



Berkshire

DIVIDEND STRATEGY

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“Casual Friday” Commentary

Casual Friday: Blue Collar, Blue Chip & A "Little Patience" – April 28th, 2023

Good Morning,
#TGICF!

Blue Collar, Blue Chip:

Another low-drama week. VIX quiet, bond yields chill. That’s good. Markets appear in rally mode as talk of widespread bank failure remained quiescent. FRC put some bank fear back in the market but Microsoft’s AI rich earnings release created a rising but narrow market (again).

Are recession fears brewing? Maybe – Thursday’s top headline on Bloomberg read “Worst of Both Worlds - persistent inflation and slow growth.” Murky and borderline disheartening? Kinda. But a reminder: low stock prices and a rosy outlook typically don’t go together.

We’ve always said investors want to “buy low” until they see news that feels like what Axel Rose said was a cold November rain. But he also advocated: **“All we need is just a little patience”** ...

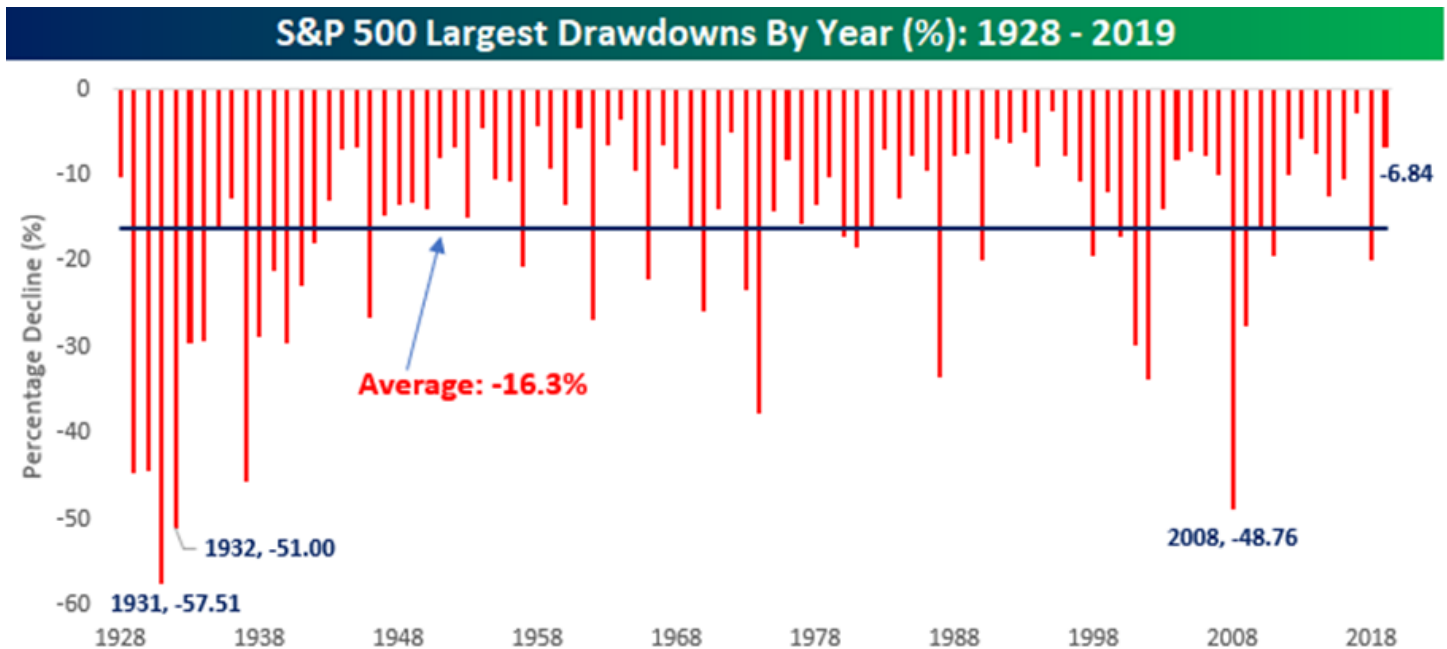
This was his tender attempt to buy more time to restore a struggling relationship that had long-term promise. And so, it is with investing... Markets ebb and flow, styles come in and out of favor and bring the inevitable recession and drawdown. As in life and relationships, investing success typically comes down to a few key principles – patience is likely one of the most important.

Speaking of patience, consider the notable story of Ronald James Read.

His Wikipedia page reads -- “philanthropist, investor, janitor, and gas station attendant.” He died with a portfolio of \$8 million! No, this humble man didn’t win the lottery or inherit some massive fortune from a distant relative. Instead, he amassed his fortune by saving his modest income, compounding and patience. Over the years Ronald likely experienced a dozen+ drawdowns of -20% (see chart below) but we know he never panic sold when the markets were stressed – How do we know? When he died, Mr. Read left behind a five-inch-thick stack of stock certificates in a safe-deposit box worth \$8 million.

Read here: [Route to an \\$8 Million Portfolio Started With Frugal Living](#)

Best of all, he did it by owning US blue-chip companies that mostly...paid dividends.



NFL Draft Rules Decoded?

<https://operations.nfl.com/journey-to-the-nfl/the-nfl-draft/the-rules-of-the-draft/>

Have a great weekend,
Gerry

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