IFB209: Investing the Fantasy Football Pot, Thoughts on Stock Advisor Services

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[00:00:00] **Dave:** All right, folks. Welcome to Investing for Beginners podcast. Tonight, we have episode 209, and we are going to go back to the well and answer some great listener questions after taking a break to talk to Braden and Simon last week with a Canadian investor podcast, which was a really fun conversation.

So if you guys haven't checked that out, go back and listen to the archives. The last week's episode was it was awesome. So I'm going to go ahead and read our first question. So we've got this great question here. I thought it was appropriate because it talks about something Andrew and I both really like a lot.

So here we go. Hi Andrew, I've been listening to the podcast now for close to a year and love and appreciate all the advice. I've really learned a lot about investing, which. I was curious about and interested in, but too scared to actually ever look into it. Now I have the mindset of looking to make money work for me, which brings me to my point.

So this is a really cool point. So I am the commissioner of a 12 team fantasy football league. Our buy-in is a hundred dollars a person. I'll be holding that money for the next six months and distributing all the winnings to the winner of our league. But is there a way to make money off that money?

In the meantime, I remember listening to your podcast where you two had mentioned commercial paper, and after looking into it a bit, these stocks do not appear to be

Too volatile. I was thinking of investing the $1,200 and collecting dividends till the end of our season. Now I understand I will not be making a lot of money, but I thought I could generate a little bit more than I could then reinvest into my personal portfolio afterward. Does this sound like a good idea, and what are some possible pitfalls that I might not be seeing?

Lack of experience. Thank you in advance for any advice you can provide, and keep up the great work with a podcast and website. Thanks, Brian. Andrew, what are your thoughts on Brian's really interesting and very creative question.

[00:01:46] **Andrew:** As a fellow commissioner, my own. Shame on you for betrayal all of your league.

Mates have given you this great responsibility. You're gonna betray him like that in all seriousness. Commercial paper is great for an emergency. Because the way commercial paperwork's basically, it's, if we think of stocks as you buy a stock, you own part share of the business.

If you're buying commercial paper, you are loaning money to come to these big companies in a very short time period, like three to six months. So companies will borrow this money, pay payroll, paid to pay for their inventory, do those little business expenses. Some of the ETFs that do a commercial paper that I mentioned, one of them like ticker and are near they'll just hold a big basket of commercial paper with big companies, for Toyota, whoever the problem is it is still tied to interest rates.

So if you're talking about a short time period, there will be a little bit of volatility in it. So you could actually lose. Some money, I won't be a lot, like I have some commercial paper that's down like 0.02%. So I think I'm down like maybe three, four, or 5 cents. I don't know. Are your league mates going to be happy?

Getting 1199 instead of 1200 but in all seriousness,

[00:03:12] **Dave:** it's,

[00:03:14] **Andrew:** there's not much upside to it. And I don't know the returns aren't that much, and there is slight volatility because of interest rates. And so that's kind of something to keep in mind. I don't know.

[00:03:25] **Dave:** Would it be better served to just throw it in a savings account?

Be done with it. I have high yield savings account with somebody like Ally or someone like a bank of that nature. I was going to pay a higher interest rate and, I suppose you could make a few extra pennies off of that period—the part of the problem. A situation like this is the short time period you're dealing with because, oh, the football season starts early September-ish, and fantasy football ends.

What, late December, early January ish, somewhere in that range, depending on the league. So that's not a lot of time to. Collect money on something like that. And so I guess outside of the fantasy football thing, if you're trying to, put money aside for a six-month period and. Maximizes the most, you can; I don't know that moving outside of a savings account is really going to earn you that much more money for, I guess that much more volatility, which either way is not a lot.

I guess the, what would the I've never had, bought commercial paper. So I don't know. Let me ask you this question. So opening a savings account, depending on where it is fairly painless. And especially if you're working at, if you're working through the bank you already bank with, if you go online or if you, even, if you try to use one of the online accounts, it's fairly painless, how painless is buying commercial?

[00:04:52] **Andrew:** It's like buying a stock ETF. It's the same thing.

[00:04:55] **Dave:** Okay. So it's the same kind of idea. So it's not super complicated. Are there any restrictions on taking your money out? Let's say that you put it in for three months and you take it out after a month and a half. Is there a penalty on removing it that quickly?

[00:05:10] **Andrew:** It's completely liquid.

