

# Investing for Marshmallows

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# The Marshmallow Experiment

- Psychologist Walter Mischel, Stanford University
- Test of Self-Discipline → Indicator of Success
- Child offered a choice:
  - 1) One small reward (marshmallow) immediately
  - or
  - 2) Two small rewards if he/she waits

# Can You Wait?!

[the-marshmallow-test](#)

# The Emotional Roller Coaster

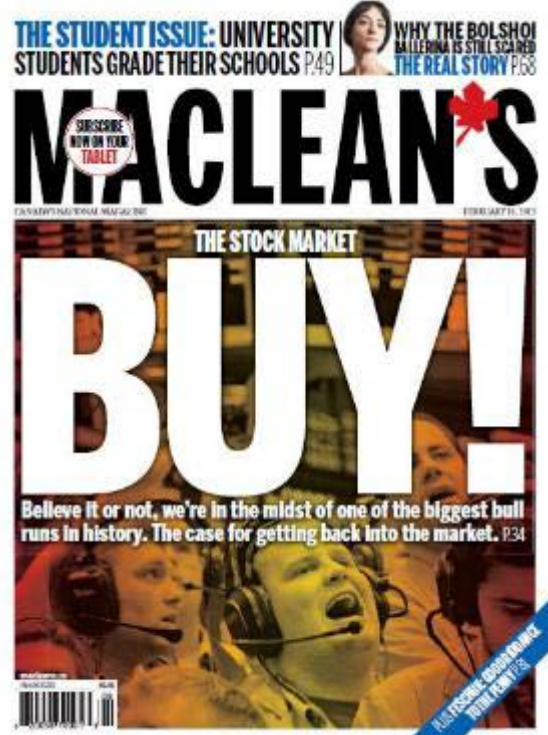


# The Emotional Roller Coaster

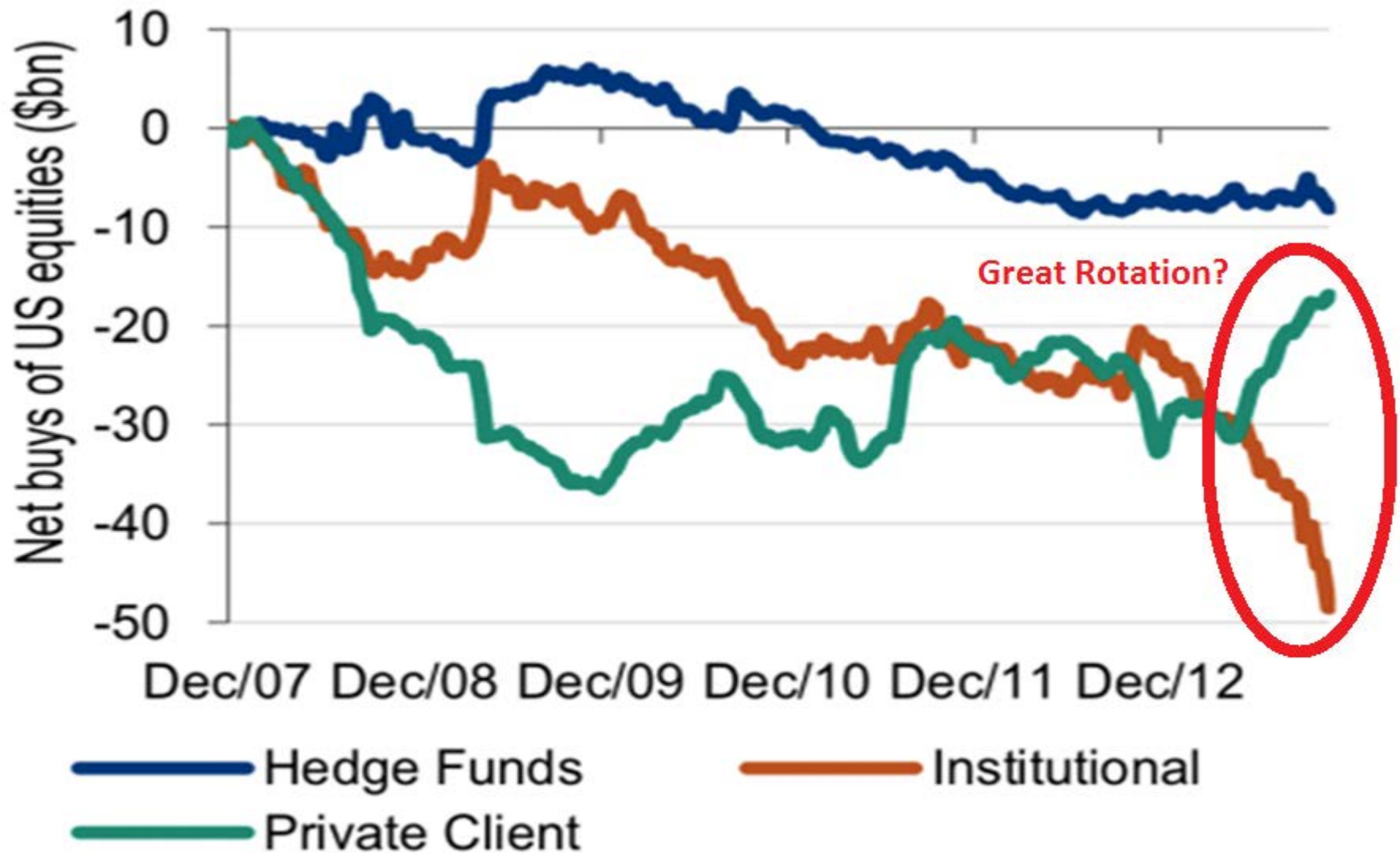




# This Time's Different, Right?



# Institutional Investors Unloading



# Great Rotation?

**Forbes** ▾

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+13 posts this hour

**Most Popular**

Buffett's Billion Dollar Bracket

**Lists**

Most Promising Companies

INVESTING | 12/20/2013 @ 6:39PM | 16,675 views

## Five Reasons It's Time To Buy Bonds Again

INVESTING | 1/24/2014 @ 12:24AM | 2,536 views

## 2014 Conundrum: Four Reasons Why Stocks Are Down And Bonds Are Up



# Great Rotation?

BUSINESS INSIDER

Tech

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All

## Big Institutions Have Been Rotating Out Of Stocks All Year



MATTHEW BOESLER

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JUL. 16, 2013, 11:21 AM

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Every week, the BofA Merrill Lynch equity strategy team breaks out data on how many stocks clients are buying and selling.

# Great Rotation?



UNUSUAL VOLUME: JAPAN

Square Enix Holdings Co Ltd »

9684 +5.31%

19.91X 20-DAY AVG VOLUME

## Bonds Captivate \$16 Trillion of Pensions

By Matt Robinson | Jan 13, 2014 9:27 AM PT | [5 Comments](#) [Email](#) [Print](#)

