

Beating the Market



The Discovery of How to Invest, Grow and Protect Your Savings When Markets Rise and Fall

Van Beek – Stock Trend Investing

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Introduction to financial freedom

Recently I quit my job. My family and I have moved to Bangkok in Thailand. I want to start spending my time in a different way. I want to work on the projects that I really enjoy and that give me purpose. I want to be my own boss. And being 42 years young, I do not want to think about retirement yet. But I do want to live in a warm country, in a dynamic city and with the beach close at hand. And thus we moved... because we can. We can because of the financial freedom we have achieved. Here is the story of how I have done this based on a normal career and without winning the lottery. You can do this too. It is not difficult. Just invest simple and smart.

If I knew 15 years ago what I know now about how to invest in the stock market, my savings and wealth would have been way much higher than what they are now. Then I did not know yet how to invest smart. But I do not complain. It is never too late and the last 7 years have been very, very good.

Today, I only do the management consulting jobs and get involved in the business ventures that I am interested in. I work between 20 to 40 hours per week. The rest of my time is for family, sport and self development.



“If I knew 15 years ago what I know now about how to invest in the stock market, it would have been fantastic!”

Stock Investing

The financial markets can be a daunting place if you don't know your way through it. People are shouting advice from everywhere and most of them are just after commission. Your money is easier lost than won.

Savings accounts only provide interest at a few percent. A buy and hold stock market strategy nets on average only between the 6% and 7% per year, with long periods of much lower returns. I wasn't happy with these levels of returns. I cannot imagine many other people would be happy with them either, when they realize that they are missing an opportunity that delivers much higher returns with less negative fluctuations in the value of your asset holdings.

In this eBook and on my website, I share my experiences on how I invest in the stock market, having achieved averaged annual returns of at least 10% to 11%. And I tell you how you can make money in this way too. It is simple, pretty safe, very straightforward and it is not time consuming. You keep all control and visibility over your money and investments. I just share my experiences.



“I wasn't happy with these levels of returns and cannot imagine many other people would be!”

My time is my asset

Over the years I have learned how to invest in the stock market and make money, without spending a lot of time on it every month. I just do not have that time... or rather I want to spend my time on other things: my work, my interests, and my family.

I do not want to spend hours and hours every month researching the financial reports of “great companies” to see if they are really so great. Initially I invested in individual stocks. But that takes a lot of time; too much time.

It's also impossible to be always right when picking individual stocks. To mitigate that fact, one can research, choose and invest in a large number of different stocks. But that just takes even more time that I do not have.

Therefore, I invest now mainly in index funds, mutual funds and Exchange Traded Funds (ETF's). However, there are many funds that do not perform well at all and I have had my own bad experiences with some of them. But now I know how to pick the funds I can rely on.

“There are many funds that do not perform well at all!”

Selecting the right funds is much less time consuming than trying to pick the right stocks. Funds also take care of the diversification for you. The key is knowing when to buy and when to sell these funds.

Saving you 10 years

In this eBook, on my website and in my regular newsletter, I will share the lessons I have learned on how to invest in the stock market. I'll tell you how to make money by simply knowing when to buy and when to sell which funds, without you having to spend a lot of time on research each month.

“I have done all the hard work already!”

Like me, you will go through a learning curve as well. However, yours can be much shorter than mine. I have done all of the hard work and the number-crunching already and now you can benefit from my findings as well. Currently I spend less than an hour per month on my stock market investments. That is more than enough for me. I am happy with the returns and I am confident with the approach I am following.

When markets fall for a few days or even weeks and the newspapers are full of nervous comments about corrections etcetera, I sleep well at night and do not worry. I know a lot of people who would be more than happy with the returns I have made over the last two years. Whilst their portfolios were hit by the worst down-turn in recent memory, I got out of the markets in time and protected my hard-earned savings.



“The short term fluctuations in the stock market are insignificant to me!”

My Stock Trend Investing approach provides me consistently with superior returns over time compared to the benchmarks. The short term variations in the stock market are insignificant to me. But it took me over 10 years to learn how to invest like this and I guess that you’ll want to get there earlier.

