

June 3, 2024

The **NO BS** Growth and Income Portfolio

By John Del Vecchio



New Trades this week:
No Trades

Still only 9 positions. The 10th spot remains in cash

Current Portfolio June 3, 2024

Ticker	Name	Return	Days Held	Sector
BURCA	Burnham Holdings, Inc.	1.17%	53	Industrials
CBKM	Consumers Bancorp, Inc.	2.53%	11	Finance
FUSB	First US Bancshares, Inc.	8.86%	60	Finance
MCEM	The Monarch Cement Co.	40.23%	263	Non-Energy Materials
PSX	Phillips 66	51.25%	389	Energy
RSKIA	George Risk Industries, Inc.	2.88%	25	Technology
THFF	First Financial Corp. (Indiana)	10.50%	367	Finance
VLO	Valero Energy Corp.	21.63%	228	Energy
WEYS	Weyco Group, Inc.	24.22%	200	Consumer Cyclical
CASH	CASH	CASH	CASH	CASH



All Risk and No Reward

The spread between the forward earnings on the S&P 500 and the 10-Year Note is a paltry six basis points.

That's 0.06%

You're taking on a *lot* of risk in owning the market for essentially no return over a 10-year Note.



I'm hesitant to say that the 10-year Note is "risk-free."

Government deficits are out of control.

I could easily see other countries losing faith in U.S. debt.

That argument could have been made consistently for the last 40 years, and it didn't happen.

Now, given that there's no compensation for taking market risk compared to the "risk-free" rate of return, does that mean the market is going to crash?

No.

The market *might* crash.

The market *might not* crash.

No one knows.

What I do know is that we need to think long and hard about taking risks in public equities when we can get the same return by parking our hard-earned money in cash.

Buying the market here is not a "no-brainer".

Many might say they're "long-term investors, and it doesn't matter."

Except it does matter.

You're stepping before a bulldozer to pick up half a penny.

Usually, the bulldozer wins.

Furthermore, there are a lot of "long-term" investors until they get their ass kicked in a bear market, lose 65% of their portfolio's value, and then sell out at the **exact** bottom.

This happened in March 2009.

The **exact** low after the financial crisis of 2007-2008 represented the lowest allocation to stocks ever by the average investor.

I'm hard-pressed here to allocate fresh capital to stocks.

Money already invested doesn't concern me much.

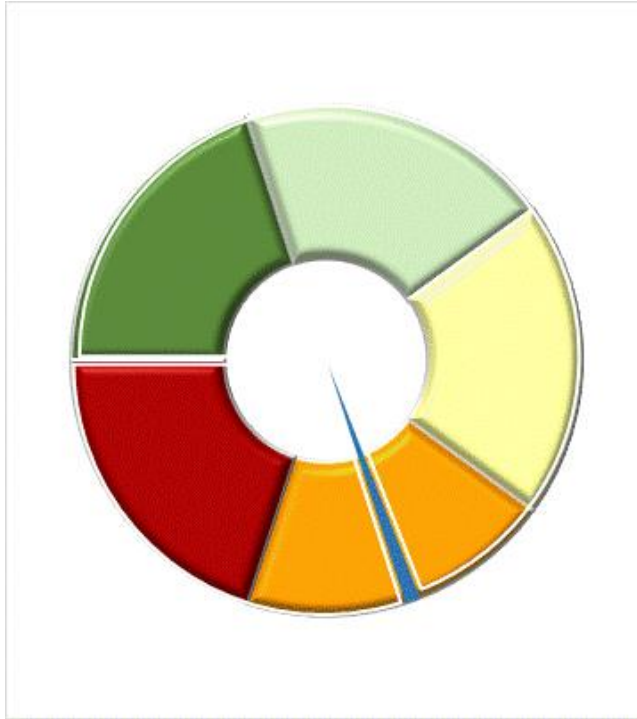
It's long-term! 😊

Tactical strategies like my *Simple Retirement System* and *50X Fortunes* primarily rely on durable trends to generate profits.

The crappy expected forward returns on stocks get reflected in the price action of other instruments, which then gets factored into my models' trades.

Therefore, I don't need to predict anything.

I need to react.



DISCLAIMER:

THIS COMMUNICATION IS FOR EDUCATIONAL AND INFORMATION PURPOSES AND DOES NOT CONSTITUTE INVESTMENT ADVICE. Any Publishing Service offered by HSD Publishing is for educational and informational purposes only and **should NOT be construed as a securities-related offer of solicitation or be relied upon as personalized investment advice.** HSD Publishing strongly recommends that you consult a licensed or registered professional before making any investment decision.

THE RESULTS PRESENTED ARE NOT TYPICAL OR VERIFIED. HSD Publishing has not verified information regarding the historical trading performance presented. Subscribers' trading results have **NOT been tracked or verified,** past performance is not necessarily indicative of future results, **and the results presented in this communication are NOT TYPICAL.** Actual results will vary widely given various factors, such as experience, skill, risk mitigation practices, market dynamics, and the amount of capital deployed. Investing in securities is speculative and carries a high risk; you may lose some, all, or possibly more than your original investment.

HS DENT IS NOT AN INVESTMENT ADVISOR NOR A REGISTERED BROKER. Neither HSD Publishing nor its owners or employees is registered as a securities broker-dealer, broker, investment advisor (IA), or I.A. representative with the U.S. Securities and Exchange Commission, state securities or regulatory authority, or self-regulatory organization.

WE MAY HOLD THE SECURITIES DISCUSSED. HSD Publishing has not been paid directly or indirectly by the issuer of any security mentioned in the Services. However, HS Dent, its owners, and its employees may purchase, sell, or hold long or short positions in securities of the companies mentioned in this and future communications.

John Del Vecchio is not an employee or partner of HSD Publishing. HSD Publishing serves solely as the marketing arm for John Del Vecchio and Unbounded Wealth: Max Profits.

© 2024 HSD PUBLISHING. ALL RIGHTS RESERVED. 15016 Mountain Creek Trail Frisco, TX 77573.