[00:05:11] **Dave:** Okay. Yeah, I guess I would wonder is it really worth the effort to go into them, trying to be cute and try to put it in a commercial paper for six months, as opposed to just throwing it in a savings account and be done with it.

[00:05:24] **Andrew:** And I mentioned how it could slightly vary depending on the interest rates.

And that's because you think about it, everybody borrows and lands at a certain interest rate. So as that moves, then how much you'll earn from that commercial paper will also move. So the fact that in a short time period, interest rates slightly went down. It was bad for my commercial paper, but again, that wasn't much; there is one other risk with commercial papers every once in a while, you got a market scare.

When you saw this in 2008, 2009, when they had the money market funds that everybody thought was going to implode, and so there was definitely a lot of volatility in some of those. I know the commercial paper funds I looked at had some volatility during the whole COVID thing, but there was.

A drop of 5% and it quickly rebounded. Once people realized the world wasn't going to end. So that's the.

[00:06:19] **Dave:** Yeah. Those are its creative thinking, and it's certainly outside of a box idea. I just wonder if it's really going to in this circumstance, I'm not sure that it would help Brian much, but anybody else that's thinking, Hey, I have this money that I need to save for the next six months before I do something.

I don't know that going through the rigmarole of trying to find the best commercial paper and then opening it, Invested in, I don't know that would benefit you that much.

[00:06:45] **Andrew:** Yeah. It to me, it's about the time period. So the cluster you get to a year, maybe it starts to make sense, but definitely, if you're talking about months, then we're really just starting to split hairs here, right?

[00:06:58] **Dave:** Yeah. Yeah. I w I would feel like that too. And if. Moving the money into a savings account is something that you're thinking about doing a couple of things you want to understand. Number one, a savings account is completely liquid, so you can take the money out at any time. Number two, it's FDI C insured.

So up to, I believe it's $250,000 is for any sort of loss. Number three is if you put a hundred dollars in, you'll get at least a hundred dollars back, depending on what bank, you may not get much more, but you will get a hundred dollars back. So like Andrew was saying with the commercial paper, there is some fluidity to it.

It may not be a lot, but with a savings account, you're guaranteed that whatever you put in, you will absolutely get back your cat. No questions asked what kind of interest rate you could earn on that kind of depends. The only way that you're going to make, I guess, more money with savings account in several ways.

One is to look for a duo, a shopping around there are some websites out there. I believe NerdWallet is one where you can shop. Interest rates. So you can go there, and you can look and see what kind of interest rates some banks will offer. And typically, online banks will offer better rates than the brick and mortar banks will just because of the way nature of those are how they're set up.

They're also trying to attack more depositors. So they may pay you a better interest rate, at least over the short term. So that's one way and the other way. They are just putting simply putting more money in there. If you have a hundred thousand dollars in a savings account, it's going to earn way more than a thousand dollars is so it's just the nature of compounding interest.

But yeah, those are just a few things to think about. Yes. Okay. All right. So hopefully, Brian, we helped answer your question a little bit, so good luck

[00:08:49] **Andrew:** on the league, by the way. Yeah. To name any names, but a couple of guys have not been performing as it is a little bit

[00:08:58] **Dave:** disappointing. Chances are, if you have, if you had a good draft and your team is really good, you'll probably make way more money off of winning the week than you will on any interest you might make.

All right, so let's move on to the next question. And this actually has four parts, too, so we'll attack each question as we go along here. So we have thanks so much for your great show. I've started investing over the past year, and I've learned so much from listening to your podcast.

I'm 28 years old and at the beginning of my career. So I'd rather pay taxes now than in the future. When I assume, I will be in a higher tax rate. I have self-employment income from a side gig as well as income from a 10 99 job and a separate W2 job. So question number one, I am set out to max out my Roth IRA for the year; soon after, I do should I invest any additional money in a regular brokerage account, a simple IRA, a SEP IRA, or a solo 401k.

Andrew, what are your thoughts on his question?

[00:09:59] **Andrew:** So since I. I am an entrepreneur, and I have a solo 401k. I'm pretty familiar with that stuff. Not so much this, the simple IRA or the SEP-IRA. So like those of you listening, a solo 401k is something that you can do. Basically, do if you're self-employed, but I believe the, I don't know if that works for a side gig, because if you have a nine to five where they offer you 401k, then you might not qualify for a solo 401k.

