

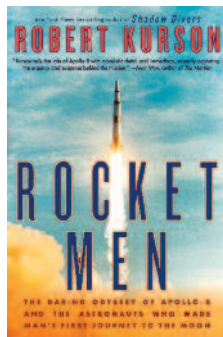
Sound Advice[®]



Remembering Apollo 8 and Achieving Financial Success

By Rod Tyler, CFP, R. F. P., CLU

As many of my friends know, I like to read. I read books and listen to books, especially when walking or traveling. This article is the result of listening to the book *Rocket Men* by Robert Kurson. If you are interested in the whole story of the Apollo 8 mission and the events of 1968, I heartily recommend this book. In Part 2 of this issue of *Sound Advice*, you will learn how we can all benefit by understanding a little bit about the challenges of the earliest space explorers.



The book *Rocket Men* focuses on one specific spaceflight, the Apollo 8 Mission, but not before Kurson reminds us of the political environment of 50 years ago. The year 1968 will forever be marked by some of the most difficult and transformative events in U.S. history, a time the Smithsonian Institute has described

as “The Year That Shattered America.” Given the political challenges currently facing our American neighbor, let’s consider some of those difficult events.

1968:

January 23rd: The North Koreans seize the U.S. Pueblo ship with its 82 crew members, and an eleven-month standoff begins.

January 30th: The North Vietnamese communists begin the “Tet Offensive,” and that tragic war reaches new heights in loss of lives.

February 8th: Police open fire on South Carolina students who were protesting segregation.



April 4th: Martin Luther King is fatally shot by a white supremacist, James Earl Ray.

June 4th: Robert Kennedy, a promising presidential candidate, is assassinated.

August 20th: The Soviet Union invades Czechoslovakia.

...and so on...



There was more unrest within and outside of the United States during 1968 than ever remembered. However, it was also during this time that America achieved a spectacular success. Almost everyone remembers the Apollo 11 moon landing. Neil Armstrong stepped onto the moon for the first time, and proclaimed those famous words: “That’s one small step for man, one giant leap for mankind.” And you may remember the near tragedy of the Apollo 13 mission, especially if you saw the movie by the same name starring Tom Hanks. Then there was the Apollo 8 mission. Does anybody remember this one? It seemed to go largely unnoticed, but we now recognize this mission as a crucial first step in the Apollo program.

It is important to remember that in 1968 it was assumed by many that the Americans had fallen behind the Soviet Union in what was termed “The Space Race.” Commentators said that it was only a matter of time before the Russians would be threatening the United States and the rest of the world with nuclear weapons launched from space or the moon. Apollo 8 would change all of that, making possible the eventual success of Apollo 11 and the American space program.

In 1962, President John Kennedy, hoping to galvanize the resolve of the US electorate to support a program that would overcome the Soviet Union's lead in space exploration, made the bold pronouncement that the United States would set a goal to place a man on the moon before the end of the 1960's. In 1966, he suggested that the effort could be a joint project together with the Soviets. That proposal during the Cold War Era clearly fell on deaf ears. Today the same idea has been achieved aboard The International Space Station, where many nations contribute to the science of weightlessness and travel in space. That is how far we have progressed, but remember, this story began in 1968.



The most remarkable thing about the Apollo 8 mission was that for the first time the Saturn V rocket was used to send men into space. It had only been tested a few times before and needed many improvements. The rocket itself was massive in size – 363 feet high and weighing 6.5 million pounds – and remains the largest, most powerful rocket ever brought into operational service.

Here is a link to a video of the Apollo 8 launch. It is still remarkable to watch! <https://www.youtube.com/watch?v=FzCsDVfPQqk>

The Apollo 8 mission achieved a milestone that only a few months prior, mired in the sadness of all the negative events of 1968, brought new hope and happiness to a nation and a world besieged by adversity. On Christmas Eve, the Apollo crew hosted a live broadcast from space, citing ten verses from the Book of Genesis and presented to the world the photograph, known as “Earthrise,” taken from 240,000 miles away.

