

Index

- Active portfolio management:
 costs associated with, 39–41, 74–75, 76
 performance of, 37–41, 75–76
 of stock index funds, 68, 73, 74–78
- AJPM Precious Metals, 155
- American Precious Metals Exchange, 155
- Amundi Exchange Traded Funds, 220
- Argentina, economy and investments in, 169–170, 260–261
- Asia, economy and investments in, 225–226. *See also specific countries*
- Asset allocation. *See also* Bonds; Cash; Gold; Stocks
 asset class correlations, relying on, 52–54
 asset correlation to economy, 57–64
 assets in isolation, 42–44, 91
 balanced, 50
 diversification of (*see* Diversification)
 hard assets, neglecting, 54–55
 implementation strategies on, 175–194, 209–228
 Permanent Portfolio approach to, 3, 41–44, 74, 75–76, 175–194, 195–208, 209–228
 rebalancing (*see* Rebalancing and maintenance)
 risk in one asset type, 48–50
 risk-sharing assets, 50–52
 tax considerations with, 233–238
- Australia, economy and investments in, 210, 211, 213, 223–225, 273–276, 288, 289
- Austria, economy and investments in, 221, 288
- Automatic reinvestments, 193, 204–205, 208, 245
- Backtesting performance, 15–31
- Bank of America Corp., 133
- Banks and financial institutions. *See also specific companies*
 cash investments in, 135–137, 139–140
 central (*see* Central banks)
 certificates of deposit from, 135–137, 140
 foreign or international (*see* International investments)
 fund manager risks in, 102–103, 113, 159, 172–173, 177, 178, 183, 247, 249–251, 305–306, 308
 gold buying and storage at, 156–158, 171–173, 268–269, 271, 272, 287–288, 290
 institutional diversification among multiple, 176–177, 178, 180–182, 183–190, 217, 247–255, 307, 309
 safe deposit boxes of, 156–157, 171–172, 269, 271, 272, 287–288, 290
- Basler Kantonbank, 282–283
- Bear Stearns, 251
- Belgium, economy and investments in, 212, 213
- Black Monday, 29
- BMO:
 BMO Dow Jones Canada Titans 60 ETF, 216
 BMO Long Federal Bond ETF, 216–217
 BMO Short Federal Bond ETF, 217
- Bogle, Jack, 70
- Bonds:
 25/75 portfolio including, 27, 29
 50/50 portfolio including, 26, 29
 60/40 portfolio strategy including, 24–26, 27
 75/25 portfolio including, 26, 29
 asset class correlations with, 52–54
 benefits of, 87–89
 bond risk matrix, 112–113
 bonds to avoid, 103–108
 buying methods for, 94–98
 capital gains from, 111–112, 234–235
 cash investment in, 117, 122–132, 140–141, 214, 220, 224, 227, 235, 239
 corporate, 105–106, 108, 109, 110–111, 113, 140
 costs associated with, 96, 103, 124, 183, 219
 economic conditions impacting, 24, 26, 27, 45, 51–54, 60–61, 62, 66–67, 87, 88–90, 92–93, 100, 103–104, 106, 110, 111–112, 118, 120–121, 213–214
 expectations about, 45
 financial safety of, 106, 108–111
 implementation of strategy including, 175–194, 213–214, 216–217, 219–220, 222, 224, 227
 interest rate inverse correlation to, 89–90, 90–91, 92–93, 98–99, 105, 110–111
 international, 100–101, 106–108, 113, 213–214, 216–217, 219–220, 222, 224, 227
 junk or high-yield, 106, 107, 109, 110, 113
 mortgage, 99, 105, 113, 131, 140
 municipal, 99, 101, 104–105, 108, 113, 131, 137–138, 140
 owning, 93
 performance of, 88–92, 108–111, 118, 120–121, 144–145, 146

- Bonds (*Continued*)
- Permanent Portfolio including, 1–2, 3, 42–43, 62–64, 87–115, 175–176, 179–190, 213–214, 216–217, 219–220, 222, 224, 227
 - recommended bonds to buy, 94
 - retirement plans including, 114, 239–240
 - risks related to, 51–52, 87, 89–90, 93, 98–108, 110, 112–113, 128–132, 140, 178
 - secondary market for, 95–96, 123–124, 183
 - tax considerations with, 100–101, 104, 105, 106, 109, 110, 113, 131–132, 137–138, 140, 231–232, 233–235
 - Treasury Inflation-Protected Securities as, 103–104, 109, 110, 169–170
 - U.S. savings bonds, 125
 - U.S. Treasury bonds (long-term), 87, 93–115, 183, 227, 231–232, 234, 240
 - U.S. Treasury bonds (short-term), 117, 122–132, 140–141, 227, 231–232, 235, 239
 - volatility of, 42–43, 90–92
- Brokerage windows, 241
- Browne, Harry, 1–3, 5, 12, 59, 112, 118, 204, 205, 257, 262, 287, 295, 297, 303–304, 313
- Bullionvault, 270
- California Numismatic Investments, 155
- Call risk, 99, 104–105, 110, 113, 131, 140
- Canada, economy and investments in, 155–156, 159, 160, 161–162, 171, 179, 210, 213, 215–218, 267
- Canton Bank of Zurich:
 - Canton Bank of Zurich ETF, 159, 160–161, 179, 221, 223
 - gold storage via, 282
- Capital gains:
 - bond-related, 111–112, 234–235
 - gold-related, 152–153, 171, 232–235, 237
 - stock-related, 236
 - tax considerations with, 171, 231, 232–233, 236, 237
- Career. *See* Profession
- Carter administration, 151
- Cash:
 - bank certificates of deposit investment with, 135–137, 140
 - benefits of, 117–120
 - bond investment with, 117, 122–132, 140–141, 214, 220, 224, 227, 235, 239
 - cash reserves, 55
 - cash risk matrix, 140
 - cash to avoid, 132–140
 - costs associated with, 124, 239
 - dividend allocation into, 117, 205
 - economic conditions impacting, 55, 60–61, 62, 66, 118–121, 126–127
 - foreign or international, 1–2, 129–130, 131, 139, 140, 164, 214, 217, 220, 222–223, 224, 227, 306
 - implementation of strategy including, 175–194, 214, 217, 220, 222–223, 224, 227
 - investment options for, 123–128
 - money market fund investment with, 124–125, 132–135, 137–139
 - new money contributions to, 204
 - owning, 123–128
 - performance of, 118–121, 122–123, 125–127, 144–145, 146, 214
 - Permanent Portfolio including, 2, 3, 62–64, 117–142, 175–176, 179–190, 214, 217, 220, 222–223, 224, 227
 - retirement plan investment with, 140–141, 239
 - risks related to, 120–121, 122–123, 128–140, 239
 - shaky banks as poor investment choice for, 139–140
 - tax considerations with, 131–132, 137–138, 139, 140, 233–234, 235
 - U.S. savings bond investment with, 125
 - U.S. Treasury bond investment with, 117, 122–132, 140–141
 - volatility of, 117, 121–123, 239
 - withdrawals from, 203
- CDIC Insured Account, 217
- Central banks:
 - bail-out funds from, 133
 - gold holdings of, 153, 165, 272
 - gold standard dissolution by, 1, 22, 149, 164, 167, 259–260
 - inflation allowed by, 149, 150–151
 - inflation control policy of, 21–22, 59, 62, 118, 147, 210–211
 - Central Fund of Canada, 159, 161–162
 - Central Gold Trust of Canada, 159, 161–162, 179, 218, 267
- Certificates of deposit, cash investments in, 135–137, 140
- Chandler, John, 1, 303
- Coins, gold, 167, 168, 171, 217–218, 221, 223, 225, 237, 242, 271, 315
- Collectible gains taxes, 232–233, 237
- Colorado Gold, 155
- Commodities, gold investments *vs.*, 164–166
- Confiscation of assets, 22, 157, 162, 167, 259–261, 275–276
- Consumer Price Index, 169–170
- Corporate debt:
 - cash investment in, 138–139, 140
 - company stocks as, 84–85, 166
 - corporate bonds as, 105–106, 108, 109, 110–111, 113, 140
- Costs:
 - active *vs.* passive investing, 39–41, 74–75, 76
 - bond-related, 96, 103, 124, 183, 219
 - cash-related, 124, 239
 - commercial Permanent Portfolio fund, 305–306, 309
 - dollar cost averaging, 190–192
 - gold-related, 155, 158, 161, 162, 271, 272, 273–274, 276, 282, 284, 286
 - implementation, 192–193
 - rebalancing incurring, 204, 205–206, 207–208