So that's something I'd probably recommend you just do your own research on because I'm not in your situation so good that you're maxing the Roth IRA. That's obviously. Very good. And so the question becomes, am I going to put it in something that, as a self-employed person, I get benefits towards.

I would say if you qualify and you do the research and you can, I don't see why I wouldn't do that. If you can't qualify, obviously, you have to do a regular brokerage account and pay the taxes on that. The only other factor, I guess, would be depending on what kind of—self-employed retirement account.

You have, you may or may not have good investment options. And so that's a factor too, depending on what you're looking for. So I like to buy individual stocks. But that's not to say that if I have a 401k plan that I want that. Use, if they have like index funds for the S and P, that could be a good option too.

So it depends on what your 401k provider will offer you. And how much of your money do you want to put into individual stocks versus index funds. And some of them might not even offer index funds. Maybe it's a mutual fund which might be more expensive fee-wise. And, that's just a tough question to answer unless we're looking at real numbers, which we don't do on the show,

[00:11:51] **Dave:** So yeah, I guess a question that kind of Springs to mind, and you might have a better answer for this than I do with taxes with a regular brokerage account. What could somebody expect? So let's say that we have three different investments in a brokerage, a regular brokerage account. If we have a company that doesn't pay a dividend, a company that does pay a dividend, or an ETF, how would those be tax?

Yeah, that's a good question on an annual basis.

[00:12:24] **Andrew:** So you got capital gains taxes, so it depends on if you sell the stock or not. So if you're not selling the stock, you're not going to pay capital gains.

[00:12:34] **Dave:** Yeah. Let's say we don't sell any of them for the first.

[00:12:36] **Andrew:** Okay, so no capital gains or don't have to worry about that.

Do you do get taxed on the dividends? And so you're going to get taxed federally and from whatever state you're in. And so every state has different rules; depending on some of them will depend on your income tax bracket. Some of them are just a flat rate, so you're going to have to pay those, and that's whether you reinvest them or not.

And so also dividend taxes are also different, depending on how long you've owned the stock. So let's say we were to sell the stock next year, then that would, we would have to pay capital gains taxes. And so, just like capital gains taxes are divided between short-term and long-term, you have a similar tax with the dividend where it's qualified or unqualified.

And so essentially the sh if you're like a short term or unqualified, on your capital gains or your dividend tax, you're going to end up paying more than if you held it long term. So for the long-term, you have to hold for at least a year for qualifying dividend; it's something similar to that.

And the thing is, too, again, I don't want to quote percentages because this stuff changes over time. The tax laws are fluid, but this general idea of. Having to pay capital gains taxes when you sell, having to pay taxes on dividends, those are things you do have to worry about when you have a regular brokerage account, and you're not using a Roth IRA or 401k, or if you're using both.

So what's at least a nice thing. Most decent brokers will send you forms. For your taxes, or you can just send it straight to your accountant, or you can set it up through turbo tax wherever, and that's all kind of just taken care of easily for you. But you do have to pay that if I'm receiving dividends and they're significant, I would definitely set aside my so that you can pay the taxes when they're due, and maybe that's an application for commercial paper and maybe not. I don't know.

[00:14:37] **Dave:** Yeah. Yeah. That's a good point. Those are, I think, important things for people to think about and plan for. I think that's really good advice to think about what kind of implications is this could have on your taxes at the end of the year.

And I understand that Uncle Sam is going to come to call in, especially if you have a record brokerage account and you need to account for that. And if it is substantial money, then it is something you need to think about. And I would recommend that if you are not sure about the simple IRA SEP-IRA or the solo 401k is talk to your accountant before you make any decision regarding taxes.

Andrew and I are not tax experts by any stretch. And we, We have some experience with some of these things, just because of what we have personally gone through, but we're by no means tax experts. So if you do have specific tax questions, absolutely reach out to an accountant that talks to them because they will give you the straight, skinny what you need to know.

All right. Let's move on to the next one. So we have what your view on investing in real estates, such as with the platform fund rise, being that the funds will be illiquid for a few years is. So what are your thoughts on real estate and fund rise?

[00:15:50] **Andrew:** Some, I'm a hundred percent stocks. I think that's been clear since the beginning.

So I'm not looking at real estate. I like the stock market. I like owning businesses, and I get like the allure of real estate, and that's for some people it's just, it's not for me. I don't really have a view outside of; I wonder what a platform, like what the difference in investing through a platform versus investing in it directly?

