

# PROTECTING THE PIG

Book Graphics

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**PROTECTING THE PIG Book**

**Chapter 1: Table 1**

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>VFINX<sup>2</sup></b>	<b>37.5%</b>	<b>22.9%</b>	<b>33.2%</b>	<b>28.6%</b>	<b>21.1%</b>	<b>-9.1%</b>	<b>-12.0%</b>	<b>-22.2%</b>	<b>28.1%</b>	<b>10.7%</b>

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# Chapter 1: Chart 1



Chart courtesy of StockCharts.com

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# Chapter 1: Chart 1A



Chart courtesy of StockCharts.com

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# Chapter 1: Chart 1B



Chart courtesy of StockCharts.com

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# Chapter 1: Chart 1C



Chart courtesy of StockCharts.com

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# Chapter 1: Chart 1D



Chart courtesy of StockCharts.com

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# Chapter 2: Chart 2A



Chart courtesy of StockCharts.com

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# Chapter 2: Chart 2B



Chart courtesy of StockCharts.com



Chart courtesy of StockCharts.com



Chart courtesy of StockCharts.com

<b>1990</b>	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
<b>-3.1%</b>	<b>30.5%</b>	<b>7.6%</b>	<b>10.1%</b>	<b>1.3%</b>	<b>37.6%</b>	<b>23.0%</b>	<b>33.4%</b>	<b>28.6%</b>	<b>21.0%</b>
<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>-9.1%</b>	<b>-11.9%</b>	<b>-22.1%</b>	<b>28.7%</b>	<b>10.9%</b>	<b>4.9%</b>	<b>15.8%</b>	<b>5.5%</b>	<b>-37.0%</b>	<b>26.5%</b>

Source: [www.slickcharts.com/sp500/returns](http://www.slickcharts.com/sp500/returns)

<b>STRATEGY</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
<b>S&amp;P 500 Index <sup>1</sup></b>	<b>37.6%</b>	<b>23.0%</b>	<b>33.4%</b>	<b>28.6%</b>	<b>21.0%</b>
<b>BUY &amp; HOLD <sup>2</sup></b>	<b>37.5%</b>	<b>22.9%</b>	<b>33.2%</b>	<b>28.6%</b>	<b>21.1%</b>
<b>BUY &amp; SUBSTITUTE <sup>3</sup></b>	<b>29.8%</b>	<b>14.8%</b>	<b>26.9%</b>	<b>31.8%</b>	<b>45.7%</b>
<b>BUY &amp; SELL <sup>4,5</sup></b>	<b>11.0%</b>	<b>10.5%</b>	<b>12.4%</b>	<b>12.3%</b>	<b>13.0%</b>

<b>STRATEGY</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
<b>S&amp;P 500 Index <sup>1</sup></b>	<b>-9.1%</b>	<b>-11.9%</b>	<b>-22.1%</b>
<b>BUY &amp; HOLD <sup>2</sup></b>	<b>-9.1%</b>	<b>-12.0%</b>	<b>-22.2%</b>
<b>BUY &amp; SUBSTITUTE <sup>3</sup></b>	<b>7.5%</b>	<b>-12.3%</b>	<b>-22.0%</b>
<b>BUY &amp; SELL <sup>4, 5</sup></b>	<b>6.6%</b>	<b>-3.5%</b>	<b>-4.9%</b>