- stock-related, 70–71, 74–75, 79–80, 216, 219, 224, 239
- taxes as (*see* Taxes)
- trading, 79–80
- Counterparty risk, 130–131, 140, 239
- Coxon, Terry, 1, 2, 303–304
- Craigslist, 156
- Creditor protection, 242–243
- Credit risk, 98–99, 105, 106, 110, 113, 129, 140
- Credit Suisse, 221, 281
- Currency crises, 151–152, 169–170
- Currency risk:
 - bond-related, 100, 113, 129–130, 140
 - cash-related, 129–130, 139, 140
 - gold-related, 164
 - stock-related, 82
- Cyber attacks, 252–253

- Das Safe, 288
- db X-Trackers, 219
- db X-Tracker Sovereign Eurozone 25+, 219
- Default risk, 98, 105, 106–108, 113, 128–129, 140
- Deflation:
 - bonds impacted by, 87, 92–93, 104, 106, 110, 112, 213
 - economic condition of, 58, 60–61, 63, 87, 92–93, 104, 106, 110, 112, 146–147, 213
 - gold impacted by, 146–147
- Depressions. *See* Recessions and depressions
- Developing country investing, 225–228, 266
- Diversification:
 - asset allocation and (*see* Asset allocation)
 - asset class correlations and, 52–54
 - asset-economy correlation and, 57–64
 - cash reserves for, 55
 - failure of, 48–55
 - financial safety through, 10, 11, 35
 - geographic, 11, 163, 178, 218, 257–294, 307, 309
 - hard asset neglect lacking, 54–55
 - illusion of, 47, 50–52
 - implementation strategies based on, 175–194, 209–228
 - institutional, 176–177, 178, 180–182, 183–190, 217, 247–255, 307, 309
 - Permanent Portfolio, 2, 3, 10, 11, 35, 47, 57–64, 71–72, 74, 75–76, 175–194, 195–208, 209–228, 247–255, 257–294
 - rebalancing to maintain, 112, 117, 119, 193, 195–208, 229, 235, 245
 - risk in one asset type lacking, 48–50
 - risk-sharing assets lacking, 50–52
 - stock, 71–72, 84–85
 - strong, 60–64
 - unpredictability addressed through, 56–57, 60, 64
- Dividends and interest. *See also* Returns
 - allocation of, in rebalancing, 204–205, 208
 - automatic reinvestment of, 193, 204–205, 208, 245
 - cash allocation as storage for, 117, 205
 - gold investments lacking, 60, 146, 152–153, 233, 237
 - tax considerations with, 100, 137–138, 231–232, 234, 236, 245
- Dollar cost averaging, 190–192
- EasyETFs IBOXX Liquid Sovereigns Extra Short, 220
- E-Bay, 156
- Economic conditions:
 - 1930s or Great Depression-era, 56, 67, 200, 201
 - 1970s-era, 1, 2, 22, 23, 24, 26–29, 45, 53–54, 56, 58, 66–67, 90, 120, 126, 144–145, 147–148, 150, 152, 169, 303
 - 1980s-era, 2, 26–29, 53, 118–119, 147, 151
 - 1990s-era, 26–28, 30, 53, 54, 146, 148
 - 2000s-era, 26–28, 30, 38, 49–50, 53, 54, 67, 81, 89, 134, 144–145, 148, 152
 - 2008 financial crisis-era, 10, 20, 47, 51–52, 56, 67, 88, 102–103, 104–105, 106, 108–110, 111–112, 132–134, 136–137, 148, 165, 191, 200, 251
 - Argentinean, 169–170, 260, 261
 - Asian, 225–226 (*see also specific countries*)
 - asset correlation to, 57–64
 - Australian, 210, 211, 213, 223–225, 273–276, 288, 289
 - Austrian, 221, 238
 - Belgian, 212, 213
 - bonds impacted by, 24, 26, 27, 45, 51–54, 60–61, 62, 66–67, 87, 88–90, 92–93, 100, 103–104, 106, 110, 111–112, 118, 120–121, 213–214
 - Canadian, 155–156, 159, 160, 161–162, 171, 179, 210, 213, 215–218, 267
 - cash impacted by, 55, 60–61, 62, 66, 118–121, 126–127
 - deflation as, 58, 60–61, 63, 87, 92–93, 104, 106, 110, 112, 146–147, 213
 - developing country, 226–228, 266
 - diversification to withstand varied (*see* Diversification)
 - European, 218–221 (*see also specific countries*)
 - German, 49, 210, 213, 218, 219, 220
 - gold valuation impacted by, 1, 2, 22, 45, 60, 61–62, 63, 66, 67, 118, 120–121, 143–145, 146–152, 306
 - Icelandic, 151–152
 - inflation as, 58–60, 61–62, 63 (*see also* Inflation)
 - interest rates impacted by, 59, 60–62, 89–90, 110, 118, 126–127
 - international diversity of, 209–212
 - Japanese, 45, 49, 210, 213
 - New Zealand, 270–273, 288, 289
 - prosperity as, 57, 60, 63, 65, 87, 120–121, 146
 - recession as, 58, 61, 63, 118–120, 146 (*see also* Recessions and depressions)
 - stocks impacted by, 24, 26, 27, 29–30, 45, 49–54, 58, 60–61, 62, 65–67, 118, 120–121, 148, 212
 - Swiss (*see* Switzerland, economy and investments in)
 - United Kingdom, 100, 210, 222–223, 270
 - unpredictability of, 7, 36–37, 46, 56–57, 60, 64, 88, 192
- Economics in One Lesson* (Hazlitt), 313