Obviously, I'm assuming that if you don't have enough to buy the property on your own or get financing to buy the property on your own, a platform will do that for you. I guess they have similar things with crypto too, but it goes back to the discussion we had a few weeks ago about how much control do you want over the things you invest in? And so that's why I love about stocks is that There's nothing coming in and changing my allocations. I hate the idea of some of these selling out in an account managed by a robot, and it's selling stocks when the market crashes and buying bonds.

That's just, that would just give me nightmares. And not to say that's what the reality is with other platforms, but it does come down to that fundamental idea. How much control do I want, and does this type of investing fit with my philosophy? And do I feel like I can do a good job, picking whatever the asset is?

For me, I find business exciting, and I think a lot of people, I think a lot of people can really relate to business because we're all consumers. And we all know what we like and what we don't like. And a lot of us have a good sense of when businesses are doing good and when they're not.

And that's where I think the differences might lie between the ideas of looking at something like this or something like the stock market.

[00:17:40] **Dave:** Yeah. I echo a lot of those ideas, and I think I am; I know enough about real estate to be dangerous. And I know enough to know that I don't know enough.

And so for me, if I get the itch for real estate, really the two places I'm going to look are going to be REITs, which are real estate investment trusts, which are, they function like stocks, but they're basically entities that buy real estate for investors like me and so those are businesses, that operate find real estate assets is the easiest way to think of it.

And so that's one way you can get your real estate itch. Scratched is by investing in companies like that. And there are, I don't know, 300 or so different REITs out there that range from apartment complexes to two data centers that are managed, and you can literally invest in almost anything real estate-wise.

If you want to, if you want to invest in hotels, you could do that. If you want to invest in casinos, they have reached the cover those, so there's just a wide range of stuff. So that's one way to look at it. Another way to look at it is ETFs, so we've talked about ETFs in the past. Index funds, ETS.

There are lots of those that match different real estate sectors markets. However, again, I don't; it's not something that is really in my wheelhouse, so I don't know all the ins and outs of it, but I would imagine that there are lots of real estate ETFs out there that you could take advantage of to cover whatever it is you want my sense of.

Investing in real estate is that you either have to go the stock route like we're talking about, or you need to go the, I have to have the capital slash funds resources to buy properties. And there's a whole other level of due diligence that you have to do to buy. Whether it's buying an apartment complex and office space, or even just bland that you want to develop, there are so many other ways and levels of things that you have to consider zoning.

You have to think of taxes. You have to think about all the money after raise and then who you're going to sell it to and where it is, the location, idea; all those things come into play. When you start buying actual real estate, there are a million people out there that talk about buying homes, flipping them, and all that stuff. And that's not for me. And I'm not saying it's bad or good, but there are people out there that do those kinds of things. And there are probably lots of reputable people that do that for a living. And so, if that's something you're really interested in there, there are resources out there to help you learn more about that.

Suppose that's really the route you want to go. But if it's more along the lines of, I want to throw $200 in real estate a month idea. Looking at the stock ideas that I was discussing is probably more of a practical way. I'll admit, I don't know that much about fund rise, so I don't want to really say anything yay or nay about it.

Other than it's a platform you could use to invest in. It appears that it's a liquid for a few years, which for me would be like, no, I'm not too interested in that. There, if you really want to scratch that real estate itch, there are other ways to do it outside of buying your friend's house down the street.

So there, there is that all, so now that we beat that horse, let's move on to the next question. Do you have any recommendations for how to pick ETF stocks to invest in?

[00:21:06] **Andrew:** Yeah, similar answer in the sense that I'm a hundred percent stocks. When I say that I'm also a hundred percent individual stocks look, the way I see it is, I don't know how much I said this last time, but I don't think I said that completely.

If you're going to buy an ETF, isn't the whole point of buying an ETF, so you can just set it and forget it and not have to manage the portfolio and think about how you're gonna manage. So it's like, why not just buy the S and P 500 if you're really going to go the ETF route versus if it's, I don't want to just have the S and P 500.

I want to have more control. Then, what's the difference between doing that and looking at stocks versus trying to mix 20 different ETFs. And the ETF document is arguing. If you're researching for an ETF, it's arguably as much research as you would doing a stock. Yeah.

The stock probably has a little bit more cause you got to figure out the business and competitors. I get that; you're not gonna be able to just, I'm not going to be able to say here, buy these four ETFs. And you're going to be perfectly fine, and nobody's gonna be able to do that for you either.

