

David Bach | **FinishRich™**

If you missed me on the Today Show on Saturday here's most of what I shared!

THE BULL MARKET IS BACK!???

Wow, another incredible month. July saw us hit record territory on the stock market for the year! Year to date...The DJIA is now up 10.70%, the Nasdaq is up 29.9%, the S&P 500 is up 12.56% and the Russell is up 24.26% (as of 8/1/03)! Remember that newsletter three months ago where I said the DJIA would hit 10,000 before 5,000? Well we are at 9,300. We were at 7,400 less than 120 days ago.

Things are cooking in the economy and it's almost fun again.

THE ECONOMY ROARS AHEAD

The economic numbers that came in today were very impressive. GDP (that's the number of goods and services that our country produces) was up 2.4% for the quarter. Unemployment numbers are shrinking(although not by much) and the Fortune 500 companies are showing greater earnings.

Equally great is that the promised tax refund checks are starting to hit Americans' mail boxes. This week the Child Tax Credits will start hitting and on average Americans will start receiving \$400 per child. 24 million Americans are expected to receive these checks. With that in mind, please consider this for a second. You can spend that refund (like President Bush hopes) or you can invest it. My suggestion is to invest it. If you invested that \$400 per child and you had two kids, you'd be investing \$800. If you invested \$800 for 18 years and it grew at 10% annualized (which is what the stock market has averaged for 50 years) you'd have \$50,402 saved for college. Even more amazing is, if you left it alone and gave it to your kids at 50...they'd have \$1,024,240!

NOT EVERYONE WILL GET A TAX CREDIT

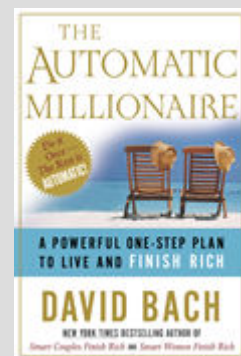
By the way if you were wondering how to get the tax credit for your kids, don't worry about it. The tax credit is automatic and being sent out by the government. If you earned more then \$129,000 as a couple you won't get one. The phase out begins at \$110,000 for couples and \$75,000 for singles.

THE BOND MARKET IS COLLASPING AS I PREDICTED

I swear I have no intention of being a market timer but in my last newsletter, I went out on a limb and predicted the collapse of the bond market. Well, it came within days. The bond market (ten year treasury's) are off nearly -10% in 30 days. That's about as severe a correction as you can see in a month.



The FinishRich Book Series



Coming
January 1, 2004!



*The Finish Rich
Workbook: Creating
a Personalized Plan*

A few financial advisors got mad at me for making that prediction. Tough. The facts are the facts. Interest rates CANNOT and WILL NOT stay at these low levels. If the economy keeps up this pace the FED will raise rates to stop inflation. AVOID long term government bonds at this time. If you have more than 25% of your assets in long term government bonds, you need to meet with your financial advisor and rebalance your accounts.

Some of you wrote and asked me about the I-Bonds. Those will ultimately be fine because they are INFLATION BONDS. You won't see the same drop in their prices and those bonds are meant to be held long term anyway. Also when you own the individual bond you can always hold them to maturity (when they come due) and get your principal back so they are safe. It's bond funds that have the problems when rates go up.

THANKS TO SO MANY OF YOU THAT EMAILED

I'm totally amazed at the response to this newsletter. We received nearly three hundred emails in response to the last newsletter. Many of you shared very personal stories (both good and bad). I apologize if you didn't get a personal response. It's simply been impossible to respond to all of you. BUT, I have read your emails and we do care, so please keep sharing with us what you want to learn more about.

THE COACHING PROGRAM I TALKED ABOUT IS COMING

In the last newsletter I shared with you that I will be launching a LIFE CHANGING program. It's going to be based on my new book THE AUTOMATIC MILLIONAIRE. This book comes out January 1st. We are going to accept 100 members into the coaching program and you will be working with me live on six tele-seminar calls. Over 1000 of you applied to be the first to learn about this program. If you didn't apply and you still want to be the first to receive the invitation, [click here](#). If you applied already...don't reapply, we already have you in our database. In approximately two weeks we will send an email announcing the program. We will send a preannouncement email the day BEFORE we send the actual invitation to join us, so stay tuned if you are interested.

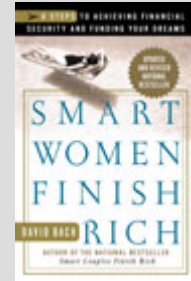
IF YOU ARE IN NEW YORK

I'm hosting Smart Couples Finish Rich at the prestigious 92nd Street Y. It will be on September 23rd. To register call 212-415-5500 or [click here](#) for details. This is the best seminar I'm currently teaching and if you are a couple in New York, you'll really want to come. There are only 60 seats so act now.

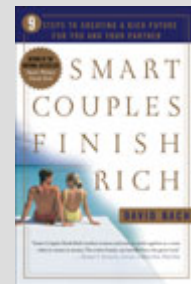
RADIO SHOW...LIVE RICH WITH DAVID BACH IS COMING SOON

Yours truly finally has a vehicle to talk to you live every Saturday. Starting in mid September my new nationally syndicated radio show called LIVE RICH with David Bach begins airing. In the next newsletter I'll share where you can hear the show and what number to call if you want to ask me questions live on the radio. Should be really fun to speak to so many of you! Get those

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questions ready.

AMERICA ONLINE PARTNERSHIP AND COACHING PROGRAM

Our partnership with America Online has officially begun. Starting in August you should begin to see the amazing MONEY COACH program we've created. AOL is launching AOL 9.0 this week and I'm really excited to be a part of this amazing new platform. Some of you non- AOL users have said you're disappointed I won't be on a non- AOL platform. I'm sorry about that. We hope to have some of the content from AOL ultimately on our website so you can see it. Or you can join AOL! My mom's joining this month so she can see it, and that's the idea from AOL's standpoint. They've now got me exclusively on the internet.

WHAT ELSE?

Be careful of the September markets. Historically September and October are about as awful of a time to invest as you can find. September has had negative returns the last four years and my guess is with this five month bull market we are due for a short term correction so don't make massive investment decisions regarding the stock market until November.

Until a few weeks from now, enjoy the summer. I'm really excited to have a personal relationship with 100 of you when this coaching program launches. And finally, thanks for the referrals to our newsletter. To add your friends to our list [click here](#). We added over 1000 new members to our community last month. THANKS!

Live and Finish Rich!

David

Please feel free to share this newsletter with people you think may enjoy it! We'd appreciate it if you could forward it in its entirety, including our contact and copyright information. Thanks!

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