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## Pensions Sell Stocks to Buy Bonds

By Roben Farzad [Twitter](#) | January 24, 2014

# A Few Smart Words

"It's far better to buy a wonderful company at a fair price than a fair company at a wonderful price."

"Long ago, Ben Graham taught me that 'Price is what you pay; value is what you get.' Whether we're talking about socks or stocks, I like buying quality merchandise when it is marked down."

"Be Fearful When Others Are Greedy and Greedy When Others Are Fearful"

*Warren Buffett*

# A Few Smart Words

“If investing is entertaining, if you’re having fun, you’re probably not making any money. Good investing is boring.”

*George Soros*

"Bull markets are born on pessimism, grow on skepticism, mature on optimism, and die on euphoria"

“The four most dangerous words in investing are ‘This time it’s different.’”

*Sir John Templeton*

# Twitter Twits

## TWTRQ





# Twitter Twits

**Tweeter Home Entertainment Group Inc. (TWTRQ)** - OTC Markets

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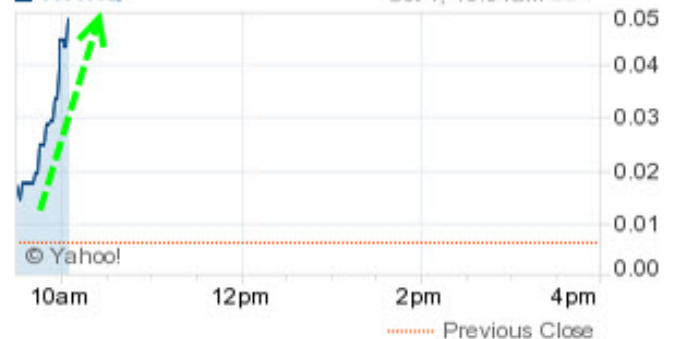
**0.0490** ↑ 0.0425 (653.85%) 10:05AM EDT

Prev Close:	0.01	Day's Range:	0.0150 - 0.0490
Open:	0.02	52wk Range:	N/A
Bid:	N/A	Volume:	1,413,707
Ask:	N/A	Avg Vol (3m):	N/A
1y Target Est:	1.00	Market Cap:	1.25M
Beta:	N/A	P/E (ttm):	N/A
Next Earnings Date:	N/A	EPS (ttm):	-2.58

## TWEETER HOME ENT #

■ TWTRQ

Oct 4, 10:04am EDT



1d 5d

[customize chart](#)

# Twitter Twits



# Closing Thoughts

## ...It Really Comes Down to Patience

- 💧 What Kind of Marshmallow Investor Are You?
- 💧 The Emotional Roller Coaster – Do You Read Magazine Covers?
- 💧 What Are the Institutional Investors Doing?
- 💧 Are You Following Sage Advice?