- Emergencies, cash or gold for, 149–152, 178, 182, 183, 187, 189–190, 214, 221, 226, 227, 228, 235, 237–238, 242, 245, 258–264. *See also* Natural disasters; Terrorism
- Emotional investing, 12–13, 35, 206–207
- Enron, 72, 129
- ETF Securities Exchange Traded Gold, 223
- ETF Securities Physical Gold Exchange Traded Fund, 221
- Europe, economy and investments in, 218–221. *See also specific countries*
- Eurozone Options, 222
- Everbank, 157–158, 276–278
- Evergreen Funds, 133
- Exchange-traded funds:
- Amundi ETFs, 220
 - BMO Dow Jones Canada Titans 60 ETF, 216
 - BMO Long Federal Bond ETF, 216–217
 - BMO Short Federal Bond ETF, 217
 - Canton Bank of Zurich ETF, 159, 160–161, 179, 221, 223
 - EasyETFs IBOXX Liquid Sovereigns Extra Short, 220
 - ETF Securities Exchange Traded Gold, 223
 - ETF Securities Physical Gold ETF, 221
 - Global X Permanent ETF, 307–309
 - gold investment via, 158–163, 173, 267–268, 289, 308
 - IBOXX German 1 to 3 Year Treasury ETFs, 220
 - IBOXX German and Eurozone Bond ETFs, 220
 - implementation of investments using, 177–190
 - iShares Barclays Capital Euro Government Bond 15 to 30 Year, 219
 - iShares Barclays Capital Euro Treasury Bond 1 to 1 Year, 220
 - iShares Barclays Capital Euro Treasury Bond 1-3 Year, 220
 - iShares DEX Long-Term Bond Index ETF, 217
 - iShares EAFE Index ETF, 83
 - iShares FTSE 100, 222
 - iShares FTSE Gilts 0-5, 222–223
 - iShares FTSE UK All Stocks GILT, 222
 - iShares Gold ETF, 159, 179, 180
 - iShares MSCI Australian 200 Index, 224
 - iShares Russell 3000 Index ETF, 69, 179
 - iShares Short Term Bond Index ETF, 217
 - iShares Short Term Treasury ETF, 127, 183, 185
 - iShares Short Treasury ETF, 124
 - iShares S&P 500 ETF, 69
 - iShares S&P/TSX 60 Index, 215–216
 - iShares S&P/TSX Capped Index Fund, 216
 - iShares Treasury Long-Term Bond ETF, 96, 97–98, 179, 180, 181
 - iShares Very Short-Term Treasury ETF, 180
 - Perth Mint Gold ETF, 225
 - SPDR Short Term Treasury ETF, 127
 - SPDR Treasury Bill ETF, 124
 - State Street Gold ETF, 179, 237
 - State Street S&P 500 SPDR ETF, 69
 - State Street SPDR S&P/ASX 200 Index, 224
 - State Street SPDR Treasury Bill ETF, 179
 - State Street Treasury Bill ETF, 181
 - StreetTracks Gold ETF, 159
 - Swiss Gold ETF, 181, 183
 - Swiss Physical Gold ETF, 159–160, 179
 - trading costs associated with, 79–80
 - Vanguard Australian Shares Index, 224
 - Vanguard FTSE ex-U.S. Index ETF, 83
 - Vanguard MSCI Canada Index ETF, 216
 - Vanguard Total Stock Market ETF, 69, 74, 179, 181, 183, 185
 - Vanguard Total World Index ETF, 83–84, 226
- Expectations, avoiding, 44–46
- Fail Safe Investing* (Browne), 5, 12, 262, 313
- Federal Deposit Insurance Corporation (FDIC), 135–136, 139, 140, 249, 277, 281
- Federal Reserve. *See* U.S. Federal Reserve
- Fidelity Investments:
- bail-out of, 133
 - Fidelity Magellan fund, 72–75, 236
 - Fidelity Select Money Market fund, 134–135, 138
 - Fidelity Spartan 500 Index Mutual Fund, 69
 - Fidelity Spartan International Index Mutual Fund, 83
 - Fidelity Spartan Short Term Treasury Bond, 127
 - Fidelity Spartan Total Stock Market, 69, 179, 180
 - Fidelity Spartan Treasury Long-Term Bond Fund, 96–97, 179, 180
 - Fidelity Treasury Money Market, 124, 180
 - Fidelity US Treasury Money Market, 179
 - sample portfolios with, 180
 - 50/50 portfolio, 26, 29
- Financial institutions. *See* Banks and financial institutions
- Financial safety:
- bonds as source of, 106, 108–111
 - budgeting for pleasure and, 12
 - career/profession providing income for, 6
 - cash as source of, 135 (*see also* Emergencies, cash or gold for)
 - conservative investment approach for, 12
 - diversification for (*see* Diversification)
 - future market prediction unreliability impacting, 7
 - gold as source of, 144–145, 149–152, 165–166, 174 (*see also* Emergencies, cash or gold for)
 - Golden Rules of, 5–13, 34–35
 - international investments for, 11
 - investing *vs.* speculating for, 6–7, 11
 - levels of protection for Permanent Portfolio implementation, 177–190
 - leverage avoidance for, 8–9
 - market timing challenges impacting, 7–8
 - past performance warnings for, 8
 - Permanent Portfolio providing, 5–13, 34–35
 - personal *vs.* third-party decision making for, 9
 - portfolio creation for, 11
 - rebalancing creating, 207
 - risks *vs.* (*see* Risks)
 - successful investing through, 34–35

