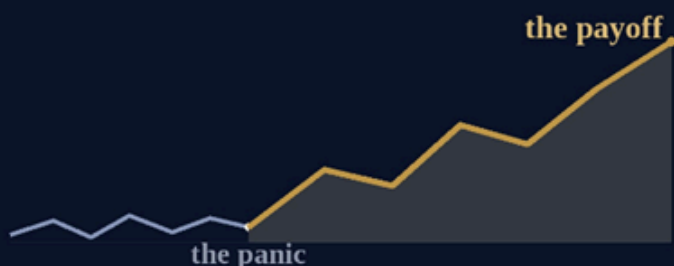

THE ETF INVESTOR'S GUIDE

WHY PICK STOCKS? OWN THE MARKET.

— ♦ —

Buy. Hold. Buy More.
Never Sell in Panic.



FREE SAMPLE

CHAPTERS ONE AND TWO · OPENING OF THREE

30 YEARS OF TRADING · REAL DATA · BEHAVIORAL SCIENCE

DR. MICHAEL COHEN

WHY PICK STOCKS? OWN THE MARKET.

Buy. Hold. Buy More. Never Sell in Panic.

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All ETF examples, model portfolios, buying ladders, return tables, income illustrations, retirement examples, and allocation percentages are hypothetical or historical examples used to explain concepts. They are not prescriptions for any individual reader.

Past performance does not guarantee future results. Investment returns may be positive or negative. Markets can decline sharply, ETFs can lose value, distributions and yields can change, taxes and fees vary, and no strategy can eliminate risk.

Every reader is solely responsible for his or her own financial decisions and should consult a licensed financial, legal, and tax professional before making decisions based on personal circumstances.

Data and Source Note

Unless a different source or period is stated beside a specific example, market data, fund returns, and dollar figures come from the Dividend Channel return calculator. Those figures are calculated on a total return basis, meaning every dividend is treated as being used to buy more shares of the same fund rather than taken as cash. This arrangement is commonly called a dividend reinvestment plan, or DRIP. Reinvestment is what allows returns to compound, so a total return figure will always be higher than a price-only figure for the same period.

All figures are estimates. Unless stated otherwise, they exclude taxes, trading costs, and personal fees. Expense ratios are taken from fund-provider publications at the time of writing and may change.

Core Rule Clarification

“Never Sell in Panic” means never sell out of fear, headlines, or emotion. Planned withdrawals, rebalancing, tax decisions, liquidity needs, and retirement-income decisions should be made only within a written plan and, when appropriate, with professional guidance.

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CHAPTER 1



Why This Book Matters



One Strategy. One Decision.

◆ THE SET AND FORGET METHOD ◆

Every day, millions of people open their phones before they even get out of bed. They check stock prices before they check on their own family. They read financial news, watch television experts argue about what happens next, and search YouTube for the next "must-buy" stock. They spend their evenings studying charts, indicators, earnings reports, analyst opinions, and social media predictions, convinced that the next hour of research is the one that finally gives them an edge. And yet, despite all of that effort, most of them still fail to achieve consistent, long-term success.

I have watched this pattern play out for over thirty years, not as a bystander, but as someone who traded through it, built systems to solve it, and studied why intelligent, capable people kept making the same costly mistakes. The conclusion I reached was not what I expected when I started. The problem was never a lack of effort. It was too much effort, aimed in the wrong direction. There is a better way, and it is simpler than anything the financial media will ever tell you, because simplicity does not sell advertising.

This book is not about finding the next hot stock, predicting the market, mastering complex technical indicators, or reacting with fear when prices drop and excitement when they rise.

This book is about something almost nobody sells, because there is no product to package around it: simplicity.

Why You Cannot Control the Market

Here is a truth every investor eventually has to accept, and the sooner you accept it, the better your results will be: you cannot control the market. No one can.

Not the professional fund manager with a Bloomberg terminal. Not the hedge fund with a team of PhDs. Not the trader with fifteen indicators glowing on four monitors. The market is not a machine you can decode; it is the combined, ever-shifting behavior of millions of people, institutions, algorithms, and governments, all reacting to each other and to events no one can predict in advance.