At the end of every chapter of this eBook, there is a question and a link to the Stock Trend Investing website. By following these links you can answer our questions and see in summary how the other readers have responded. You can also leave your feedback, comments and questions on that section of the book and view my responses and answers. So let’s go with the first question:

[How many hours you want to spend maximum per month on your stock market investments?](#)

Prologue

In March 2000, greed got hold of me. Like most people, I was too busy with work to bother about investing my savings. I saw many people around me making more money in the stock market each month than I got paid by my employer in return for working very hard. Now that did hurt, so I decided that I needed to do something about it.

Some years earlier, I had made some investments in a few local well known public companies. I bought shares when I thought they were cheap or when their share prices had shown good historic growth. I sold them when I got nervous that their prices would fall, or when I thought they could not go up any further. I made money on most and lost on a few. However the problem was that my method was not consistent, it took too much of my time and it caused me a lot of stress. Basically there was no system behind it.

Now in 2000, my solution was to invest in mutual funds and to spread my investments over different sectors and regions. I bought the funds that were suggested by my bank and no hair on my head (and I lost a few because of this!) thought about checking if these funds were on par or better than their peers or the market. A costly lesson indeed! Not every mutual fund in the same sector or in the same region gives the same results, you know.

We all know now that the stock markets around the world crashed during 2000, 2001 and 2002. During the first few months of this turbulent period, I



continued to make some paper profits, but then stock prices started to go down. Since I didn't have a systematic investing approach at that time, I wasn't sure what to do. Thus, I did what most people do... I did nothing. I just waited until the markets eventually recovered; that took many years.

During the recovery, I came across the Morningstar website and looked up how my funds were doing compared to the benchmarks. You can imagine my shock when I saw that the funds in which I had invested were systematically underperforming. This prompted me to take action and I selected a number of different funds and transferred my investments. After a few years I had recovered my initial capital and I began to make some profits.

Discovering the system

However, a nagging feeling had started to creep in. What if I had sold in the second half of 2000, and started to buy again in 2003? How much more money could I have made?

I also noticed something else for the first time; almost all funds, regardless of sector or region, went down or up at the same time. Some more, some less, but everything went in the same direction. This fascinated me and so to get an understanding of what was happening, I started to study the behaviour and patterns of the major stock market indices around the world.

Being trained as an engineer, I was convinced that there must be a system behind this pattern, and I just needed to uncover it! My approach was to look for clues that could help me to identify, on a monthly basis, if a major switch in the direction of the stock market was likely.

After a lot of detailed analytical work and a good dash of creativity, I found the clues and patterns that I was looking for. Thankfully I do not mind this type of analytical work; in fact I quite like it, and it gives me an enormous satisfaction to

"I was convinced that there must be a system behind this pattern!"

discover a system that works. Over the years, I have perfected my methodology, tested it on the major stock market indices in the world, and consistently been able to outperform the markets when considering a longer period of time.

How much did you lose in the latest stock market crash? Most major market indices lost about 50% of their value during the 15 months after October 2007. I didn't lose a penny. My system warned me of an imminent correction in the market and I sold most of my fund holdings in Q4 2007, putting my money into a nice safe bank account. Interest rates



were not that bad during 2008 and in Q2 2009, I started to buy funds again. I sleep well at night, knowing that I have protected my family's wealth, and I am happy with the results.

Many of my friends were not so lucky during this period, and they lost a lot of their savings though a buy-and-hold strategy. This was obviously very upsetting to see, so in mid-2009 I decided that it would be good to share the lessons that I have learned, so that other people wouldn't need to follow the same difficult journey as me. So starting here, and at StockTrendInvesting.com, I offer you the short-cut to superior results and peace of mind in less than one hour per month.

[Do you think it is possible for you to achieve better returns on your stock market investments than you have currently while spending maximum one hour per month on it?](#)

Bangkok, March 2010.

What is wrong with buying individual stocks?

Nothing is wrong with buying individual stocks, if you know and accept the risks, if you're prepared to deal with the work and the stress, and if you're prepared to pay the transactions costs for buying and selling individual stocks. Many people are doing this, but to buy stock in individual companies, investors need to do their home work and be aware of the risks.

