BO SANCHEZ' TRULY RICH Club

STOCKS UPDATE

Guidance for Stock Market Investing Exclusively for TrulyRichClub Members
Note: To understand the *Stocks Update,* first read Bo's Ebook, *My Maid Invests in the Stock Market.*
Click here www.TrulyRichClub.com to download now.

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Meet Your New Friend, *Sam.*

By SAM, I don't mean Uncle Sam.
By SAM, I mean *Strategic Averaging Method*.

There Were Only Two Ways of Getting into the Stock Market, Until…

In my mind, there were only two ways to invest in the stock market: (1) passive investing and (2) active trading.

With SAM, I'm introducing a third way. (I didn't invent SAM. My mentor did. He's a billionaire who has done all three methods with incredible success. The stock market has been his playground for the past 38 years.)

Before SAM, I taught people to be passive investors, not active traders.

Reason? Eighty five percent of people lose money in the stock market. That's a fact. *And most of those are active traders*.

Active traders buy and sell stocks every day. I have friends who are successful active traders, and believe me, they're very rare. They trade fulltime, they study every day, and they follow very strict rules. Without these rules, active trading is gambling, period.

Passive investing is long-term. Active trading is short-term.

Passive investing only looks at the quality of the companies. Active trading only looks at their share price.

Passive investing comes by many names. Many people call it "money cost averaging", or "peso cost averaging", or "dollar cost averaging". *Citiseconline,* our preferred online broker, calls it the Easy Investment Program (EIP).

So what is SAM?

SAM is in between passive investing and active trading.

SAM is semi-passive investing.

SAM uses the 4 Rules of Passive Investing, tweaks them, and adds a 5th rule.

To refresh your memory, here are the 4 Rules of Passive Investing:

Rule 1: Invest monthly for 20 years or more.

Buying stocks each month using your small monthly savings. It's really making the stock market your piggy bank. You do this long-term—for 20 years or more!

But in SAM, we tweak this rule. If you use SAM, there'll be times when you don't invest, and choose to stay away from the market. These are times when we believe the market is overbought and is going down. We'd rather wait for the market to go down and buy when the prices are cheaper.

Rule 2: Invest even when there's a crisis.

Passive investing means disregarding if the prices are up or down, if there's a tsunami, earthquake, coup d'etat, or recession. You just keep buying month after month after month.

In SAM, we tweak this rule too. If possible, we try not to buy on the way down, we try to buy when it's already down.

Rule 3: Invest only in Giants.

Passive investing means buying only established, enduring, "Blue Chip" companies that we believe will be there for the next 50 years. We don't dabble in penny stocks. Because we believe in people who buy penny stocks will become penniless.

In SAM, we tweak this rule too. Generally, we don't buy penny stocks. At rare times though, we find gems among them. And we make an "intelligent speculation". Because of its volatility, we only put "extra funds" in these gems.

Rule 4: Invest in many Giants.

Passive investing means not buying one Giant but a handful of Giants. Why? There's such a thing as "Black Swan" in the stock market—when an unexpected event happens. We don't want all our money to be in one company—and tragedy hits that company.

I repeat: SAM uses all 4 rules, although tweaked a bit. But it adds Rule 5. And Rule 5 is the magic sauce that makes SAM more profitable than passive investing.

The 5th Rule of SAM

What is the Rule 5?

Rule 5: We buy when the price is beneath our "Buy Below Price" and we sell when the price is near our "Target Price".

In my *Stocks Update* Report, I'll provide both the Target Price and the Buy Below Price for you.

Remember, SAM is in between passive investing and active trading. In one sense, it is semi-passive investing.

Passive investing never use timing. Active trading is all about timing. SAM uses a little bit of timing.

Passive investing looks only at how good the companies are. Active trading looks only at the share price. SAM looks at both: companies and share price.

Passive investing never sells. Active trading always sells every day or every week. SAM sells after a few months.

We'll give you the "Buy Below Price" and the "Target Price" of each of our recommended Stocks.

Here are 2 Big Advantages of SAM

1. Lower Prices

Just like in passive investing, you're to buy a particular stock each month. But in SAM, you only buy when its price is beneath our "Buy Below Price."

Here's a secret in making more money in stocks: You make your money when you buy, not just when you sell. What do I mean? If you buy it at a cheaper price, your earnings increase many times more.

How does SAM do this? I'll give you a "Buy Below Price" for each of our recommended stocks. This will prevent you from chasing a rising stock all the way to the top.

2. Secured Profits

In passive investing, you never sell.

In SAM, we'll tell you to sell after a few months—when our recommended stock hits our Target Price. By selling, you lock-in your profits. You take your profits off the table. You take your money from a company that's already gone up and put it in another company that still has room to go up. This multiplies your earnings nicely.

Happy investing!

May your dreams come true,

Bo Sanchez

COL EASY INVESTMENT PROGRAM