

What We Learn About Contrary Opportunities From the Peanut Butter Bear Market

In this week's video commentary we're talking about the lessons of the Peanut Butter Bear Market.

Haven't heard of the Peanut Butter Bear Market? Well it has some great lessons about when we should be building our portfolios and taking advantage of opportunities.

It's a great lesson in how a contrary view can completely change the game for the wise investor.

So please watch and enjoy learning about what peanut butter can teach us.

What We're Reading

[What Works on Wall Street.](#) This is a Google Talk by Jim O'Shaughnessy. O'Shaughnessy is the author of one of our favorite books, "What Works on Wall Street." This is one of the better one hour educational videos we have watched recently.

[We Can Get Great Advice, But the Decision is Up to Us.](#) Carl Richards of the Behavior Gap, discusses how, when it comes down to financial advice, it's up to you! We couldn't agree with this more. We deliver advice to a lot of people . . . BUT we cannot force people to make those changes or slight

adjustments in their life. It's up to them.

[Bonds May Be the Single Most Overvalued Asset Class.](#) This is by investment guru Doug Kass who discusses why bonds are overvalued. This is important for people to know. Too many portfolios have allocations to bonds that may not help them the way they believe. We're not saying that all bonds are overvalued or that everyone should sell immediately. However, being informed is important as it relates to what you may have in your portfolio.

This is Your Brain on Financial Losses

We're going to keep things really simple this go round.

Why? Because this basic principle is what keeps the wise getting richer and the unwise getting poorer. It's what drives the shift in market wealth from the unsophisticated investor to the seasoned investor.

And you just might recognize a bit of yourself in the foundational concept I share in the video. It's inspired by The Behavior Gap by Carl Richards and is applicable in many situations but particularly investing.

So take a look. I think you'll enjoy and come out wiser as you think about your money.

Check out what we're viewing on the web:

Edward Jones hit with suit alleging 401(k) mismanagement: Unfortunately this is becoming a common theme. As people become more educated these mammoth firms that have been ripping people off will be called out. We believe that this is a GREAT thing! If it's not in the best interest of the client, it should NOT be done. Period. [Read it here.](#)

Malcom Gladwell Revisionist History Podcast, "My Little Hundred Million": This podcast series from Malcolm Gladwell is fantastic, a must listen too! This one in particular highlights how an individual has completely changed a college through the legacy he has left. He also speaks about those Universities with Endowments that are so large, they'll never use all the money. Our take, we'd have to side with Malcom on this one. [Listen here.](#)

How investors can sabotage performance by switching to index funds: This article continues the debate of active vs. passive investing. Passive investing has been very popular lately, certainly more popular than it's ever been. (That should be warning enough.) One quote we really like in the article says . . . "In other words, chasing returns and hot sectors is dangerous, no matter which type of fund you use." We agree! [Read the full article here.](#)

[Income Genius July – Using Stocks You Love to Generate Income](#)

In this month's Income Genius we are looking at **a specific method we utilize to generate income** from stocks that you love. We walk you through the thinking behind this method and how it actually dovetails nicely with a long-term outlook for value investing because it is based on stocks that you would be happy to have in your portfolio.

It is something that we believe brings unique value to your portfolio and can truly change how you approach income.

We also discuss finding stocks at a reasonable value in an environment where many stocks that are income generators are at or potentially even above target value. And the kicker is **almost no investors and 95% of financial advisors** DO NOT use this strategy despite its benefits.

Options are not suitable for everyone as the special risks inherent to options trading may expose investors to potentially rapid and substantial losses.

Investors must consider carefully all relevant factors including their own personal financial situation before investing in options. Prior to engaging in trades involving options, you should carefully read Characteristics and Risks of Standardized Options that is provided by your brokerage.