And because there are so many different outcomes that could happen, it's I feel like you're stuck at a crossroads. You just have to pick. Do I want to go completely set it and forget it and buy ETFs and buy a market ETF? Or do I want to want to get a little bit more control? There are other applications we've talked about, and you'll probably mention, like buying, an index ETF, that's a little bit different, but you're still if you're doing that, you're at least still making these portfolio decisions yourself of maybe I want, 10% in this industry, 10% on the industry, but just what you're doing with a regular stock portfolio.

So that's why I wouldn't give any ETF stocks recommendations. And I think as the price has changed in the stock market, you also have to position your portfolio for that. And so we can't just give I, I don't feel comfortable giving just a broad percentage to say, you should have this industry or this theme. I don't think that works too well.

[00:23:00] **Dave:** I think when you think about, when you think about different investing ideas or how you want to go about doing it, I think you have to go back start kind of start from zero and think about what kind of investor do I want to be, because really if you start mixing and matching things, there's nothing wrong with that.

And there are lots of people out there that do that. They're successful at it, but I think you have to figure it out for yourself. How much involvement do I really want to have, if you want to be a stock picker and do all the things that Andrew and I love to do, and we talk a lot about, then you really need to go down that path. And if you're gonna look at picking ETFs, that's a different game because there are different ways to go about doing it. And it really depends on how you really want to go about doing it. I've read lots of different articles. I've listened to different podcasts of people that are solely in the ETF camp, and they've really bought into that.

And that's the way they want to invest, but to Andrew's point, instead of buying. Three ETFs that matched the Dow, the S and P, and NASDAQ for three major indices instead of buying that, they go into this whole slew of creating this portfolio of 15 to 20 ETFs. And so now you're managing all these ETFs like you would manage a stock portfolio.

The really, the only difference is that instead of maybe knowing the ins and outs of one company that fits into the slot that you may have wanted to allocate, for now, you have to think about a whole sector. So instead of thinking about it, just use Microsoft, for example, easy. So you think I learn about Microsoft.

I focus on that company. I really understand the company, and that's the company I need to pay attention to. But if I want to buy companies that match what Microsoft is doing now, I have to think about how does Amazon doing, how's Google doing, how's Microsoft doing, how's Snowflake doing, how's Datadog doing all these other companies that kind of fall into the same kind of idea of what Microsoft may or may not be doing.

And an ETF that tracks that. And what is the percentage of all those different companies that are really controlling the flow of the ETF and how well that ETF performs? Because of an ETF, you have to think about it as it's a basket of companies that fall under an umbrella. But the thing about that is is that generally, the five to 10 companies really drive the majority of the returns for that ETF. And so, if Microsoft, for example, has the greatest proportion of this particular ETF, let's say it's 88% of the ETF. How Microsoft does is really going to drive that ETF. Why not just own Microsoft itself? Because now you're just diluting Microsoft's returns with other companies that may not be performing as well.

And so it goes back to that whole idea of what kind of investor do I want to be if you really want to be a set it and forget it, investor. I think I'd enter his idea is probably the best way to do it is pick two or three-eyed ETFs that cover a wide range of things that you really want to cover.

Invest in and put money in every single month. Exactly. Like a 401k does because that's what a 401k does. If you do all those things, then there's really a set of forgetting it. But if you start creating a portfolio out of 15, 20, 30 ETFs that match all these different sectors and.

Investing abroad and all these things. Now you're managing an individual stock portfolio because you have all these other things you have to pay attention to, and ETFs trade just like stocks do, and they will have what's called outflows. So, in other words, if a particular ETF, let's say it's a sector that's tracking, I don't know, gambling and gambling.

All of a sudden goes out of favor. Right now, it's hot because of all this money that people had to throw at these kinds of things. But let's say that turns, and now that ETF starts to tank because everybody's pulling all their money out of those companies because they're losing money to stock prices are falling like a brick.

And now all of a sudden that ETF tanks, now you got to sell out of that too, and you get it. It's all the same. Ideas you have to think about if you're investing in solo stocks if you're buying a picking company. So really, it comes down to. Beating that horse again, it really comes down to what kind of investor do you want to be?

Do you want to be a stock picker? Do you want to be somebody that invests with their 401k, and that's how they want to do it. And that is awesome. Suppose that's really what you want to do because you can earn great returns. It's easy, and you don't have to think about a lot, but you're investing, and that's the most important thing.