- tax-avoidance strategy warnings for, 11–12
- understanding investments for, 9–10
- Variable Portfolio speculation affordability and, 11, 296–297
- wealth protection as, 6
- Firewall maintenance, 199–201
- Fisch Coin Balance, 168
- Fitch Group, 98
- Flash Crash, 253
- Flexibility, 44–46
- Folio Investing, 192
- Ford administration, 150
- Foreign investments. *See* International investments
- 401(k) plans:
 - bond investments in, 114, 239–240
 - brokerage windows in, 241
 - cash investments in, 140–141, 239
 - gold investments in, 240
 - stock investments in, 238–239
 - tax considerations with, 238–241
- France, economy and investments in, 218
- Fund manager risks:
 - bond-related, 102–103, 113
 - commercial Permanent Portfolio incurring, 305–306, 308
 - gold-related, 159, 172–173
 - institutional diversification to avoid, 177, 178, 183, 247, 249–251
- Gabelli U.S. Treasury Money Market, 124, 179
- Geographic diversification:
 - commercial Permanent Portfolio funds lacking, 307, 309
 - country-specific options for, 270–283 (*see also specific countries by name*)
 - definition of, 257–258
 - disclosure and reporting related to, 264, 266, 271, 274, 276, 277, 278, 279–280, 282, 283, 284, 286, 290–292
 - evolution of, 257
 - financial safety through, 11
 - gold investments as, 163, 178, 218, 257–294
 - government confiscation impacts reduced by, 259–261, 275–276
 - government regulation impacting, 262–264, 279–280
 - intermediaries for, 283–285, 290
 - international investments for, 11, 163, 178, 218, 257–294, 307, 309
 - matrix for, 289–290
 - natural disaster impacts reduced by, 258–259
 - political leaders using, 264–265
 - reality risk spectrum in, 265–267
 - reasons for, 258–262
 - repatriation of assets and emergency options, 292–293
 - tax considerations with, 258, 264, 279–280, 283–284, 286, 290–292
 - terrorism impacts reduced by, 258
 - types of, 267–269
 - war and civil disorder impacts reduced by, 261–262
- Germany, economy and investments in, 49, 210, 213, 218, 219, 220
- Global Gold, AG, 286–287, 290
- Global X Permanent Exchange Traded Fund, 307–309
- Gold:
 - assets to avoid, 163–170
 - benefits of, 144–145
 - buying, 154–163
 - central banks holding, 153, 165, 272
 - coins, 167, 168, 171, 217–218, 221, 223, 225, 237, 242, 271, 315
 - commercial Permanent Portfolio fund emphasis on, 306
 - commodities *vs.*, 164–166
 - confiscation of, 22, 157, 162, 167, 259–260, 275–276
 - costs associated with, 155, 158, 161, 162, 271, 272, 273–274, 276, 282, 284, 286
 - country-specific storage of, 270–283
 - economic conditions impacting, 1, 2, 22, 45, 60, 61–62, 63, 66, 67, 118, 120–121, 143–145, 146–152, 306
 - expectation about, 45
 - extreme event protection with, 149–152, 258–264 (*see also* Emergencies, cash or gold for)
 - fake, 168
 - geographic diversification with, 163, 178, 218, 257–294
 - gold dealers, 154–156
 - gold funds, 158–163, 172–173, 267–268, 289, 308
 - gold mining companies, 166
 - gold standard dissolution, 1, 22, 149, 164, 167, 259–260
 - implementation of strategy including, 175–194, 214, 217–218, 221, 223, 225, 228
 - insurance coverage of, 171–172, 272, 276, 287
 - interest or dividends from, lack of, 60, 146, 152–153, 233, 237
 - international investment in, 158, 163, 178, 214, 217–218, 221, 223, 225, 228, 257–294
 - one-ounce bullion bars, 167
 - online gold services, 155–156, 183, 268, 270, 315
 - owning, 153–154
 - performance of, 1, 2, 22, 45, 60, 61–62, 63, 66, 67, 118, 120–121, 144–148, 165–166
 - Permanent Portfolio including, 1–2, 3, 42–43, 62–64, 143–174, 175–176, 179–190, 214, 217–218, 221, 223, 225, 228, 257–294
 - physical bullion, 153, 155–157, 158, 167, 173, 178, 182–186, 193, 217–218, 221, 223, 225–226, 228, 258, 268–270, 270–283, 285–289, 315 (*see also* Coins, gold)
 - resources on investing in, 315
 - retirement plan investment with, 163–164, 240, 242
 - risks related to, 145–147, 159, 162–173

- Gold (*Continued*)
 safe deposit boxes for, 156–157, 171–172, 269,
 271, 272, 287–288, 290
 silver *vs.*, 168
 storage of, 156–158, 162–163, 171–173, 178, 186,
 218, 221, 223, 225, 268–283, 285–290
 tax considerations with, 155, 162, 171, 207,
 232–233, 233–234, 237–238
 Treasury Inflation-Protected Securities *vs.*,
 169–170
 volatility of, 42–43, 143, 147–148, 170
 Gold Coin Balance, 168
 Golden Rules of financial safety, 5–13, 34–35
 Gold Money, 270
 Government. *See also specific countries*
 bonds (*see* U.S. Treasury bonds)
 central banks of (*see* Central banks)
 confiscation of assets by, 22, 157, 162, 167,
 259–261, 275–276
 geographic diversification impacted by
 government regulations, 262–264, 279–280
 political risk caused by, 100–101, 113, 129–130,
 139, 140
 repatriation of assets by, 292–293
 Grass, Claudio, 287
 Great Depression, 56, 67, 200, 201
 Greenspan, Alan, 151
 Gross, Bill, 102
 Guardian Vaults, 288
 Guggenheim Large Cap Core fund, 75

 Hazlitt, Henry, 313
How You Can Profit from the Coming Devaluation
 (Browne), 1
 Hueppi, Otto, 278, 285

 IBOXX German 1 to 3 Year Treasury Exchange
 Traded Funds, 220
 IBOXX German and Eurozone Bond Exchange
 Traded Funds, 220
 Iceland, economy and investing in, 151–152
 Identity theft, 251
 Implementation of investment strategy:
 automatic reinvestments in, 193
 basic method of, 177, 179–182
 best method of, 178, 186–190
 better method of, 178, 185–186
 costs associated with, 192–193
 dogma *vs.* reality in, 193–194
 dollar cost averaging considerations in, 190–192
 good method of, 177–178, 182–185
 immediate *vs.* slow or partial, 190–192
 international, 209–228
 key concepts of, 175–177
 levels of protection in, 177–190
 multiple financial institutions for, 176, 182,
 184–190, 217, 247–255
 multiple fund providers for, 177, 180–182,
 183–190, 254
 Permanent Portfolio, 175–194, 209–228
 portfolio-building services for, 192–193
 risk elimination during, 176
 sample portfolios, 179–182, 183–185, 185–186,
 187–190
 steps to achieve, 189–190
 Income:
 profession providing, 6, 34, 85
 taxable (*see* Taxes)
 wage-price spiral, 59–60
 Individual retirement accounts (IRAs):
 cash investments in, 140–141
 creditor protection via, 242–243
 gold assets in, 163–164
 institutional diversification of funds in, 253–254
 tax considerations with, 241–243
 Inflation:
 bonds impacted by, 24, 26, 27, 45, 62, 66–67,
 89–90, 100, 103–104, 110, 118, 120–121, 213–214
 cash impacted by, 62, 66, 118, 120–121, 126–127
 causes of, 148–149
 commercial Permanent Portfolio fund inflation
 asset emphasis, 306–307
 economic condition of, 58–60, 61–62, 63
 Federal Reserve policy to allow, 149, 150–151
 Federal Reserve policy to control, 21–22, 59, 62,
 118, 149, 210–211
 gold valuation impacted by, 1, 2, 45, 61–62, 63, 66,
 67, 118, 120–121, 144–145, 146–151, 306
 returns adjusted for, 16–17, 18, 21–31, 49–50,
 66–67, 89–90, 118, 120–121, 126–127, 144–145,
 146
 stocks impacted by, 24, 26, 27, 29–30, 45, 49–50,
 62, 66–67, 118, 120–121
 Treasury Inflation-Protected Securities, 103–104,
 109, 110, 169–170
 Whip Inflation Now (WIN) Campaign, 150–151
Inflation Proofing Your Investments (Browne and
 Coxon), 2, 303–304
 Institutional diversification:
 commercial Permanent Portfolio funds lacking,
 307, 309
 cyber attack impacts reduced by, 252–253
 definition of, 247–248
 fund manager risk avoidance via, 177, 178, 183,
 247, 249–251
 identity theft impacts reduced by, 251
 implementation of Permanent Portfolio via,
 176–177, 180–182, 184–190, 217, 247–255
 methods of, 253–254
 natural disaster impacts reduced by, 252
 reasons for, 248–253
 tax considerations with, 253–254
 terrorism impacts reduced by, 252–253
 Insurance coverage:
 CDIC, 217
 FDIC, 135–136, 139, 140, 249, 277, 281
 of gold, 171–172, 272, 276, 287
 Lloyd's of London, 272, 276, 287
 SIPC, 249
 Interest income. *See* Dividends and interest