In early 2020, no indicator on any chart warned traders that a virus originating on the other side of the world would shut down the global economy within weeks. In 2022, no moving average predicted that a war in Eastern Europe would send energy prices spiraling and rewrite inflation forecasts overnight. These were not chart patterns. They were world events, and they moved markets far more violently than any technical signal ever could.

Once you accept that you cannot control the market, the entire question changes. It is no longer "how do I predict what happens next?" It becomes "how do I build a strategy that survives whatever happens next?"

One Strategy. One Decision.

Instead of chasing hundreds of individual stocks, you will invest only in Exchange Traded Funds. Instead of learning dozens of competing trading systems, you will learn one strategy, built to be followed for decades rather than replaced every few months. Instead of following endless news cycles, you will follow one simple, predetermined rule. And instead of making emotional decisions in the moment, which is the single most expensive habit in investing, you will let the system decide for you in advance, before emotion ever has a chance to interfere.

In thirty years of watching investors act and hesitate, the single clearest pattern I have seen is this: the money is rarely lost by taking the wrong action. It is lost by taking no action at all, at exactly the moment a decision was needed. A system that has already made the decision for you removes that hesitation entirely. You are not reacting under pressure. You are simply executing a plan you agreed to before the pressure ever existed.

Why ETFs, Specifically

A company can fail outright. Management changes. Products become obsolete. Competition appears from a direction nobody predicted. Today's market leader can quietly turn into tomorrow's forgotten company, and by the time it's obvious, the damage to a concentrated portfolio is already done.

An ETF is built differently. Rather than betting on one company's ability to navigate an unpredictable future, it owns an entire basket of companies at once. When one weakens, another grows stronger in its place, and the fund adjusts automatically.

The Freedom That Simplicity Buys You

Imagine never again wondering whether you should sell today, whether you should chase this new stock, whether the CEO's latest interview matters, or whether you need to keep the financial news on in the background just in case.

That mental space doesn't just disappear. It gets returned to you. You spend it with your family. You travel. You exercise. You build the business or the career you actually care about. The market keeps working in the background, on its own schedule, whether or not you are watching it, so you no longer have to be.

Patience Is Your Greatest Advantage

Most investors lose money not because they lack intelligence, but because they lack patience. They constantly change strategies the moment one has a rough month. In thirty years of watching this unfold, I have found the opposite to be true almost without exception: the less you interfere with a sound system, the better your results tend to become. Patience is not the same as doing nothing. Patience is the active discipline of following your system precisely when every instinct is screaming at you to abandon it.

Who This Book Is For

If you are a complete beginner, you do not need years of experience before you can start. If you are a busy professional with no time to study charts, the strategy takes minutes to check rather than hours to monitor. If you are an experienced trader tired of switching systems every few months, this offers something most trading education never does: an endpoint. And if you are someone approaching or already in retirement, the same discipline that builds wealth in your thirties is what protects and sustains it decades later.

The common thread is not age, income, or experience. It is the willingness to trade the illusion of control for a system that actually works better the less you interfere with it.

Buy. Hold. Buy More. Never Sell.

That is the entire strategy, stated plainly, once, so it is never in question again. The rest of this book shows you why it works, how to apply it, and how to stay disciplined when it matters most.

Important clarification

'Never Sell' means never sell out of fear. Planned income needs, rebalancing, taxes, or emergencies should follow a written plan - not panic.

By the time you finish this book, you will have something most investors search for their entire lives without ever finding: a complete investment system you can follow, unchanged, for the rest of your life.

Getting your life back starts with a system you can trust enough to leave alone. But before that system can work, you have to understand what has been getting in your own way. The next chapter looks at the real obstacle behind most bad investing decisions: not the market, but the mind reacting to it.

Welcome to a simpler way to invest.

**The System Decides.
You Live Calmly.**

CHAPTER 2

The Psychology of Trading



Emotion Is the Real Opponent.

