

## 2021 Market Outlook Season - Transcript

**Tom Mullooly:** In episode 225, we unmask the financial entertainment industry. Stick around for this one.

Welcome to the Mullooly Asset Show. I'm your host, Tom Mullooly, and this is episode number 225. Thanks for tuning in.

We're getting to the end of a crazy year, 2020. We can see things clearly in 2020, not so much. I want you to think about where we were 12 months ago. The market was closing a very, very successful year, market averages did very well in 2019, and everybody was very bullish going into the beginning of this year, 2020. In fact, a lot of the economic strategists for different Wall Street firms were out with some pretty different looking numbers.

My point is, no one, no one could have predicted what was about to unfold in the first quarter of 2020, where we would see a virus that affected literally everybody on the planet. We shut down the U.S. economy, remember, two weeks to flatten the curve, and look at what happened to the market. We basically dropped 35% from the peak on February 19th through the end of March, then look at what happened to the market after that. Very hard to predict, very hard to get in and out of, very hard to get a lot of things done.

So a couple of things to remember is that money that you're going to need in the next year, or two, or even three years from now, money that's needed in the short term, should not be at risk. It shouldn't be tied up in stocks or in the stock market. It can be in other investments where you might earn something more than you could get in a checking account, but you want to be very careful about the money that you need in the short term. Anything beyond that, you can let the market kind of do its thing, because you're giving the market time to work itself out.

But that short-term need, you really shouldn't be having at risk anyway. So we, I say we, but Tim and Brendan recorded a podcast just about week ago that we're going to link to in the show notes that talks about these projections that come out at the end of every calendar year. You need to listen to this podcast. It talks about how you can't take any of these predictions, and that's all they are, they're predictions. You can't take them seriously. They're financial entertainment.

It's amazing to note that, as Brendan noted in the podcast, that as the next year unfolds, like this year, we had this pandemic and this huge market drop, and then the Fed stepped in and printed a ton of money, these economists and strategists, they just moved the goalposts. They just changed the target where they're going. This is purely for entertainment purposes, these projections that they make into the following year. Don't put any weight into them whatsoever.

Remember, the money that you need in the short term shouldn't be at risk and basically winging it on some strategists or some economists forecast about what's to come. Again, take some time, listen to the podcast. I think you're going to find it very eyeopening. Don't get hooked on that financial entertainment. That's really all it is. It's got no economic value to you whatsoever.

That's the message for this week's video. Thanks again for tuning in. Don't forget, if you're watching this on YouTube, to hit that red subscribe button. Thanks again.