- Interest rates:
- bond price inverse correlation to, 89–90, 90–91, 92–93, 98–99, 105, 110–111
 - cash returns impacted by, 122–123, 126–127
 - credit rating impacting, 98–99
 - economic conditions impacting, 59, 60–62, 65, 89–90, 110, 118, 126–127
 - inflation control policy manipulating, 59, 62, 118, 147, 210–211
 - interest rate risk, 89–90, 111, 122–123
 - mortgage, 99, 105
 - zero interest rate policy, 210–211
- Intermediaries, international, 283–285, 290
- International investments:
- country-specific options for, 214–228, 270–283
(*see also specific countries by name*)
 - currency risk with, 82, 100, 113, 129–130, 139, 140, 164
 - developing country, 226–228, 266
 - disclosure and reporting of, 264, 266, 271, 274, 276, 277, 278, 279–280, 282, 283, 284, 286, 290–292
 - economic conditions impacting, 209–212
 - financial safety through, 11
 - foreign bonds as, 100–101, 106–108, 113, 213–214, 216–217, 219–220, 222, 224, 227
 - foreign currency as, 1–2, 129–130, 131, 139, 140, 164, 214, 217, 220, 222–223, 224, 227, 306
 - geographic diversification through, 11, 163, 178, 218, 257–294, 307, 309
 - gold as, 158, 163, 178, 214, 217–218, 221, 223, 225, 228, 257–294
 - intermediaries for, 283–285, 290
 - international implementation of Permanent Portfolio, 209–228
 - international stock funds as, 81–84, 212, 215–216, 219, 222, 224, 226–227
 - political risk with, 100–101, 113, 129–130, 139, 140
 - repatriation of assets and emergency options for, 292–293
 - tax considerations with, 113, 131, 139, 140, 215, 258, 264, 279–280, 283–284, 286, 290–292
- Internet:
- cyber attacks via, 252–253
 - gold purchases, sales and storage via, 155–156, 183, 268, 270, 315
 - Internet bubble, 30, 67
 - resources available via, 313–315
- Investments:
- bonds as (*see Bonds*)
 - cash as (*see Cash*)
 - diversification of (*see Diversification*)
 - economic conditions impacting (*see Economic conditions*)
 - gold as (*see Gold*)
 - international (*see International investments*)
 - performance of (*see Performance*)
 - Permanent Portfolio strategy for (*see Permanent Portfolio*)
 - rebalancing and maintenance of (*see Rebalancing and maintenance*)
 - resources on, 313–315
 - risks related to (*see Risks*)
 - safety of (*see Financial safety*)
 - simplicity of, 1–3, 9–10, 33–34, 176, 229–230, 266
 - stocks as (*see Stocks*)
 - strategy implementation for (*see Implementation of investment strategy*)
 - tax considerations for (*see Taxes*)
 - variable, 11, 295–301
- IRAs. *See* individual retirement accounts
- iShares:
- iShares Barclays Capital Euro Government Bond 15 to 30 Year, 219
 - iShares Barclays Capital Euro Treasury Bond 0 to 1 Year, 220
 - iShares Barclays Capital Euro Treasury Bond 1-3 Year, 220
 - iShares DEX Long-Term Bond Index ETF, 217
 - iShares EAFE Index ETF, 83
 - iShares FTSE 100, 222
 - iShares FTSE Gilts 0-5, 222–223
 - iShares FTSE UK All Stocks GILT, 222
 - iShares Gold ETF, 159, 179, 180
 - iShares MSCI Australian 200 Index, 224
 - iShares Russell 2000 Index ETF, 69, 179
 - iShares Short Term Bond Index ETF, 217
 - iShares Short Term Treasury ETF, 127, 183, 185
 - iShares Short Treasury Bond Fund, 179
 - iShares Short Treasury ETF, 124
 - iShares S&P 500 ETF, 69
 - iShares S&P/TSX 60 Index, 215–216
 - iShares S&P/TSX Capped Index Fund, 216
 - iShares Treasury Long-Term Bond ETF, 96, 97–98, 179, 180, 181
 - iShares Very Short-Term Treasury ETF, 180
 - sample portfolios with, 179–180
 - website of, 228
- Israel, economy and investments in, 210
- Japan, economy and investments in, 45, 49, 210, 213
- Job. *See* Profession
- Junk or high-yield bonds, 106, 107, 109, 110, 113
- Large cap stocks, 75, 80–81
- Lehman Brothers, 72, 251
- Leverage, 8–9
- Lloyd's of London, 272, 276, 287
- Madoff, Bernie, 10
- Management fees, 39–41, 70–71, 103, 216, 239, 306.
See also Costs
- Management risks. *See* Fund manager risks
- Margin loans, 8–9
- Market panics:
- stable portfolios avoiding, 35–36, 41–44, 117, 121–123, 207, 239
 - stock market crashes causing, 29, 42, 45, 48–49, 51, 108–110, 112, 148
- Market predictions, unreliability of, 7, 36–37, 46, 56–57, 60, 64, 88, 192

