

Ron Armstrong • February 2 & 3, 2019

Face Value: Decide Your Future

Proverbs 21:5 Steady plodding brings prosperity; hasty speculation brings poverty. (LB)

Proverbs 22:7 The rich rule over the poor, and the borrower is slave to the lender. (NIV)

Luke 6:38 "Give, and it will be given to you. A good measure, pressed down, shaken together and running over, will be poured into your lap. For with the measure you use, it will be measured to you." (NIV)

Proverbs 28:19 Those who work their land will have abundant food, but those who chase fantasies will have their fill of poverty. (NIV)

A. Let's redraw our organizing equation and its five boxes.

B. Some principles for our investment box.

1. Investing is what you do with money AFTER you save it.
 - a. Once in savings, it's time for that money to go to work.
 - b. Investing is about choosing who will work: you or your money.
2. Invest like it was someone else's money.
 - a. There is a CONNECTION between risk and return. And when you think there isn't; there still is.
 - b. If there is a reasonable chance of losing it all, it's not really investing; it's GAMBLING.
3. SIMPLE investing is better investing.

a. Don't invest in anything you don't understand, can't pronounce, or explain to a child in 4th grade.

b. Here is a simple plan: (Pure opinion)

- I. Open a Vanguard account.
- II. Get broad diversity with THREE funds. (VTSAX, VGTIAX, VBTIX)
- III. Rebalance quarterly or annually.
- IV. Reconsider OVERALL mix at 50, 60, and 70.

4. We should know the difference between an investment and a JOB.

a. What are the choices? Investments, HYBRID investments, and jobs.

b. None of them are right or wrong, but it helps your DECISION-MAKING to know the difference.

C. Throw a few principles in your debt box.

1. Debt is not your FRIEND.
 - a. It makes you a servant to the lender.
 - b. Low debt will give you choices, and high debt will take choices away.
 - c. Set a date to be done with it.
2. Avoiding debt is EASIER than paying debt.
3. When you get it out, don't let it back in.

D. Let's finish by drawing who you want to be at 60.