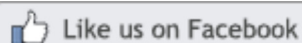




Sovereign International Pension Services Newsletter



It's a little-known fact: You can make just about any type of investment in your Individual Retirement Account or other retirement plan, including investments around the world. Few people realize they have so many choices, because most IRA Custodians and plan administrators limit your investment horizon to traditional, plain-vanilla U.S. stocks, bonds, and mutual funds.

Sovereign International Pension Services can help you discover new horizons in your quest to protect and grow your hard-earned assets

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"I'm a doctor, Jim not a <fill in the blank>."

This is a quote from the 1960's TV series, Star Trek, which was one of my favorites. The ship's Captain, James T. Kirk, was always putting the doctor in impossible situations, expecting him to do things beyond his training and capabilities. Doctor McCoy's response to these situations became so famous that it's worked its way into popular culture and remains to this day.

"I'm a doctor, not a bricklayer." "I'm a doctor, not a psychiatrist." "I'm a doctor, not an engineer." I'm a doctor, not an escalator." You get the idea.

His second most famous recurring line, said over 20 times in the short life of the series was, "He's dead Jim."

I've always been a fan of Science Fiction, and still am to this day. Sci-Fi knows no boundaries. You can create new worlds, new rules, time travel and alternate dimensions. It's great because if you aren't happy with where your story is going you can jump back in time to change it or say there is really an alternate dimension with slightly different rules and a better outcome. The possibilities are endless.

Wall Street is like a Sci-Fi show!

I have spent over 20 years in the investment management industry, but haven't been actively managing accounts since 2008. However, that doesn't mean I'm not following the markets or have an informed opinion

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about where we are and are likely to go. It's just that I usually keep them to myself or only bring it up when having a conversation with close personal friends.

I've decided to break that rule for this edition of our newsletter. I can't idly stand by at this juncture and not offer my assessment of where we are

I consider myself a student of something called "Sector and Style Rotation". I was fortunate enough to go through a post graduate program offered in conjunction with The Wharton School. The majority of courses focused on statistical analysis, modern portfolio theory, and quantitative analysis. They were taught by some of the brightest minds in the field: Prof. Jeremy Siegel, Prof. Richard Marston and others. On it's most basic level, the program taught me to pay attention to statistics and where the market is, in relation to its historical averages. I am trying to keep this very basic in order to illustrate a point. This article is not meant to teach statistical analysis, so please bear with me.

You probably remember the Bell Curve from school. I am sure someone reading this article will break into a sweat at the mere mention of the term. If you break into a sweat when you see or hear the word "statistics", go straight to the conclusion and skip the refresher course. [\(click here to go directly to Conclusion\)](#) But, whatever you do - DON'T SKIP MY CONCLUSION! It could dramatically affect your life.

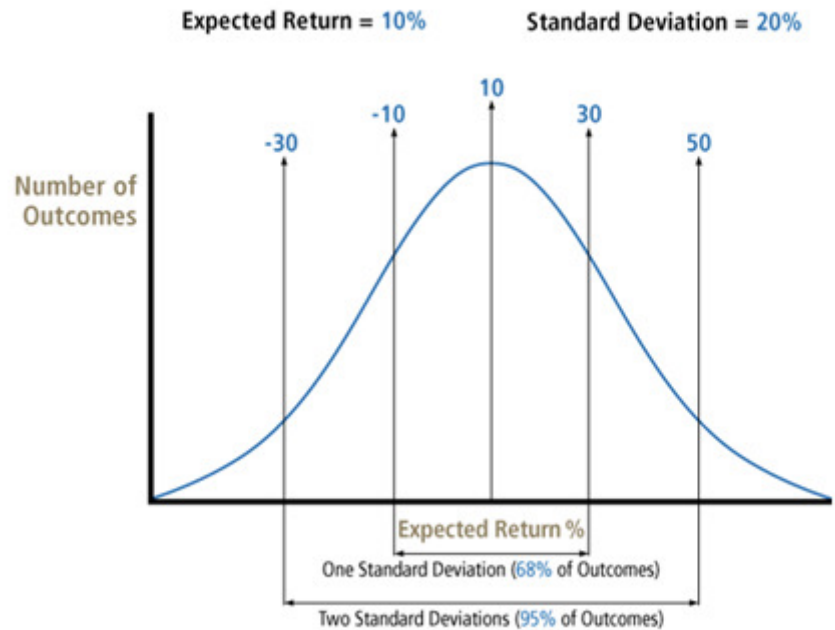
For those of you who are not perspiring, here is a quick refresher:

Investopedia explains 'Bell Curve'

The highest point in the curve, or the top of the bell, represents the most probable event. All possible occurrences are equally distributed around the most probable event, which creates a downward-sloping line on each side of the peak.