Great companies can have their ups and downs. [Apple](#) Computer for example had a stock price in June 1998 that was lower than its stock price 11 years earlier in 1987! Apple was already a very well known company in those days. [Coca Cola](#), on the other hand, had its all-time high stock price around April 1998 and has never reached that level again.

These are just two examples of great companies. What I am saying with these examples is that just buying and holding great companies is not enough. To be able to select the right individual companies, and to do it at the right time, requires a lot of homework on behalf of the investor: study and analyse the financial results, research the industry and the competition, look at the company's strategy and execution. If you're not prepared to do this the Apples and Coca Colas of this world could leave you with a bad taste for a decade or longer.

Furthermore, you'll find out that there are always companies out there that later show to be better opportunities than the ones you did research. That is frustrated and could drive you to do more home



work on even more companies. Now maybe you *do* have the time to do all of this home work, but I certainly do *not*. Even if I did have the time, I do not want to spend it on this sort of work; I prefer to spend time on family and hobbies!

Lowering your risk

When you invest in shares of individual companies, you can lower your risk by investing in 10 to 20 different companies. This, however, requires at least basic quarterly home work for all these companies, and for all of the others that do not meet your criteria and therefore don't make the cut. Remember also that the more different shares in which you invest, the higher your overall transaction costs will be.

“Transaction costs can put a real dent in your portfolio!”



Unless you have large amounts of money to invest, transaction costs can put a real dent in your portfolio. A \$1,000 investment spread over 10 shares with a major US broker might cost up to \$50 in fees when you buy the shares. The same costs will hit you when you sell them.

This means that your stocks have to increase by 10% just to cover the costs of buying and selling it. And if you switch your investment from one stock to another? Then you'll only start to profit if the combined price increase is more than 20%! This is why many investors who trade too often in individual stocks, stop investing. They lose too much.

Finally, my observation on individual companies is that most of their share prices will inevitably follow the overall trend in the market. During the period 2000 to 2002, the stock price of most companies went down substantially; not because of their

particular industry or their individual results, but because of the overall market tendency. During 2003 to 2007, the share price of most companies went up significantly, again not because of individual factors but because of the overall market trend.

In summary, I do not invest in individual companies anymore. It is just too much work for me and carries too much risk that needs to be mitigated. These factors, combined with the knowledge that their share performance is heavily dependent on the overall market situation, does not give me the confidence that I will be able to make best use of my money by just investing in individual companies.

Let's hear what you think:

[For how many individual companies do you have sufficient time available to do the necessary home work, in order to feel confident enough to put your savings into these companies?](#)

*"I do not
invest in
individual
companies
anymore!"*

What every investor ought to know about Mutual Funds

Mutual funds seem to offer a solution to many of the issues around investing in individual companies that we mentioned in the previous chapter. Professional fund managers invest your money into dozens of different companies which are a good match in terms of size and growth potential, which are in the right sector and region, which are expected to meet the objectives of the fund, and which are believed to give the best results. In other words, the fund managers do the homework for you... for a fee of course.

As an investor, you just buy a fund and your risk is automatically diversified over all of the different companies that the fund manager has selected for you. No homework, lower transaction fees, and your risks have been spread. So what is the problem?

The problem is that many funds do not perform very well. If you compare their performance with the performance of the overall stock market indices like the Dow Jones Industrial Averages, the NASDAQ, the S&P 500, the FTSE, the DAX, or the Nikkei, it's easy to see that the majority of mutual funds, after fees have been deducted, under-perform these general market indices.



Difference in performance

The variations in performance between different funds are enormous. Some funds have done well for many years and have outperformed the general market indices and the

benchmark indices for their particular sector of the market. Others are systematically or ad-hoc underperforming.

Why is this? There are various reasons. Every fund has its own limitations that are defined when the fund is established and which the fund manager has to operate within: the type of companies in which the fund can invest; the type of companies in which the fund cannot invest; the regions of the world in which the fund can invest; the amount of money it must invest versus the amount of cash it must hold, etcetera. I do not have all of the answers to the question of why some funds perform better than others, and I do not need to know.

