Opportunity](#)
- [Middle Market: The Investment for the Super Rich that you can Access Too](#)

As a reminder, we will be holding a webcast next week on Private Market Investing. You can register below.

Please Confirm Your Attendance

Please join our Special Webcast on the Private Markets by submitting the form below. Webcast will be January 31st, 6:30PM EST.

What We're Reading

[State-by-State Guide to Taxes on Retirees.](#) This is a great, simple report, on what the taxes look like in all 50 states. Just click on your state to see what different tax rates are, property taxes, sales taxes, exemptions, and much more.

[The Dow's long road to 20,000.](#) The Dow finally hit 20,000. This is a cool historical video discussing the Dow through the years. We're sure you'll enjoy it. Regarding Dow 20,000, we have two thoughts about it. 1) It speaks to the importance of being patient and letting time and the power of compounding do its thing. 2) The Dow is the most worthless index in the world today so 20,000 is a completely worthless milestone.

[From \\$6,000 to \\$73 billion: Warren Buffett's wealth through the ages:](#) This simple article will show you the most important part of wealth creation. Most of Buffett's wealth has been built since he was 66 years old. This is a must-read article!