

Here's Something That Will Interest You

The following quote came from Pamela Yellen's May newsletter.

According to the May 2008 issue of The Hulbert Financial Digest,

"A lump sum invested in the stock market at the beginning of 1999 would be worth no more today than if it had instead been put in a money market fund. Such an investor would have nothing to show for all the nail-biting of the last decade. He could have made just as much while sleeping like a baby.

Disappointing as the last decade has been for the stock market, its behavior is entirely in line with historical precedent."

The Hurlbert Financial Digest rates all the stock market guru's based on their actual performance over periods of time.

When they say you would have done just as good in a money market fund, it carries some clout with me, based on my own personal experience as an investment advisor over the past 20 years.

In the past 25 years I have spent a lot of time looking for the right stocks and mutual funds that would make my wife and I millionaires by the time we wanted to retire.

It just didn't work out. It is not going to happen.

Here's another quote from Pamela that points out a situation I am seeing more and more of every day.

You can't even count on a home equity line of credit any more. Many subscribers have written to tell me how they've been notified their line has been dramatically reduced, or even eliminated, due to the fact that the value of their home has dropped.

More and more people I talk to are getting the Home Equity Line rug pulled out from under them by their lenders as home values decline. The lenders are taking away unused credit and freezing the loans at their current level.

This is especially bad for people who counted on their home equity lines to help handle financial emergencies.

I never thought I would see the day that people would be penalized for NOT borrowing from their home equity lines!

The last quote from Pamela speaks to a better way to handle financial emergencies.

Now let me tell you about another important benefit of Bank on Yourself that most people don't think about...

Three years ago, my husband Larry had emergency quadruple bypass heart surgery at the age of 55.

Like me, Larry's a health nut. We work out regularly, eat right and take enough vitamin supplements to choke a horse. But sometimes genetics just wins out.

We ended up stuck with \$15,000 of unreimbursed medical expenses, between the deductible, co-pays and non-covered items.

Did you know that unexpected medical expenses cause 50% of bankruptcies, and 75% of those folks had health insurance at the time?

Had it not been for our Bank On Yourself plans, we would have been forced to put those bills on our charge cards, and then we would have had all the added stress that comes with having to pay those bills, plus all those interest charges.

Which brings me to yet another powerful benefit of Bank On Yourself:

7. Bank On Yourself is like a financial security blanket, giving you flexibility, control and peace of mind when life throws you a curve ball.

Thanks to Bank On Yourself, we were able to borrow \$15,000 from our plan and pay all of Larry's medical bills off immediately. We then paid our plan back at a rate we could comfortably handle.

It took two years, but at the end of that time, we had recaptured that \$15,000, plus the interest we would have paid to others, PLUS some extra, in our plan.

To this day, my husband smiles when he thinks of the positive side of his health crisis - that we actually made a profit on his medical bills!

Last spring the Eckstrand family had a \$1,000 car repair bill AND a \$1,000 plumbing bill all in the same week!

Yes, I used my credit card to pay those bills. However, the money was there from loans from my BOY plans to pay them off in full when the statements came. I get to choose how and when I want to pay them off.

I simply do not worry about financial "curve balls" anymore. I personally have used my plans to help bail me out of several situations already, even though all my plans are less than 5 years old.

See you next month!

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