For me it is sufficient to know that I cannot just invest in any mutual fund and trust that this fund will give me the best results. An investor in mutual funds will need to make a careful selection of the funds in which to invest, and review this on a regular basis.

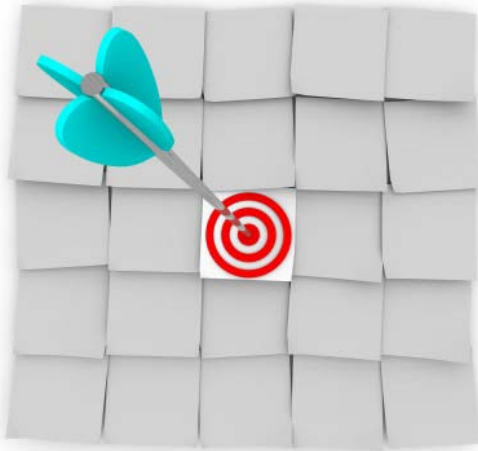
Which funds to select

There are thousands and thousands of mutual funds. Most categorization of funds is done by country/ region, by industry sector, by company size and by the company's growth pattern. So, which funds to select?

The more "niche" a fund is (i.e. focused on a smaller, specific industry sector or country) the more homework an investor ought to do to understand the specifics for that sector. The smaller the sectors in which you want to invest, the more different sectors you need to choose in order to diversify your risk. Yes, if you have the time to become an expert on the dynamics, growth potential and profit potential for a number of sectors, this is an option for you.

"An investor will need to make a careful selection of the funds in which to invest!"

However, remember what we said earlier, most sectors rise and fall together with the overall market. Therefore, it's difficult to see the benefit of investing in specific industry sectors or unfamiliar small countries. Shares in the more attractive sectors, or sectors which are "hot" at a particular time, are often already priced considerably higher compared to the general market.



To benefit from a sector approach, I would have to be able to judge if the assets in a particular sector are under-priced given the potential of that sector. I have no intention to become this type of expert and to spend my valuable time on this.

Industry experts

Of course, you could follow the advice of an investment expert in a certain industry sector. Before doing this, I would strongly suggest to verify the multi-year track record of this expert. Check how the market index for that industry sector has developed in the three to six months after each quarterly advice briefing from this expert. Also compare the development of this sector with the overall market development to see if it has performed equally well, better or worse, and if this trend is also in line with what the expert predicted.

"I am not impressed with what I have seen so far!"

I am not impressed with what I have seen so far, and I have stopped actively looking for these experts. Remember that if you want to consider, say, ten different sectors, and invest in five of them simultaneously to spread your risks, you still need to find these ten experts. If you find the winning team please bring me in contact with them!

Thus, I definitely see mutual funds as a good approach to diversify my investments over numerous companies. But I avoid funds focused on specific industry sectors or smaller, unfamiliar countries. The critical issue with investing in mutual funds is which funds to select.

In the Gold Membership section of StockTrendInvesting.com I answer questions of community members on this topic and explain how I make my selection of mutual funds and index funds.

Please share your experiences with mutual funds.

[Have your investments in mutual funds brought you the results that you expected?](#)

Have you met the two best friends of every successful investor?

Most stocks rise and fall together. This is often valid on a daily basis, and it's definitely valid when you consider a period of several months or longer. The exceptions are those companies who change beyond expectations; they do much better than predicted by the experts, or they do much worse than predicted by the experts. These companies do not follow the general trend, and do not move in line with the general herd, so let's not worry about them.



The majority of shares move in similar directions. When we are talking about trends here, we do not look at what happens during a day, or even at what happens to the market index over the period of a week. To me those trends are very unpredictable.

Other people have carved a full-time profession out of predicting and acting on short-term market movements. For me, that would take too much time... every minute, hour, day and week, you'd have to stay on top of the markets to be able to buy and sell at exactly the right time. I do not want to spend my life like that.

The trend is your friend

When you follow the daily news and look at the daily movements in the stock market it is easy to forget the bigger picture. The news says for example "shares went up for a 3rd straight day in row". Great! But the news did not say that the market went down 3% last week, and is now still 1.5% below the beginning of last week. The same can happen in terms of weeks. So, what to make of this?