THE BUY, HOLD, BUY MORE METHOD

The market is not merely a place where stocks are traded. It is a daily laboratory of human emotions.

Most traders believe success comes from finding the perfect indicator, discovering the ideal strategy, or predicting where prices will move next.

They are wrong.

The greatest challenge in trading has never been the market. It is the human mind.

Every trading decision is influenced by emotion, cognitive bias, past experience, confidence, fear, hope, greed, and regret. These forces shape our choices long before we ever press buy or sell.

Understanding how the mind works is not optional. It is essential. That is why the investment strategy in this book is designed to reduce emotional decisions and replace them with a simple, disciplined system you can follow consistently.

Thirty Years of the Same Mistakes

After more than thirty years studying financial markets, building trading systems, and watching thousands of investor decisions unfold in real time, one thing has become impossible to ignore: the mistakes never change. Only the traders making them do.

The same five patterns appear again and again:

- You buy because everyone else is buying.
- You sell because prices are falling sharply.

- You hold a losing position, hoping it will recover.
- You refuse to buy again after a painful loss.
- You exit a profitable trade far too early.

None of these mistakes happen because someone lacks market knowledge. A trader can know exactly what the "right" move is and still do the opposite, because the decision was never really made by logic in the first place. It was made by instinct.

The human brain evolved to protect us from physical danger, not to navigate financial markets. The same instincts that once kept our ancestors alive, reacting fast, avoiding pain, following the group, now work against us when the danger is a falling stock price instead of a predator. Behavioral economists call these mental shortcuts cognitive biases, and recognizing them in yourself is one of the single greatest advantages any investor can develop.

The Four Psychological Traps Every Trader Faces

These four biases show up constantly, in beginners and in professionals with decades of experience alike.

1. Panic Selling

Fear pushes investors to sell at exactly the worst possible moment. When markets collapse, uncertainty becomes emotionally unbearable. Instead of sticking to a plan, most investors just want the discomfort to stop, so they sell, often at the bottom, to make the feeling go away.

Example: During the COVID-19 crash in 2020, markets fell with terrifying speed. Investors who sold during those weeks locked in devastating losses. Investors who held, or better, who bought more, captured one of the fastest recoveries in market history. The pain of panic selling was not caused by the market. It was caused by the decision made in response to it.

2. Fear of Missing Out (FOMO)

Few things are more tempting than watching a stock keep rising after you decided not to buy it. Logic quietly disappears. The decision to buy stops being about the opportunity itself and starts being about the fear of being left behind.

Example: A stock rallies 40% in a month. An investor who ignored it the entire way suddenly buys at the top, not because anything changed, but because watching everyone else profit becomes unbearable. Momentum fades shortly after, and the FOMO buyer is left holding a loss the early buyers never felt.

3. Anchoring

The brain assigns enormous weight to the first number it encounters, and then struggles to let go of it.

Example: An investor buys a stock at \$100. It falls to \$80. Logic says to evaluate the position based on where it stands today and what happens next. Instead, the investor refuses to sell, because \$100 has become an emotional reference point, not a rational one. The market does not remember what you paid. It has no

memory at all. Only the probability of what happens next actually matters.

4. Loss Aversion

Research consistently shows that losing money causes roughly twice the emotional pain of the pleasure gained from winning the same amount. Because losses hurt more than equivalent gains feel good, investors often:

- Hold losing positions far longer than they should.
- Sell winning trades too early, just to "lock in" the good feeling.
- Avoid risks that are statistically worth taking.
- Freeze up entirely after one painful loss, missing opportunities for months or years afterward.

The desire to avoid pain quietly becomes stronger than the desire to build wealth, and most investors never notice the trade-off happening.

What Thirty Years in the Markets Actually Taught

Successful trading is not only about understanding the market. It is about understanding yourself.

This book exists to connect two worlds that rarely meet in the same conversation: behavioral science, the research explaining why intelligent, capable people repeatedly make irrational financial decisions, and rules-based investing, a discipline built specifically to remove emotional interference by replacing impulsive, in-the-moment decisions with a plan made in advance.