It's the same kind of thing. They, Andrew was talking about with a Senator and forget it with picking one or two or three ETFs and being done with it. If you start building portfolios based on 1520 ETFs, you're really creating a stock portfolio with just, I think, extra headaches. All right. That being said, if you really want to pick ETFs, here's where you need to go.

There's a website called etf.com. They have all kinds of tools on there. They'll help you screen for ETFs. It'll give you all the low down on all the different ETFs and are their costs, the dividends they may or may not pay, how long they've been in existence—all the different components of all their different portfolios.

All those companies are in there. And so it's something I've looked at in the past. I know Andy, who's one of our contributors here, our partner in the company; he has used etf.com to write about eTFs that he's written about on the blog. So it's a great resource. If that's something you really want to go down that path, but I guess, think about what kind of investor you want to be and then go from there.

[00:28:47] **Andrew:** Yeah, that's great. So the last question from Mark said, what is your view on investing in individual stocks recommended by a stock advisor service such as the Motley fool. And he says, thanks so much.

[00:29:02] **Dave:** Okay. So let me take the first stab at this. So here's my kind of thought on this. I don't want to throw shade at Motley fool, but I'll just, I'll relay my experience with Motley fool is when I first started investing, I got an account with Motley fool, and I'll keep it in mind.

The Motley Fool has different tiers of investment portfolios that you can follow. And depending on how much you're willing to pay, you're going to get different kinds of services. That being said, I entered the entry-level of whatever their service was. And I'll admit, I don't remember the name of it at the moment, but basically, the way the service worked was they would send you a letter every month with the two main stock picks that they would recommend that you buy and that they would have a kind of a starter portfolio that you could pick these companies and start investing.

So my experience was as I ended up buying four companies that they recommended; one of them did awesomely. The other three tanked horribly, like really bad, lost 70% of their value from the time I bought them to the time I finally sold them, the losses that I got the head from just the three companies.

It easily outperformed how well the other one did. And so I ended up losing money on the year that I was with the Motley Fool, because the kind of the way the service was pre this, keep in mind, this was pre fidelity and Schwab that we used offering stock slices, where you could buy portions of stocks.

So at the time, if they recommended a company that was selling for $1,400 a share, the only option you had. To either buy $1,400 from that company, or you couldn't buy it at all. And it didn't work. And it was the way that it was set up was that you had to put out a lot of money to get into all these companies because some of them were trading at three, four, or 500 bucks a share.

And I didn't have that those kinds of resources to invest in that. And so it just wasn't; it didn't work out well for me. And so I was not; it just didn't work out well for me. And so I guess my idea with an investment. Recommendations for stock advisors are, think about who it is that you're investing with and having a plan and understanding how it's gonna, it's going to go and.

I guess reading through all the fine print because I didn't read through all the fine print. And so I didn't understand how it was going to work. And so I think there are lots of great services out there. Andrews is one of them that can, are very helpful. And they're set up such that you can start from here and go to where you want to go without having to invest $10,000 out of the gate.

Because if that's really the case, then that's not really beneficial to you in the long run. So I guess that's what.

[00:31:52] **Andrew:** Yeah. Obviously, I have my service, and what all it is, it's what I'm doing with my own money. And then I'm sharing that with everybody else. And so the way I see it as a way for an investor to have that control that we talk about where you're not subject to.

All of the forces that work against you, you have control of your portfolio, you own these shares. At the same time, we get to leverage all the research that I do and all the conversations and experience that you and I have had with all these different businesses and all these different stocks.

And so, I do think it does come down to that context that you're referring to. If you're gonna follow a stock advisor service, The values don't align, or they don't talk about the type of companies that you want to be in. Then that's probably not a good fit if if if you're not following the plan, the way that they're laying it out, and you're going to pick it and choosing that may or may not work too.

I have seen a lot of my brothers are on my plan, my girlfriends on my plan. We're all doing the plan, and it's working well for us. And you have to decide for yourself if that's something you want to do for yourself too. The way I see it, as you don't have to, there's no bonus for not getting help.

There's no extra win for having figured it all out yourself. So you can totally leverage other resources and other people and other ideas. And that's what. The stock advisor service can really come in handy. Yeah.

[00:33:14] **Dave:** I would a hundred percent agree with that. And I think a couple of things that I guess I wanted to expand a little bit upon.

Number one is the idea of having skin in the game. So one of the things that attracted me to what Andrew was doing from the get-go was the fact that he was putting his own money into what he was recommending and other services out there. Some of them definitely do, but a lot of them don't, and it's that idea.