When you take a few steps back and look at how stock markets develop over time, you will notice that, in general, markets move for many months and often years in the same general direction: up or down. Of course there are some short term corrections during this period that can last a few weeks or sometimes a month or two, but when looking at the longer term, these are insignificant.



Time will tell

It is difficult to invest in the stock market when you are in a hurry, or under pressure to get results within a certain time frame. The market cannot be told when it should go up or when it should go down. Neither can it be told how high it should go or how low it can go. The performance of the market is the result of the opinions, emotions, capabilities and limitations of all the

people who are trading, and of those who are not trading, on that market at any particular time.

Because of the above, at Stock Trend Investing, we never try to predict how high or how low the market will go, or for how much longer the market will go up or down. That is beyond our capabilities as it is beyond the capabilities of almost anyone. I have worked too hard for my money to gamble it away, investing in Options and other complex financial products based around this sort of speculation.

“We never try to predict how high or low the market will go!”

But the investor who has the time to let his/ her investments grow and who isn't chasing a short-term gain, can pick, choose and ride the waves that the market is creating. Trends and time are an investor's best friends, provided you know when to jump on and when to jump off the trend. This is the key to Stock Trend Investing and we will address it in the next chapter.

It is time for your feedback.

[When you think about trends in the stock market, do you think in terms of hours, days, weeks, months or years?](#)

The secret of buying and selling is timing

The age old wisdom of trade is to buy low and sell high. The same is valid for investing in the stock market, however it is not everything. Another age old wisdom in investing is to know when to take your gains or losses and move on. Timing is everything.

Thus the challenge we have is to define when we should buy our index and mutual funds and when we should sell our index and mutual funds. The ideal trade for a long term investor is to buy at the bottom (at the beginning of a long term up-trend), and to sell at the top (at the end of the up-trend and the beginning of a new down-trend).

“In hindsight it is easy to see when a stock bottomed!”



Looking at an historic price chart, it is easy to see when a stock bottomed and when it topped. However that is with hindsight; nobody can say with certainty at any given moment if they are in a bottom, on a top or somewhere in between.

So, that is not the Holy Grail that I have tried to find. But there is an approach that I have successfully identified, as I already mentioned in the prologue of this eBook.

I have called this approach the Stock Trend Investing System. This system identifies when a major shift in the long term trend of the market is *likely*. Yes, we say “likely”, not “certain” as there is no certainty about the future of stock prices.

Why just being about right is good enough

When you look at the tops and bottoms in historic price charts for stock market indices in detail, one can see that often the markets lose or gain a lot around these turning points. So, if you could predict these turning points exactly, you could greatly benefit from this. However, we can't predict those points exactly, and if you take a step back and look at the longer term picture, you see that we don't really have to.

Most of the gains or losses are not made in those first months after the turning point, but during the much longer period after that. Thus, being just about right on when the turning point is going to happen is good enough; we don't need to pinpoint it exactly.

As we said before, there is no certainty, but the beauty is that you don't need certainty. Missing the trend at the beginning, or predicting it wrongly, is no big problem. No big problem that is, as long as you review the situation on a regular basis and take the corrective actions when you see that you are wrong.

The longer term gains far outweigh the small temporary missteps. Reviewing your position versus the expected trend on a monthly basis is regular enough for the longer term trends on which we want to capitalize.

It is time again for your feedback.

[How often do you review your portfolio of stock market investments and how often do you decide to increase or decrease your investments?](#)

“Most of the gains or losses are not made in the first months after the turning point!”

The secret of timing is aggregating

So, what is the secret behind the Stock Trend Investing system? How can this system have the capability to identify if we are living during a period in which a major shift in the trend in the stock markets is likely? Let's explain...

Stock Trend Investing is based upon two pillars.

The first pillar is the systematic analysis of patterns in the price development of a number of major stock market indices in the world. At the time of writing, market indices from the US (DJIA, NASDAQ, S&P 500), UK (FTSE), Euro Zone (DAX, CAC, AEX), Japan (Nikkei), Greater China (SSE, HSI) and India (BSE) are covered.

“The Initial Trend Expectation can have three values: Up, Down or No Indicator!”

