

# YODA Handout – Assorted Musings, June 28, 2014

## Celeste Portfolio up 11.3% from April 30 to June 27

Strategy Name	SectorSurfer ID	June	Alloc.
YODA Fidelity Select/VGLT	635394492177383750-4582-1-70542	VGLT	10%
YODA Hi-Performance	635394523114571250-4582-2-69983	PES	20%
GoWithTheFlow--FLsurfer ds-1/d	635394523114571250-4582-3-70692	VIPS	20%
ETF X-4e /d	635394523114571250-4582-5-45975	EWP	10%
ETF Various Sector /d	635394523114571250-4582-6-50028	XLE	10%
My ETF Power Mix	635394523114571250-4582-7-45902	IDX	10%
Young 4 Equities (KISS)	635394523115196250-4582-11-80973	RSP	10%

### Fat is Good, Carbs Bad

TIME: Ending the War on Fat, <http://time.com/2863227/ending-the-war-on-fat/>  
 WSJ: The Questionable Link Between Saturated Fat and Heart Disease (Google)

### Take Social Security at 62

*Analysis assumptions:* Social Security at 62 will be \$23,076/year. Reduce IRA distributions by \$23,076/year at 62. Calculate added amount still in IRA (plus interest) at 70. Assume inflation & tax effects a wash (up to 85% of Social Security is taxed; I will probably be at max. Assuming 25% tax rate, just 3.75% difference). At 70, \$100,000 lifetime annuity pays \$725/month (\$8700/year)

[http://www.cbsnews.com/8301-505146\\_162-51371076/7-best-annuities-to-guarantee-income-for-life/](http://www.cbsnews.com/8301-505146_162-51371076/7-best-annuities-to-guarantee-income-for-life/). Assume 5% IRA CAGR after inflation.

*Calculations:* My IRA has \$220,355.23 more in it at age 70 if I start Social Security distributions at 62. Buying a lifetime annuity with \$220,355.23 at 70 yields \$19,171/year till end of life. Adding the lifetime annuity to \$23,076/year from taking Social Security at 62 adds up to \$42,247/year, vs. getting \$41,364/year from Social Security alone at 70. Advantage after 70: \$42,247 - \$41,364 = \$883/year.

I ALWAYS have more – initially MUCH more – by starting SS distributions at 62  
 Caveat – no lifetime annuity COLA, but I expect to do much better than 5% CAGR.

### Lizz Ann Sonders' Market Snapshots

[http://www.schwab.com/public/schwab/resource\\_center/expert\\_insight](http://www.schwab.com/public/schwab/resource_center/expert_insight)

### Online House Value Estimates

Zillow.com, Eppraisal.com, Realestate.com, RedFin.com, SmartZip.com, Realtor.com

Portfolio	Sortino Ratio	SS Score	Safety	3 Year Return	10 Year Return	Chance of 15% loss	Max DD
S&P 500	1.86	24.7	0.0	14.4%	7.3%	25.6%	55%
Young 4 Equities	11.20	90.2	109	25.0%	23.0%*	0.07%	19%
Young 3 Bonds	15.85	69.4	218	19.7%	18.0%*	0.07%	9%
Young 50/50 Rebalance	10.70	76.9	89.5	22.2%	19.1%	0.04%	19%
Celeste	23.14	436	460	111.5%	74.2%	0.13%	57%
Yale U Rebalance	3.46	32.0	0.2	10.1%	8.7%	7.53%	42%
Cal Tech Rebalance	2.70	29.4	0	12.1%	9.7%	20.1%	56%
Beaver 7	9.21	80.9	143	25.4%	20.6%	0.29%	19%