**PROTECTING THE PIG Book Chapter 4: Table 4C**

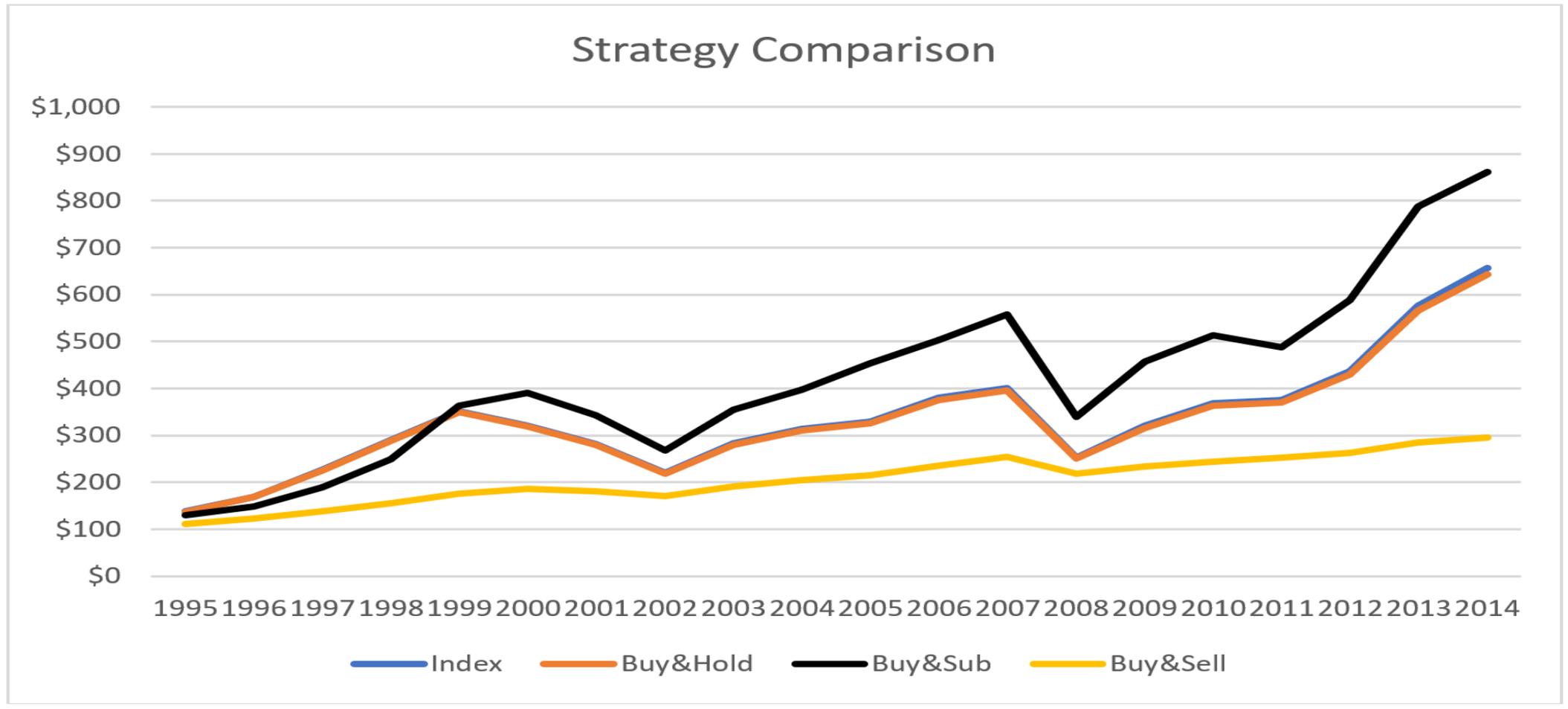
<b>STRATEGY</b>	<b>2008</b>
<b>S&amp;P 500 Index <sup>1</sup></b>	<b>-37.0%</b>
<b>BUY &amp; HOLD <sup>2</sup></b>	<b>-37.0%</b>
<b>BUY &amp; SUBSTITUTE <sup>3</sup></b>	<b>-39.1%</b>
<b>BUY &amp; SELL <sup>4,5</sup></b>	<b>-13.9%</b>

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## Chapter 4: Table 4D

STRATEGY	2000 (Y1)	2001 (Y2)	2002 (Y3)	2003 (Y4)	2004 (Y5)	2005 (Y6)	2006 (Y7)
S&P 500 Index <sup>1</sup>	\$ 90.94	\$ 80.01	\$ 62.29	\$ 80.04	\$ 88.63	\$ 92.86	\$107.39
BUY & HOLD <sup>2</sup>	\$ 90.94	\$ 80.01	\$ 62.29	\$ 80.04	\$ 88.63	\$ 92.86	\$107.39
BUY & SUBSTITUTE <sup>3</sup>	\$107.49	\$ 94.71	\$ 73.85	\$ 97.54	\$109.20	\$124.75	\$144.44
BUY & SELL <sup>4,5</sup>	\$106.61	\$102.85	\$ 97.85	\$109.21	\$116.80	\$122.25	\$134.64