Initial Trend Expectations

This pattern analysis results in an “Initial Trend Expectation” for each market every month. This Initial Trend Expectation can have three values:

- It is expected that this market will move up during the next three to six months
- It is expected that this market will move down during the next three to six months
- There is no indicator that tells us if the market is expected to go up or down during the next three to six months

Every month, the updated historic price charts for each of the covered market indices are published in the Gold Member section of the Stock Trend Investing website. Each chart not only shows the price development of the market index, but it also shows what the Initial Trend Expectation was for that market, for every month of at least the last 12 years. If you are

looking for proof that the system works, take a look at these Initial Trend Expectations and what the markets did in the 3-6 months following.

The second pillar of Stock Trend Investing is not to look at one market, but to look at what a group of markets tells us. It is not surprising that in our modern all-connected and integrated flat world, different stock markets move as a herd of sheep: most of the time they all move in the same direction. Some turn a little earlier and some turn a little later. But in the end, they stick together.

A powerful tool because of the bigger picture

This herding is valid globally, but even more so within the same continent. If for example the NASDAQ and the Dow Jones provide us with an Initial Trend Expectation that the market will move up, but the S&P 500 does not yet give a clear indication, at Stock Trend Investing we would expect the US markets to go up during the coming three to six months.

Let's take a similar example in Europe. When the German DAX and the French CAC provide Initial Trend Indications that the markets will move down, but the Dutch AEX does not give a clear indication, we would still expect the Dutch AEX index to go down over the coming three to six months.



The Initial Trend Expectation for a single market is not a strong enough indication to act upon. However by looking at the bigger picture, i.e. by looking at a number of markets, we have a very powerful tool that is the key behind Stock Trend Investing.

Every month, I publish my interpretation of this overall “bigger picture” in the Gold Member section of the Stock Trend Investing website. For each of the covered regions, a Trend Expectation is given. Of course after the Trend Expectations are published, I contact my broker and invest my own money accordingly.

Time for your feedback again.

[What type of information do *you* use to decide if it is time for *you* to invest more in the stock market or to sell some of your stock market investments?](#)

Peace of mind with a proven system that delivers results

As an investor, you'll always lose. You buy too late. You sell too early. You sell too late. You didn't buy at all! Etcetera. In hindsight you could have done things better. But that is in hindsight. Investors who want to sleep well need to accept that.

Peace of mind comes from taking action and doing things in which you are confident. Taking no action when you know you should, is not helpful and does not bring you any further to achieving your goals. You get further by taking action, trying new things and discovering what you are confident with. You may have been burned in the past by the stock markets, but taking no action can be just as disastrous as taking the wrong action. I learnt this first hand and it took my portfolio 3 years to recover

"Peace of mind comes from taking action and doing things in which you are confident!"

Stock Trend Investing is a proven system for investing in the stock market; it provides superior returns and peace of mind in less than one hour per month. We're confident in our system, so why not visit our website to claim your risk-free membership with a 60 days money back guarantee.

The results



So, what are the results? Let's take the Dow Jones index as an example for the period from October 1989 to October 2009.

The Dow Jones went up 267% during that 20 year period. This means that if you invested \$10,000 in a Dow Jones index fund 20 years ago, it would now be worth \$36,700, excluding dividends. Sounds great! \$10k turns into almost \$37k!

However, let's look more in detail now at just the last 10 years of this 20 year period.

The Dow Jones index fell 34% between December 1999 and September 2002. After that, it increased 83% from September 2002 to October 2007. Then it fell about 50% between October 2007 and February 2009. Finally it increased again by 37% between February 2009 and October 2009. What a rollercoaster! So, how much money could you have made if you were cleverly riding those waves?

Do you prefer \$36,700 or \$71,900?

The rollercoaster described above didn't just happen with the Dow Jones; it appeared in most major stock market indices. It's a prime example of how taking no action can be a bad decision. Stock Trend Investors are making lots more money than investors who just buy and hold, or who do not invest at all.

Let's take the same example as above, of a Stock Trend Investor who invested \$10,000 20 years ago. This would now be worth \$71,900! Compare this \$71,900 earned by the Stock Trend Investor to the \$36,700 earned by a buy-and-hold investor.