- Market timing:
 challenges of, impacting financial safety, 7–8
 Permanent Portfolio avoidance of, 2, 36, 176, 190–192
- Market volatility:
 bond, 42–43, 90–92
 cash, 117, 121–123, 239
 gold, 42–43, 143, 147–148, 170
 stability *vs.*, 35–36, 41–44, 117, 121–123, 207, 239
 stock, 42–43, 67–68
 using, to avoid volatility, 41–44
- Merrill Lynch, 81
- MF Global, 10, 172–173, 250–251
- Middle East, economy and investments in, 225–226
- Money market funds:
 cash investments in, 124–125, 132–135, 137–139
 Fidelity Select Money Market fund, 134–135, 138
 Fidelity Treasury Money Market, 124, 180
 Fidelity US Treasury Money Market, 179
 Gabelli U.S. Treasury Money Market, 124, 179
 implementation of investments using, 179
 Vanguard Admiral Treasury Money Market Fund, 137–138
 Vanguard Prime Money Market Fund, 137–138
 Vanguard Tax-Free Municipal Money Market Fund, 137–138
 Vanguard Treasury Money Market, 125, 179, 180
- Morningstar, 74, 75, 97, 134, 137, 234, 237, 239, 305
- Mortgage bonds, 99, 105, 113, 131, 140
- Municipal bonds, 99, 101, 104–105, 108, 113, 131, 137–138, 140
- Mutual funds:
 Fidelity Spartan 500 Index Mutual Fund, 69
 Fidelity Spartan International Index Mutual Fund, 83
 Fidelity Spartan Treasury Long-Term Bond Fund, 96–97, 179, 180
 implementation of investments using, 177–190
 iShares Short Treasury Bond Fund, 179
 Schwab S&P 500 Index Mutual Fund, 69
 trading costs associated with, 79–80
 Vanguard FTSE ex-U.S. Index Mutual Fund, 83
 Vanguard S&P 500 Index Mutual Fund, 69, 71
 Vanguard Total International Index Mutual Fund, 83
 Vanguard Total Stock Market Mutual Fund, 69, 79–80, 179
 Vanguard Total World Index Mutual Fund, 83–84, 226
 Vanguard Treasury Long Term Mutual Fund, 179
- Nabielsky, Jose, 20
- Natural disasters, 252, 258–259
- Natural resources, 1–2
- New Zealand Mint, 270–273, 288, 289
- Nixon administration, 1, 22, 150
- Norstad, John, 49
- O’Kane, Mike, 272
- Oppenheimer Core Bond fund, 102–103
- Passive investing:
 bond funds as, 97
 Permanent Portfolio based on, 2, 36–39, 44, 68, 73, 74–78, 97, 229
 stock index funds as, 68, 73, 74–78
 tax considerations with, 73, 229
- Pensions, 243. *See also* Retirement plans
- Performance:
 25/75 portfolio, 27, 29
 50/50 portfolio, 26, 29
 60/40 portfolio, 24–26, 27
 75/25 portfolio, 26, 29
 actively managed portfolio, 37–41, 75–76
 backtesting past performance, 15–31
 bond, 88–92, 108–111, 118, 120–121, 144–145, 146
 cash, 118–121, 122–123, 125–127, 144–145, 146, 214
 costs impacting (*see* Costs; Taxes)
 diversification impacting (*see* Diversification)
 financial safety by nonreliance on past performance, 8
 flexibility of expectations about, 44–46
 gold, 1, 2, 22, 45, 60, 61–62, 63, 66, 67, 118, 120–121, 144–148, 165–166
 growth of, 15, 18–19, 30–31, 36
 inflation-adjusted or real, 16–17, 18, 21–31, 49–50, 65–67, 89–90, 118, 120–121, 126–127, 144–145, 146
 limited losses in, 16, 18, 19–21, 30–31, 35–36, 199–201
 over time, 26–30
 performance chasing, 19, 132–135
 Permanent Portfolio, 3, 15–31, 197–199, 304–305 (*see also specific asset performance*)
 Permanent Portfolio fund, 304–305, 307, 308
 rebalancing increasing long-term, 197–199
 SPIVA report on, 37–39
 stability impacting, 35–36, 41–44
 stock, 65–67, 70–71, 81, 88, 118, 120–121, 144–145, 146
 survivorship bias in reports on, 37–38
 volatility impacting (*see* Market volatility)
- Permanent Exchange Traded Fund, Global X, 307–309
- Permanent Portfolio:
 asset allocation in (*see* Asset allocation; Bonds; Cash; Gold; Stocks)
 commercial Permanent Portfolio funds, 303–310
 description of, 1–3
 diversification in (*see* Diversification)
 flexibility of, to expect unexpected, 44–46
 Golden Rules of financial safety for, 5–13, 34–35
 implementation of, 175–194, 209–228
 international investments in (*see* International investments)
 modification of, 299
 passive investing through, 2, 36–39, 44, 68, 73, 74–78, 97, 229
 performance of (*see* Performance)