<b>STRATEGY</b>	<b>2008 (Y1)</b>	<b>2009 (Y2)</b>	<b>2010 (Y3)</b>	<b>2011 (Y4)</b>	<b>2012 (Y5)</b>
<b>S&amp;P 500 Index <sup>1</sup></b>	<b>\$ 62.98</b>	<b>\$ 79.66</b>	<b>\$ 91.54</b>	<b>\$ 93.34</b>	<b>\$108.11</b>
<b>BUY &amp; HOLD <sup>2</sup></b>	<b>\$ 62.98</b>	<b>\$ 79.66</b>	<b>\$ 91.54</b>	<b>\$ 93.34</b>	<b>\$108.11</b>
<b>BUY &amp; SUBSTITUTE <sup>3</sup></b>	<b>\$ 60.93</b>	<b>\$ 81.94</b>	<b>\$ 92.00</b>	<b>\$ 87.50</b>	<b>\$105.47</b>
<b>BUY &amp; SELL <sup>4,5</sup></b>	<b>\$ 86.08</b>	<b>\$ 91.74</b>	<b>\$ 96.17</b>	<b>\$ 99.04</b>	<b>\$103.51</b>
<b>BUY &amp; SELL <sup>6,7</sup></b>	<b>\$ 85.80</b>	<b>\$126.38</b>	<b>\$149.13</b>	<b>\$144.51</b>	<b>\$168.35</b>



## Digging A Hole

Small losses are easier to recover from, compared with big drops

Initial loss	Gain needed to recover
8%	8.7%
25	33
30	43
40	67
50	100

<b>STRATEGY</b>	<b>2008</b>	<b>2009</b>
<b>S&amp;P 500 Index <sup>1</sup></b>	<b>-37.0%</b>	<b>26.5%</b>
<b>BUY &amp; HOLD <sup>2</sup></b>	<b>-37.0%</b>	<b>26.5%</b>
<b>BUY &amp; SUBSTITUTE <sup>3</sup></b>	<b>-39.1%</b>	<b>34.5%</b>
<b>BUY &amp; SELL <sup>4,5</sup></b>	<b>-13.9%</b>	<b>6.6%</b>

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# Chapter 6: Chart 6A



Chart courtesy of StockCharts.com

# PROTECTING THE PIG Book

# Chapter 6: Chart 6B



Chart courtesy of StockCharts.com

# PROTECTING THE PIG Book

# Chapter 6: Chart 6C



Chart courtesy of StockCharts.com

# PROTECTING THE PIG Book

# Chapter 6: Chart 6D



Chart courtesy of StockCharts.com

# PROTECTING THE PIG Book

# Chapter 6: Chart 6E



Chart courtesy of StockCharts.com



Chart courtesy of StockCharts.com



Chart courtesy of StockCharts.com



Chart courtesy of StockCharts.com

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# Chapter 7: Chart 7C



Chart courtesy of StockCharts.com



Chart courtesy of StockCharts.com

## PROTECTING THE PIG Book Chapter 9

**INVESTMENT:** **SYMBOL:** **ALLOCATION:**

### BUCKET 1: "Stable value investments"

Guggenheim Limited Duration Fund	GILHX	3.3%
Guggenheim High Yield Fund	SHYIX	3.3%
Nuveen Managed Muni Portfolio	N/A	8.9%
Vanguard Wellesley Income	VWINX	4.4%

### BUCKET 2: "Alternative income sources"

Nationwide Immediate Income Annuity	N/A	11.1%
Blackstone real estate investment	N/A	4.4%
Structured product	N/A	4.4%

### BUCKET 3: "Growth-biased investments"

Alger Small Cap Focus	AOFYX	2.2%
American Funds Capital Income Builder	CAIFX	4.4%
Boston Partners All Cap Value	BPAIX	6.7%
Chiron Capital Allocation	CCAPX	6.7%
First Eagle Global	SGIIX	4.4%
Guggenheim Total Return Bond	GIBIX	4.4%
JP Morgan Income Builder	JNBSX	4.4%
Western Asset Core Plus Bond	WACPX	4.4%
CIO High Quality Dividend Yield Portfolio	N/A	22.2%

# PROTECTING THE PIG Book

# Chapter 10: Chart 10A



Chart courtesy of StockCharts.com

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# Chapter 10: Chart 10B



Chart courtesy of StockCharts.com

# PROTECTING THE PIG Book

# Afterword



Chart courtesy of StockCharts.com

## Disclaimer:

The S&P 500 Index is one of the most commonly followed equity indices, and many consider it one of the best representations of the U.S. stock market, and a bellwether for the U.S. economy. It is comprised of 500 large companies having common stock listed on the NYSE or NASDAQ. It is not possible to invest directly in this index.

Technical analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volumes. Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets may not always follow patterns. There are certain limitations to technical analysis research, such as the calculation results being impacted by changes in security price during periods of market volatility. Technical analysis is one of many indicators that may be used to analyze market data for investing purposes and should not be considered a guaranteed prediction of market activity. The opinions expressed are those of the author as of the date of publication and are subject to change without notice.

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