The Stock Trend Investor would have made a return of 620% in 20 years, whilst the buy-and-hold investor would only have got a return of 267%.



Historical events are of course no guarantee for what will happen in the future, but this is a good example to show the power of the Stock Trend Investing system.

There will always be the occasional black swan: unpredictable events with a big impact on the stock market. Take 9/11 for example. As an investor, we need to accept it when they happen. We could not foresee them and therefore could not take any precautions except for making sure that we are not over-exposed. Only invest money that is your own and that you don't need in the coming three to five years. When you take the longer term approach, these events, how big the impact can be on the short term, do not harm your long term results.

Please share your experiences with our community.

[What returns have you made on your stock market investments during the last 10 years?](#)

[See here more information on typical Trend Investing Returns.](#)

Summary

Stock Trend Investing is the result of a personal journey of more than a decade. This stock market investment strategy has provided me with superior returns on my investments and has given me peace of mind. After I update my analysis for each market index, I spend a maximum of one hour per month reviewing it and managing my portfolio.

When I saw my friends and family worrying and stressed about losing hard-earned money because of bad investment decisions, or because of no investment decisions, I decided to help them and I created the material for Stock Trend Investing. This material is now available to help you too. There is absolutely no reason why Stock Trend Investing could not do the same for anyone else as it has done for me.

The easy steps

Here are the simple steps in the Stock Trend Investing system that I take each month.

The same steps can be followed by other users of the Stock Trend Investing system, except step two, as I do the hard work for you!

1. I decide how much of my savings I want to invest in the stock market.
2. Every month, I update the historic price development charts and the Initial Trend Expectation for a dozen individual stock market indices. Then I review and update the Trend Expectations for the major regions in the world. These Trend Expectations and charts are all published



monthly in the Gold Member section of the Stock Trend Investing website.

3. Next, I give an order to my online broker, via the internet, to sell a large part of mutual fund or index fund investments which are in regions with negative Trend Expectations (i.e. the markets that are expected to go down the coming three to six months), if there are any.
4. Then, I look at the portion of my savings which I've earmarked for investing, but that I haven't yet invested and decide if I want to invest now in regions with positive Trend Expectations. If there aren't any, I keep my cash in my savings account.
5. Otherwise, I select one or two suitable mutual funds or index funds that cover these regions. In general these are funds that I have used before for these regions.
6. I give again the order to my online broker to buy the selected funds.
7. Done. Time for the more interesting things in life!

“Every Stock Trend Investor has to make his or her own decisions. We give proven examples!”

Please note that every Stock Trend Investor has to make his or her own decisions on how much to invest, in which regions to invest, in what funds to invest and which broker to use. In the Gold Membership section of the Stock Trend Investing website, I will share, just as example, how I make these decisions. Please be careful when deciding on which broker you select, and to whom you transfer your money. There are scams out there and I recommend always using the most reputable and dependable brokers possible.

Peace of mind

Stock Trend Investing gives me peace of mind. I know it will give me a timely warning when I should step into the market to capitalize on the up-trend. I also know it will give me a timely warning when to step out of the market to avoid the longer down-turns. The development in the market is always uncertain, but because of the strong system behind my decisions, there is no uncertainty in my actions.

The results are superior compared to a buy-and-hold strategy. Take the example of the Dow Jones in the previous chapter. For every \$10,000 investment, I could earn a profit of \$300 per month on average, over a twenty year period, compared to a profit of \$153 per month using a buy & hold strategy.

This means that for every initial \$100,000 invested, I could earn an average *additional* profit of \$1,470 per month compared to just buying and holding funds. This is almost \$18,000 dollars per year which is not bad for 12 hours work!



As said before, peace of mind results from taking action. Regret can come from *not* taking action.

Please share your final thoughts after reading this eBook.

[What is your next action that will bring you one step closer to getting the results that you desire from your stock market investments?](#)

Go to the Stock Trend Investing website to [share your thoughts about this e-book](#) and to learn more about our Gold Member service.

[See here our latest special offers.](#)

“Thank you for spending your valuable time on reading our book!”