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**KEEPING YOUR HEAD CLEAR**

Patience is a virtue. Greed is a curse. What is the underlying element whose presence leads to patience, while the absence leads to greed? Wisdom. When it comes to the investment process, wisdom can be thought of as time-tested insight.

Greed is a human impulse, instinctive to most. Patience, while not an impulsive gesture, is instinctive to some. For others it is a learned behavior.

Regardless what type of person you are, if you want to become a successful investor, you must be patient and you must expel greed from your mind.

You must also stay away from noise. There are plenty of relevant distractions as it is. You have no time for distractions. They can be dangerous.

I speak of this because we are now entering a period that I view to be extremely difficult to forecast with any reasonable amount of certainty. Therefore, we must be patient and wait for more definitive signs of clarity.

Fortunately, my forecasts have been spot on for quite some time. But all that means is that with each future forecast, the probabilities that I will be wrong are heightened. This does not concern me because I am aware of this reality.

And I want you to be aware of it as well. I do not mind missing a few calls here and there, as this is to be expected. It is the number of calls over time that is

important.

You too, should rate your abilities and decisions with the same mindset. Over time, as you gain more insights and skills, your hit-miss ratio should improve. More important, you should find yourself engaging in investment strategies and opportunities that are less risky, and therefore more rewarding.

No doubt, as you become better in this process, you will express investment regret. But you will know you are becoming a better investor when your regret is centered upon missing previously spotted opportunities rather than mourning over your losses.

Always remember my credo—stick with certainty and stay away from uncertainty because investment opportunities are endless, while cash is limited.

Investors do poorly for the same reason why most businesses fail—they run out of cash. Likewise, investors often lose money and miss out on tremendous opportunities because they run out of cash.

Staying liquid is especially important during the current period. You should have a large cash position as we continue to test the deeper waters of this storm. If you want to take on new investment opportunities, you will need to sell other positions, while focusing on building your cash position. This is a time to focus on preservation, not speculation.