OK, you may ask, why am I talking about this 50-year-old event? Well maybe because it occurred at a time of so many difficult political challenges, or because I truly admire those three astronauts who put a lifetime of aeronautic training to the test and brought new hope to the world. In 1968, that live broadcast was the most watched ever television program. **Most importantly, it reminded me not only of the huge amount of power required to escape earth’s gravity, but also the energy required to get started on any challenging goal in life.** For example, it is just easier to procrastinate, or give in to “gravity,” or find an excuse for why we aren’t experiencing the best results in our personal financial affairs. Conversely, consider the financial freedom that comes from saving money, investing it well and allowing time and compounding to work its magic.

While watching the launch of Apollo 8 and the first stage of the Saturn V Rocket, I had a breakthrough idea. **What if we, those of us from an older generation, inspired a younger family member to achieve "financial liftoff"?** We could commit to supplying the “extra fuel” needed when a young person begins saving early in life. As the next article will demonstrate, this is how a younger generation can reach financial escape velocity and enjoy all the benefits of financial freedom. Read on to see how you can help to make that happen!

The Rocket Booster Investment Plan



- Child invests \$100 per month increasing at 10% per year to a maximum of \$300
- Parent/grandparent invests \$100 per month increasing 10% per year for only the first 3 years
- 18 years
- \$51,233 in total contributions

Rocket Booster Investment Plan in Real Life

(January 1, 2000 - December 31, 2017)



S&P/TSX Composite Index TR (CAD)

- Child invests \$100 per month increasing at 10% per year to a maximum of \$300
- Parent invests \$100 per month increasing 10% per year for only the first 3 years
- 18 years
- \$51,233 in total contributions



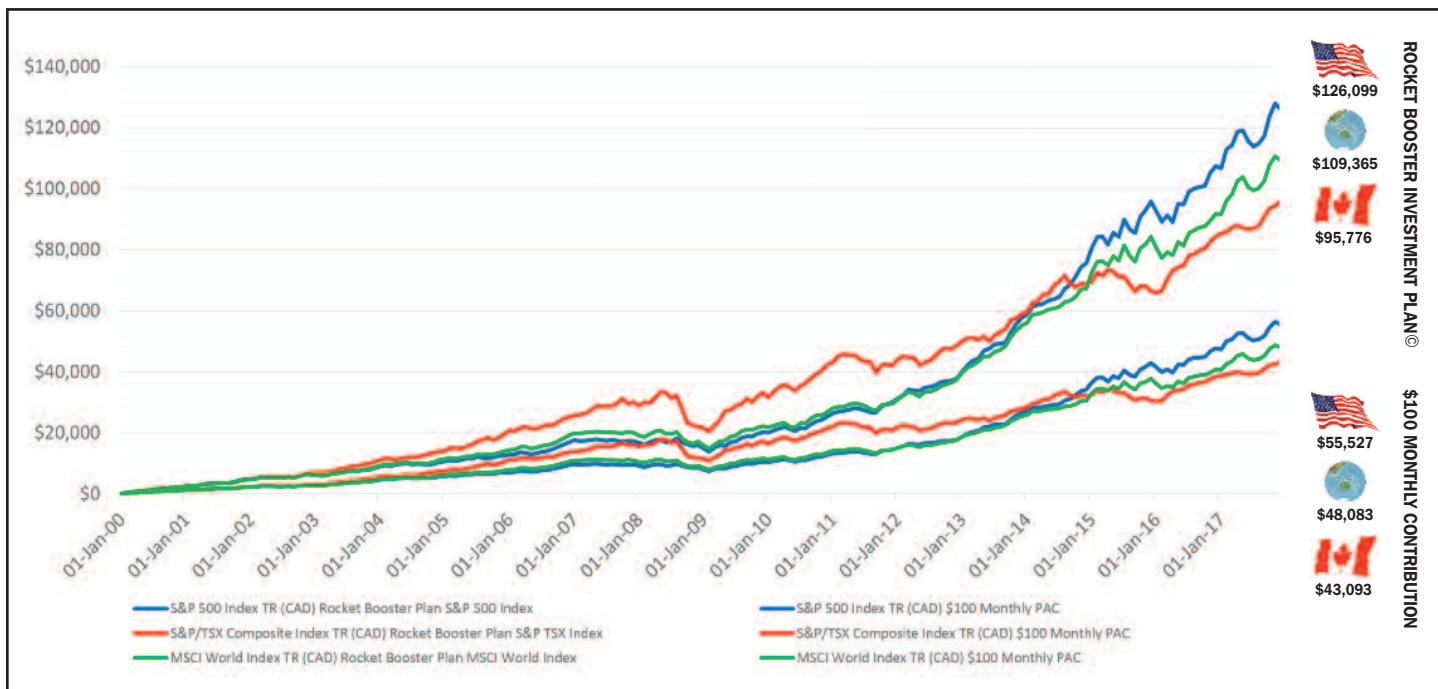
S&P 500 Index TR (CAD)

