



Grow with the Wise Man

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There's an age-old adage saying that what the wise man does in the beginning is what the fool does in the end. In investment parlance, a fortune can be made when *an investor* becomes bullish on markets and assets *before* a bull market ensues.

This sounds easy, but it is extremely difficult to implement psychologically.

Too many people jump in after a bull market is long in the tooth because they finally feel emotionally good and extrapolate past trends out to infinity, and their subsequent returns are almost invariably disappointing.

It's a very lonely place to hang out with the wise man at first – we know firsthand.

In the depths of the housing crisis during the 2008-2009 meltdown, stocks were so cheap that we wrote an article for the public paper telling everyone to go all-in. Stocks were crashing, but they were finally cheap. We were excited, yet our phone was so quiet that you could hear nothing but birds and crickets.

It's just not easy to have an *investment allocation in key assets* with the wise man who sits patiently and alone at first, yet aware the time is coming, while everyone else is on the other side of the train.

George Soros once said he made the most money by finding widely-held precepts that were wrong and betting against them.

To go against the crowd with some of your hard-earned money isn't easy. It's why a precision-like, rock-solid, steady-state financial surgeon, such as FMT Investment Advisory, is most likely your best bet to invest with.

Today, a bull market is just *starting* or *on the horizon* in a few key commodities and raw material producers that one would be shrewd to start taking a stake in like the wise man is today.

There is a huge disconnect between the prices of smaller oil producers and energy names and the spot price of WTI oil. We've become excited about this. In many cases, some of these

names are as cheap as they were when oil was at \$26 per barrel and have historically cheap price-to-book ratios, which we believe is providing an unusually good opportunity.

Furthermore, FMT Investment Advisory continues to believe that the price of oil is heading higher – to at least the marginal cost of production, which is around \$75 per barrel.

There is also a large disconnect between the prices of uranium miners and where uranium prices need to go. Both commodities are vital to our economies, as well as others around the world.

With tax cuts, richly -priced markets, and economic optimism running hot the wise man is starting to invest in the lonely place of energy names and uranium that currently have tailwinds at their backs. They should also likely boom if inflation begins to run hotter than it has for some time.

Also, everyone hates gold today. FMT Investment Advisory can think of no lonelier place to go with the wise man than this hard commodity. **Relative to the price of gold at \$1,300, the miners are dirt cheap.** Modern portfolio theory suggests a 7% portfolio weighting in gold for conservative investors. We believe the time is getting ripe to where this is very sound advice.

The miners offer far more value than physical gold today and potentially far greater returns.

FMT Investment Advisory believes oil, uranium, and miners fit nicely into our **Special Situations** holdings today while psychology is still battered in these markets. Recall, bull markets are born on pessimism, not on optimism, and markets are pessimistic here.

In our **Superinvestor Wealth Compounders**, we are truly excited about our holding in Platform Specialty Products. Platform is getting lean and mean as they prepare to IPO their agricultural division in the summer. Both major divisions within Platform, MacDermid and Arysta LifeScience, are wonderful businesses and are well situated to also do well should inflation begin to pick up steam.

At FMT Investment Advisory, we're as excited as we've ever been. And fortunately, we've found some areas to hang out in with the wise man. The capital flows will come in spades and fortunes could be made.

Please contact us today to help protect and grow your hard-earned money over the long-term.