



FINANCIAL PREPAREDNESS

"One of life's most painful moments comes when we must admit that we didn't do our homework, that we are not prepared." ~ Merlin Olsen

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Daily Affirmations

Last week I mentioned that I have some affirmations that I review first thing every morning, and this week I'd like to tell you more about that. You might think that reciting affirmations is some kind of hokey motivational gimmick that Tony Robbins would recommend, but I think they really do work. It's a great way to get each day off on a good footing, sort of like running the daily execution program for your brain, programming your subconscious with your general, standing intentions for each day. That way, your intentions and desired daily habits are always at the top of your mind, looking for opportunities for execution throughout the day.

In no particular order, here are my current daily affirmations:

The works I write and the stocks I own generate ample passive income.

Every week I do stretching, interval and strength training.

I am becoming the best version of myself.

I manage my energy throughout the day.

I prioritize sleep and am in bed before 10:00.

I am working to get my muscle mass back up to 38%.

I frequently ask, "What's great about this situation?"

I maintain good posture.

I practice gratitude daily.

I read books every day and read at least 100 books per year.

I read to [my son] every day.

I move and mobilize often throughout the day.

Every night I review the day and plan the next one.

I keep my body fat less than 18%.

I spend most of my time building and optimizing machines that make my life more productive and efficient.

I help people live a fulfilled life.

I maintain a water weight of at least 64%.

I create massive value for others, which produces a massive stream of income.

I take a long walk every day.

I am financially responsible and spend money wisely.

I often ask, "What should I be doing now?"

I do at least 2 hours of Deep Work every morning.

I read personal growth books for at least 30 minutes every morning.

Every day I love and serve [my wife]. I meet her needs and try to make her happy.

I surround myself with positive, successful, helpful people.

I honor [my mother's] memory by loving and being kind to others.

Ideally, you should recite your affirmations aloud to yourself instead of just quietly reviewing them. Hal Elrod recommends you say them in a bold and confident voice, which

impresses their importance upon your mind.

You shouldn't use an affirmation that you can't or don't really intend to do every day or week, because your brain has a pretty good BS detector, and won't believe what you say. Saying an affirmation makes it more likely that you'll do it, and doing it makes it more likely that your brain will believe it the next time you recite it. You can also track your performance of some of your affirmations in a daily habit tracker, which also increases those affirmations' credibility with your brain. Reciting affirmations daily creates a virtuous upward spiral.

You should give a lot of thought to how you word your affirmations. Try to be specific, and instead of saying "I am . . .," say what you need to do/are doing daily to become who you want to be. Focus on things you want to work on, or that you need to do daily, or throughout the day. It's about becoming more mindful.

I use an app called I Am (available in the [Apple App Store](#) and the [Google Play Store](#) for a nominal fee) to create, maintain and review my affirmations. You can customize the theme and font, and look for sample affirmations in a number of specific categories. Once you create an affirmation that you plan to use daily, you'll want to save it in Favorites. I keep the app's icon near the top of my home screen so I remember to use it, as it's easy to let it slide. Try to recite your affirmations as soon as you get up each morning.

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This week I was listening to a CE webinar about municipal bonds (not my jam, but CE is CE), and the presenters (employees of Invesco who get paid to flog munis) acknowledged the havoc that higher interest rates had wreaked on their funds, but kept saying that "This is not a credit event," and were even upbeat about perennial spendthrifts such as Illinois.

Why were they optimistic? Have state and local governments reduced their spending? Are they generating higher tax revenue through higher tax rates, better enforcement, and more fees? Have their pension funds had large returns, reducing their unfunded liabilities?

No. They were constructive on munis because the federal government has given/is giving state and local governments a ton of money via COVID relief packages, etc. OK, so . . . are there any *unintended consequences* to this, or is it just manna from Heaven? Will this boatload of free money make state and local governments more or less likely to get their finances under control? Will it create more or less fraud, waste and abuse? Since the federal government couldn't actually pay for these programs with just the taxes it collected, but had to go even deeper into debt (much if not most of which was monetized by the Fed by buying Treasury bonds with dollars created out of thin air), what effect will the resulting higher interest rates and inflation have on muni bonds? Now do you understand why they've been tanking?

One of the presenters mentioned that the muni bond market is one of the most idiosyncratic, and I got to thinking about that. Why would the politicians spend hundreds

of billions of dollars bailing out state and local governments, some of which are nearly insolvent? I mean other than the leftist impulse to nationalize state and local government, and the desire to reward favored constituencies and create opportunities for graft?

Well, do you think the elite 1% ruling class owns any municipal bonds? I'll bet they own a lot, for two reasons. First, their wealth isn't in IRAs/401(k)s, it's in taxable accounts, and some of that needs a safe parking spot for short- to intermediate-term goals such as upcoming tuition payments to Yale, or a beach house in the Hamptons. Second, even though they generally love to collect taxes, [they hate to pay them](#), and since they generally live in states with high income tax rates, munis are an attractive option for them.

So after rising interest rates crushed munis, the ruling class is socializing its losses by bailing out the state and local governments it loaned money to. At least I think that could be one reason for the bailouts.

What You Should Be Doing Now

Precious metals remain attractive, both from the perspective of price and investor sentiment.

Documentary to watch: [Prescription Thugs](#) on Amazon Prime Video. Stay with the first third, because the rest is devastating.

[Have I been pwned?](#) Use that link to see if your email address or phone number has been in a data breach.

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I would love to hear from you! I thrive on feedback from readers. If you have any comments, suggestions, insight/wisdom, or you'd like to share a link to a great article, please [email me](#).

Generally, I don't have time to answer questions about your specific situation, but if you have a general question that I think other readers also have, [let me know](#) and I will provide an answer in a future issue.

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Before starting a new diet or exercise regimen, you should consult with a doctor, nutritionist, dietician, or personal trainer.

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