- Child invests \$100 per month increasing at 10% per year to a maximum of \$300
- Parent invests \$100 per month increasing 10% per year for only the first 3 years
- 18 years
- \$51,233 in total contributions



MSCI World Index TR (CAD)

- Child invests \$100 per month increasing at 10% per year to a maximum of \$300
- Parent invests \$100 per month increasing 10% per year for only the first 3 years
- 18 years
- \$51,233 in total contributions



In the last issue of *Sound Advice*, I outlined the power of systematically increasing your savings rate. If you missed that article, here it is: <http://thetylergroup.ca/wp-content/uploads/2018/04/SoundAdviceIssueApril2018.pdf>

Now, I would like to introduce you to the idea of how you can help a young person achieve superior savings and investment results. I am addressing this challenge to the older generation of parents, grandparents, aunts, uncles and anyone else who can see the benefit of a systematic savings habit.

Here are some of the reasons you may have heard for not saving and investing. You may also have your list of reasons why young people procrastinate.

“I will never be able to save any money. I never have any left over at the end of the month.”

“It is so scary investing because of all of the bad news about (fill in the blank).”

“I will start saving as soon as I pay off (fill in the blank).”

So, how can we help young people get started? **The answer is that we can offer to match their investment each month and we can agree to increase it by 10 percent each year and that they and we will continue to do so for three years. By then they will have achieved the first stage of their financial journey.** By setting this example, your loved one will be on their way to a systematic savings habit. If you

look at the graphics above, you can see the incredible results of just 3 years of early savings, matched by our contributions. **This is the power of systematically investing in a diversified portfolio, especially in challenging times, plus allowing time for the investments to compound and grow.** The results are spectacular, as you can see above.

Here are the key points:

- Early investments can get you off the ground (e.g., rocket boosters) and then continue to compound over time.
- Encourage your child/grandchild to make regular monthly contributions.
- Encourage your child/grandchild to systematically increase their savings rate.
- Stay diversified and don't chase the “hot market.”
- Ignore the news and stick with the plan.

Everyone at **The Tyler Group Mission Control** is standing by ready to assist you and your young financial astronaut into their space-suit and to launch a “Rocket Booster Investment Plan®.”



THE TYLER GROUP Financial Services

2330 McIntyre Street, Regina, SK S4P 2S2

Phone: (306) 525.5250 Toll Free: 1 - (877) 225.5250

Fax: (306) 585.6117 Toll Free Fax: 1 - (877) 255.0122

Email: info@thetylergroup.ca thetylergroup.ca

At **THE TYLER GROUP** we accept new clients on a referral basis. If you know a colleague, friend, or family member who could benefit from our advice, please call us.