- rebalancing and maintenance of (*see* Rebalancing and maintenance)
- resources on, 313–315
- simplicity approach to, 1–3, 9–10, 33–34, 176, 229–230, 266
- tax considerations for (*see* Taxes)
- Variable Portfolio *vs.*, 11, 295–301
- Permanent Portfolio fund, 303–307
- Perth Mint, 225, 273–276, 289
- Pimco Total Return bond fund, 102
- Political risk, 100–101, 113, 129–130, 139, 140
- Portfolio-building services, 192–193
- Pritchard, N. Scott, 39
- Profession:
 - company stock from, 84–85, 166
 - income from, 6, 34, 85
- Prosperity, 57, 60, 63, 65, 87, 120–121, 146
- Reality risk spectrum, 265–267
- Rebalancing and maintenance:
 - automatic reinvestments impacting, 193, 204–205, 208, 245
 - bond capital gain reinvestment as, 112
 - cash for, 117, 119
 - costs incurred by, 204, 205–206, 207–208
 - dividend allocation in, 204–205, 208
 - emotional aspects of, 206–207
 - firewall maintenance, 199–201
 - methods of, 201–203, 205–206
 - need for, 195–197
 - new money contributions in, 204
 - purposes of, 197–199
 - rebalancing bands, 201–203, 205–206, 207
 - tax considerations in, 204, 205–206, 207–208, 229, 235, 245
 - timing influencing, 203–204
 - withdrawals and, 203
- Recessions and depressions:
 - 1930s or Great Depression, 56, 67, 200, 201
 - 1981 era, 118–119, 147, 151
 - 2008 financial crisis, 10, 26, 47, 51–52, 56, 67, 88, 102–103, 104–105, 106, 108–110, 111–112, 132–134, 136–137, 148, 165, 191, 200, 251
 - cash benefits during, 118–120
 - economic condition of, 58, 61, 63, 118–120, 146
 - gold impacted by, 146, 147
 - tight money, 58, 61, 118–120, 147
- Reserve Fund, The, 132–133
- Resources, recommended, 313–315
- Results of investments. *See* Performance
- Retirement plans:
 - 401(k) plans, 114, 140–141, 238–241
 - bond investments in, 114, 239–240
 - brokerage windows in, 241
 - cash investments in, 140–141, 239
 - creditor protection via, 242–243
 - gold assets in, 163–164, 240, 242
 - government confiscation of, 261
 - individual retirement accounts, 140–141, 163–164, 241–243, 253–254
 - institutional diversification of funds in, 253–254
 - pensions, 243
 - Social Security, 243
 - stock investments in, 238–239
 - tax considerations with, 238–243
- Returns. *See also* Dividends and interest
 - 25/75 portfolio, 27, 29
 - 50/50 portfolio, 26, 29
 - 60/40 portfolio, 24–26, 27
 - 75/25 portfolio, 26, 29
 - actively managed portfolio, 37–41, 75–76
 - bond, 88–92, 108–111, 118, 120–121, 144–145, 146
 - cash, 118–121, 122–123, 125–127, 144–145, 146, 214
 - costs impacting (*see* Costs; Taxes)
 - diversification impacting (*see* Diversification)
 - gold, 1, 2, 22, 45, 60, 61–62, 63, 66, 67, 118, 120–121, 144–148, 165–166
 - growth of, 16, 18–19, 30–31, 36
 - inflation-adjusted or real, 16–17, 18, 21–31, 49–50, 66–67, 89–90, 118, 120–121, 126–127, 144–145, 146
 - limited losses of, 16, 19, 19–21, 30–31, 35–36, 199–201
 - nominal, 21
 - over time, 26–30
 - Permanent Portfolio, 3, 15–31, 197–199, 304–305 (*see also specific asset returns*)
 - Permanent Portfolio fund, 304–305, 307, 308
 - rebalancing increasing long-term, 197–199
 - SPIVA report on, 37–39
 - stability impacting, 35–36, 41–44
 - stock, 65–67, 70–71, 81, 88, 118, 120–121, 144–145, 146
 - volatility impacting (*see* Market volatility)
- Risks:
 - bond-related, 51–52, 87, 89–90, 93, 98–108, 110, 112–113, 128–132, 140, 178
 - call, 99, 104–105, 110, 113, 131, 140
 - cash-related, 120–121, 122–123, 128–140, 239
 - commercial Permanent Portfolio fund, 305–306, 308–309
 - counterparty, 130–131, 140, 239
 - credit, 98–99, 105, 106, 110, 113, 129, 140
 - currency, 82, 100, 113, 129–130, 139, 140, 164
 - default, 98, 105, 106–108, 113, 128–129, 140
 - diversification as risk avoidance tool (*see* Diversification)
 - elimination of, 176
 - financial safety from (*see* Financial safety)
 - fund manager, 102–103, 113, 159, 172–173, 177, 178, 183, 247, 249–251, 305–306, 308
 - gold-related, 145–147, 159, 162–173
 - implementation, 175–194, 209–228
 - interest rate, 89–90, 111, 122–123
 - international investment, 82, 100–101, 113, 129–130, 139, 140, 226–228, 266
 - political, 100–101, 113, 129–130, 139, 140
 - reality risk spectrum, 265–267
 - rebalancing investments controlling, 195–198

Risks (*Continued*)

- risk in one asset type, 48–50
- risk-sharing assets, 50–52
- simplicity as risk avoidance tool, 1–3, 9–10, 33–34, 176, 229–230, 266
- speculation incurring, 6–7, 11, 295–301
- stock-related, 48–50, 50–51, 66–67, 82
- tax, 101, 131–132 (*see also* Taxes)
- Romney, Mitt, 264–265
- Roosevelt (F. D.) administration, 22, 157, 259–260
- Russell 3000, 69

- Safe deposit boxes, 156–157, 171–172, 269, 271, 272, 287–288, 290
- Safety. *See* Financial safety
- Sales taxes, 171
- Savings bonds, 125
- Schwab S&P 500 Index Mutual Fund, 69
- Schwab Total Stock Market, 69, 179
- Schwab YieldPlus fund, 133, 134
- Secondary market, bonds on, 95–96, 123–124, 183
- Securities and Exchange Commission (SEC), 8
- Securities Investor Protection Corporation (SIPC), 249
- September 11, 2001 terrorist attacks, 30, 162–163, 252
- 75/25 portfolio, 26, 29
- ShareBuilder, 193
- Sharpe, William F., 40
- Siegel, Jeremy, 88
- Silver, 1–2, 168, 306
- Simplicity, 1–3, 9–10, 33–34, 176, 229–230, 266
- 60/40 portfolio, 24–26, 27
- Small cap stocks, 38, 80–81
- Smith, Charles, 1
- Social Security benefits, 243
- SPDR Short Term Treasury Exchange Traded Fund, 127
- SPDR Treasury Bill Exchange Traded Fund, 124
- Speculation, 6–7, 11, 295–301
- SPIVA (S&P Indices Versus Active Funds) report, 37–39
- Sprott Physical Gold Trust, 159, 161, 179
- Stability. *See also* Financial safety
 - cash providing, 117, 121–123, 239
 - rebalancing creating, 207
 - successful investing through, 35–36
 - using volatility to create, 41–44
- Standard and Poor's (S&P):
 - credit rating by, 98
 - precious metals and mining index, 166
 - S&P 500 Index, 37, 38, 39, 49, 68–70, 72–73, 80, 238
 - SPIVA report, 37–39
 - S&P MidCap 400 Index, 38
 - S&P SmallCap 600 Index, 38
- State Street:
 - State Street Gold ETF, 179, 237
 - State Street S&P 500 SPDR ETF, 69
 - State Street SPDR S&P/ASX 200 Index, 224
 - State Street SPDR Treasury Bill ETF, 179
 - State Street Treasury Bill ETF, 181
- Stocks:
 - 25/75 portfolio including, 27, 29
 - 50/50 portfolio including, 26, 29
 - 60/40 portfolio strategy including, 24–26, 27
 - 75/25 portfolio including, 26, 29
 - actively *vs.* passively managed stock funds, 68, 73, 74–78
 - asset class correlations with, 52–54
 - benefits of, 65–66
 - company, warnings about, 84–85, 166
 - costs associated with, 70–71, 74–75, 79–80, 216, 219, 224, 239
 - diversification of, 71–72, 84–85
 - economic conditions impacting, 24, 26, 27, 29–30, 45, 49–54, 58, 60–61, 62, 65–67, 118, 120–121, 148, 212
 - expectations about, 45
 - gold mining company, 166
 - implementation of strategy including, 175–194, 212, 215–216, 219, 222, 224, 226–227
 - international stock funds, 81–84, 212, 215–216, 219, 222, 224, 226–227
 - large cap, 5, 80–81
 - long-term view of stock index funds, 78–79
 - owning, 68–69
 - performance of, 65–67, 70–71, 81, 88, 118, 120–121, 144–145, 146
 - Permanent Portfolio including, 1–2, 3, 42–43, 62–64, 65–86, 175–176, 179–190, 212, 215–216, 219, 222, 224, 226–227
 - reasons to use stock index funds, 70–74
 - recommended stock index funds, 69, 82–84
 - retirement plans including, 238–239
 - risks related to, 48–50, 50–51, 66–67, 82
 - selecting best type of index fund for, 70
 - shorting, 298
 - small cap, 38, 80–81
 - stock market crashes, 29, 42, 45, 48–49, 51, 108–110, 112, 148
 - stock picking for commercial Permanent Portfolio fund, 305, 308
 - tax considerations with, 72–74, 232, 233–234, 236
 - volatility of, 42–43, 67–68
- STOXX 600 Index, 219
- StreetTracks Gold Exchange Traded Fund, 159
- Sucecki, Bon, 275
- Survivorship bias, 37–38
- Swiss American Advisors, AG (Sallfort Advisors), 283–285
- Switzerland, economy and investments in:
 - Canton Bank of Zurich, 159, 160–161, 179, 221, 223, 282
 - gold storage services in, 285–287
 - intermediaries for investing in, 283–285, 290
 - safe deposit boxes in, 288