The real power of a rules-based system has nothing to do with computers being "smarter" than people. It comes from something much simpler: a predefined system does not feel fear. It does not get greedy. It does not hesitate. It simply executes the plan that was written before the emotion ever showed up.

Why Good Traders Still Make Bad Decisions

Every trader has lived this moment. You promise yourself: "I will follow my plan. I will stay disciplined." And then, without warning, a sharp market move happens, a sudden headline breaks, an unrealized loss grows larger than expected, a stock moves without you. And just like that, emotion takes the wheel.

This is not a character flaw. It is what human brains do under pressure, every single time, regardless of intelligence or experience. Willpower fades when emotions rise. A simple system leaves nothing to negotiate.

If panic, FOMO, anchoring, and loss aversion are hardwired into every investor, including you, including me, then the solution was never going to be a smarter

indicator or a more complex system. More complexity means more decision points, and more decision points mean more opportunities for emotion to take over. The rational answer is the opposite of complexity. It is one strategy, simple enough to follow exactly when your emotions are loudest, telling you to do something else.

Understanding your biases is only the first step. The real challenge is removing the triggers that cause them, starting with the belief that you can outsmart the market.

CHAPTER 3

Why You Cannot Control the Market



Prediction Is the Illusion.

THE BUY, HOLD, BUY MORE METHOD

Indicators are not useless. But they are commonly misunderstood, and that misunderstanding is what causes most of the damage.

An indicator, such as RSI, MACD, a moving average crossover, or a Fibonacci retracement, is built entirely from past price data. It cannot see a central bank meeting before it happens. It cannot see a surprise tariff announcement. It cannot see a corporate earnings miss before the report is released. It only tells you what already happened, dressed up to look like a forecast.

Example: An RSI reading might say a stock is "oversold" and due for a bounce, right before a piece of news sends it another 15% lower. The indicator was not wrong about the past. It simply had no way to account for what had not happened yet.

This is why stacking more indicators does not create more safety. It creates more conflicting opinions built from the same limited data, all reacting a little differently to the same unpredictable world. More lines on the chart do not mean more insight. They mean more noise layered on top of noise.

The Noise Comes from Outside the Chart, Not Inside It

The real forces that move markets rarely originate on the chart at all. They come from the world around it:

- A pandemic that shuts down the global economy within weeks, with no warning on any chart the

month before.

- A war that begins overnight and rewrites energy prices and inflation forecasts before markets even open.
- A surprise tariff announcement or trade policy shift that hits an entire sector in a single session.
- An unexpected interest rate decision from a central bank meeting that was priced for a different outcome.
- An election result that changes regulatory or fiscal expectations overnight.
- A natural disaster that disrupts a supply chain no one had flagged as a risk.

None of these events show up on a chart before they happen, and no indicator, however sophisticated, can price in a war that has not started or a tax policy that has not been announced. This is the deepest flaw in relying on indicators as a forecasting tool: they are built to describe the past, and the market is constantly being reshaped by things that have never happened before.

Why the Simple Strategy Wins

If the market cannot be predicted, and indicators cannot see the events that actually move it, then the entire idea of "outsmarting" the market with a clever enough system falls apart. What is left is not a smarter forecast. It is a stronger process, one that does not depend on prediction at all.

Chapter 3 continues in the full edition.

END OF SAMPLE

You cannot control the market. You can control what you own, what you pay to own it, and what you do on the day you are afraid.

THE FULL EDITION

Fifteen chapters and six appendices continue the method: how a single company can undo years of saving, how often corrections actually arrive, how to choose the funds that belong in a core holding, the buying ladder, the power of consistent saving, and the decumulation engine that turns a portfolio into an income for life.

BUILD YOUR PIE — FREE

Set your allocation, see the blended management cost, and print the one-page plan at cohenwriter.com/tools/pie



cohenwriter.com

Buy. Hold. Buy More. Never Sell in Panic.