If you're not eating your own cooking, then why would you listen to what that person is saying? It's like going to a restaurant, and the chef doesn't even eat his own food. Would you eat there? I wouldn't. If he doesn't, if he doesn't like own food that he's cooking, why would I want to eat it?

It's so it's that kind of idea. And I think the other idea is. The knowledge that you can learn from reading, what other people are writing about and how they're investing is invaluable because that's really what Warren Buffett has been doing for the last 60 years. He weighs out how he's in.

He doesn't specifically say, this is why I bought American express or Coca-Cola, but he walks you through the processes of how he does that kind of thing. And Andrew does a lot of the same stuff in his monthly e-letter and other services that I've subscribed to as well, do the same kind of thing.

And you can learn—a lot of information from these people that can help you along the way. Cause like Andrew said you don't get extra bonus points at the end of the game for doing it on your own, as opposed to asking for help or looking at what other people are doing.

So another thing I guess I wanted to touch on a little bit was the idea of how will you start service? One of the things that I struggled with Motley fool was I didn't really know how to start.

And I know that's one of the things that Andrew has talked about in his letters over the past and how he sets it up. So people, when they start. Point a; they can get point B. So you want to fill us in on that.

[00:35:11] **Andrew:** Basically. It goes back to that discussion. We've had several times where it's okay if I have a chunk of money; how do I invest it?

Do I put it all in at once? And so when I'm looking at the. Pick some during every month; it's always with that context in mind of somebody who's starting fresh and building a new portfolio. And so, every month, it's a different pick. Sometimes they could be stocks that are in the portfolio and sometimes not.

And a lot of times that can depend on. The price of a company. If a stock used to be attractive at $15 is no longer attractive at 30, obviously, I wouldn't buy that for myself. And so I don't recommend that either. At the same time, sometimes you buy a company, and things start to go downhill, but you don't want to overreact because if you sold a stock every time you thought something went downhill, you wouldn't keep stocks very long.

But at the same time, if. It seems like it's starting to go downhill. Maybe somebody wouldn't buy into that as a new pick too. So that's like why every month I'm always putting the new pick, whether that's an ad from the portfolio or brand new stock. And I always mentioned to you, if there are other companies in the portfolio, there is still a good deal, and that makes it really easy to follow for somebody, whether they're first starting out or whether they've been with the portfolio for years, or even if you're like me, who's been there since the beginning.

And I can just follow what I wrote and just put that in my brokerage account. That's really easy.

[00:36:40] **Dave:** . I agree with him, and I think that's one of the things that whether you look at what Andrew's doing or other people is really understand where they're coming from, that they have skin in the game, what you're going to learn from them.

And then also how easily do they make it so that you can get started and follow along with what they're doing? Because if they don't, if they just. Throw out a bunch of recommendations and say, Hey, buy my portfolio, kinda to what Andrew was saying. If you buy, I don't know. I can't think of a company off the top of my head, but if you buy a company that has had great returns over the last 20 years, but now is maybe only going to earn very small amounts over the next five or ten years, then that's not doing you any service by telling you to buy that now because that's, That's really undermining.

What really, the recommendation should be really what it comes down to is Andrew is acting like a fiduciary, his job. It's a big word, but what it really means is your job is to look out for the other person's finances, just like they were. So you have to treat people like you would want to be treated.

And that's what Andrew is trying to do. And I'm not saying that as like an ad for Andrew's service, I'm just saying that's really where we're coming from is we're coming from it as a fiduciary, as opposed to other, there are other services out there that aren't necessarily looking at that.

And that's something you want to think about whenever you're considering using another service, and I'm not going to mention names cause that's not how I work, but it's something for you to think about.

[00:38:09] **Andrew:** Yeah, no, I appreciate that. I feel like you're explaining it a little bit better than I do, so that's good getting that, that perspective, but yeah, I I'm trying to do and have been trying to do since the beginning.

All right, folks. With that, we're going to go wrap up our Q and a for this evening. I wanted to thank everybody for taking the time to write us those great questions, mark.

Brian, you can send us some great stuff. So it was a lot of fun talking about those, especially fantasy football. I know it got a smile out of that one. Without any further ado, I'm going to go ahead and sign us off—you guys go out there and invest with a margin of safety emphasis on the safety.

Have a great week, and we'll talk to you all next week.