- Swiss Bank gold, 221, 223, 278–283, 290
 Swiss francs, 1–2, 129–130, 139, 164, 306
 Swiss Gold ETF, 181, 183
 Swiss Physical Gold ETF, 159–160, 179
 types of Swiss banks, 280–283
- Taxes:
 active *vs.* passive investment, 41, 73, 229
 asset allocation and, 233–238
 bond-related, 100–101, 104, 105, 106, 109,
 110, 113, 131–132, 137–138, 140, 231–232,
 233–235
 capital gains, 171, 231, 232–233, 236, 237
 cash-related, 131–132, 137–138, 139, 140,
 233–234, 235
 collectible gains, 232–233, 237
 commercial Permanent Portfolio fund tax
 considerations, 305–306, 308–309
 dividend, 100, 137–138, 232, 234, 236, 245
 geographic diversification tax considerations, 258,
 264, 279–280, 283–284, 286, 290–292
 gold-related, 155, 162, 171, 207, 232–233,
 233–234, 237–238
 institutional diversification considerations with,
 253–254
 interest, 231–232, 234, 236, 245
 international, 113, 131, 139, 140, 215, 258, 264,
 279–280, 283–284, 286, 290–292
 rebalancing considerations regarding, 204,
 205–206, 207–208, 229, 235, 245
 retirement account, 238–243
 sales, 171
 simplicity approach to, 229–230
 stock-related, 72–74, 232, 233–234, 236
 tax-avoidance strategies, avoiding, 11–12
 tax-free savings vehicles, 231
 tax-loss harvesting, 243–245
 types of, 231–233
 wash sales and, 244–245
- Terrorism, 30, 162–163, 252–255, 258
- Tight money recessions, 58, 61, 118–120, 147. *See*
also Recessions and depressions
- Total Stock Market Index, 69–70, 71–72, 72–73,
 74–75, 79–80, 179, 180, 236
- Trading costs, 79–80
- Treasury Direct accounts, 94, 123–124, 183
- Treasury Inflation-Protected Securities, 103–104,
 109, 110, 169–170
- Treasury Money Market Funds, 124–125, 132–135,
 137–139, 179, 180
- Trotter, Frank, 277–278
- 25/75 portfolio, 27, 29
- UBS, 279, 281
- United Kingdom, economy and investments in, 100,
 210, 222–223, 270
- U.S. Federal Reserve:
 bail-out funds from, 133
 gold holdings of, 153
 inflation allowed by, 149, 150–151
 inflation control policy of, 21–22, 59, 62, 118, 147,
 210–211
 zero interest rate policy of, 210–211
- U.S. savings bonds, 125
- U.S. Treasury bonds:
 long-term, 87, 93–115, 183, 227, 231–232, 234, 240
 short-term, 117, 122–132, 140–141, 227, 231–232,
 235, 239
- Vanguard:
 sample portfolios with, 180
 Vanguard Admiral Treasury Money Market Fund,
 137–138
 Vanguard Australian Shares Index, 224
 Vanguard Cash Plus Index, 224
 Vanguard Diversified Bond Index, 224
 Vanguard European Bond Index, 220
 Vanguard FTSE ex-U.S. Index ETF, 83
 Vanguard FTSE ex-U.S. Index Mutual Fund, 83
 Vanguard High-Yield Corporate Bond Fund, 109
 Vanguard Long-Term Corporate Bond Fund, 109
 Vanguard Long-Term Investment Grade fund,
 106
 Vanguard Long Term Tax Exempt Bond Fund,
 109
 Vanguard Long-Term Treasury Bond Fund, 96–97,
 180, 234
 Vanguard MSCI Canada Index ETF, 216
 Vanguard MSCI Europe Index, 219
 Vanguard Prime Money Market Fund, 137–138
 Vanguard Short Term Treasury Fund, 127, 235
 Vanguard S&P 500 Index Mutual Fund, 69, 71
 Vanguard Tax-Free Municipal Money Market
 Fund, 137–138
 Vanguard Total Bond Market fund, 249
 Vanguard Total International Index Mutual Fund,
 83
 Vanguard Total Stock Market ETF, 69, 74, 179,
 181, 183, 185
 Vanguard Total Stock Market Index Fund, 69,
 71–72, 72–73, 74–75, 79–80, 179, 180, 236
 Vanguard Total Stock Market Mutual Fund, 69,
 79–80, 179
 Vanguard Total World Index ETF, 83–84, 226
 Vanguard Total World Index Mutual Fund, 83–84,
 226
 Vanguard Treasury Inflation Protected Securities
 fund, 109
 Vanguard Treasury Long Term Mutual Fund,
 179
 Vanguard Treasury Money Market, 125, 179, 180
 website of, 228
- Variable investments:
 definition of, 295
 funding of, 297, 298
 reasons for, 296, 299
 rules related to, 296–299
 speculation with Variable Portfolio funds, 11,
 295–301
 success rate with, 299–300

- VIA MAT, 286–287
- Volatility. *See* Market volatility
- Volcker, Paul, 151

- Wage-price spiral, 59–60
- War and civil disorder, 261–262
- Wash sales, 244–245
- Wealth, 6. *See also* Income; Returns
- Whip Inflation Now (WIN) Campaign, 150–151

- Why the Best Laid Investment Plans Usually Go Wrong* (Browne), 3, 313
- Wilshire 5000, 69
- Withdrawals, asset, 203
- Woodin, William, 259–260
- Workplace. *See* Profession
- WorldCom, 129

- Zero interest rate policy, 210–211

<http://www.pbookshop.com>