To understand the probability factors of a normal distribution you need to understand the following 'rules':

1. The total area under the curve is equal to 1 (100%)
2. About 68% of the area under the curve falls within 1 standard deviation.
3. About 95% of the area under the curve falls within 2 standard deviations.
- 4 About 99.7% of the area under the curve falls within 3 standard deviations.



The 10 yr annual return of the s&p 500
SD 14.65 Return 7.57

5yr
SD 13.50 Return 19

3yr
SD 12.40 Ret 13.70

Over 10 years, 68% of the time your return would have been between -7.08 and 22.22, and 95% of the time your return would have fallen between -21.73 and 29.79.

The one-year total return of the S&P 500 through April 30th, 2014 was 20.31%.

What this means is the market's performance is at the top of what you should expect for the maximum performance 2/3rds of time, or 1 standard deviation and not that far from the expected maximum performance 95% of the time, or 2 standard deviations.

You could perform similar analyses using the markets P/E, price to earnings ratio, or a slew of other financial statistics. They would all lead to the same conclusion.

CONCLUSION

The point is, it seems like we've had a really good run and the markets looks pricey. So you have to step back and say what's the likelihood we are going to have a regression to the mean, or simply put, a pullback to bring us closer to that 10 year average return of 7.57%? Or, are we going to move all the way out to the right side of the bell curve and have phenomenal performance? (Ask yourself, given the state of the economy and lots of other factors, which is more likely to occur?)

In my previous life there were two other periods that really caught my eye.

In 1999 I wrote an article that was published called, "The Internet Bubble Goes Pop" . Click [here](#) to read the original article. In 2006 I wrote another article called, "The Infliction Point Is Here". It started out like this, "The US stock market is at an infliction point. "Infliction" is defined as the act or process of imposing something unpleasant." Click [here](#) to read the article. Trust me, there probably aren't too many of you who think that what happened beginning in 2008 wasn't unpleasant. I could easily make the argument we are still suffering the effects of those devastating events almost 6 years later. In both cases my call came early. I never was a market timer. I've always tried to avoid periods where things just didn't make sense and market valuations were way out there. Don't get me wrong, valuations can and do go higher but something has to support them. Step back and take a look at what is happening today.

The economy just contracted last quarter. It's certainly not expanding at a promising rate.

Interest rates appear poised to climb. They are already at historically low levels and have nowhere to go but higher.

China, Russia, and a number of other countries are fed up with our astronomically high levels of debt, so much so they've decided to stop trading in the dollar as much as possible.

I can't stress enough what a negative impact this will have on our economy, the market and the value of the dollar. This IS a major event that is just now in its infancy. If countries no longer want to trade in the dollar, they won't hold as many dollars; they won't buy treasuries and other dollar denominated assets and they won't finance our deficit spending. So where will it come from? YOU!

Sci-Fi Is Back!

I'm hearing the same kinds of things I've heard every time valuations get pricey. It's different this time, the old rules don't apply, the Internet has changed all of the old rules, there's a new way to calculate (fill in the blank), valuations, the economy, GDP, etc. etc.

It's like Wall Street is scripting a new Sci-Fi show. It is so much more fun when you can just create new rules. It's time to enter that alternate reality where the old rules are out the window and we can make a new ending because we don't like where the current one is headed.

He's Dead Jim!

It's not just me. Here's the headline from an interesting article that came out yesterday.

Economist Caution: Prepare For 'Massive Wealth Destruction'

Read Latest Breaking News from Newsmax.com
<http://www.moneynews.com/MKTNews/Massive-wealth-destruction-economy/2013/06/20/id/511043#ixzz33gJiUwD5>

Bottom line- Some pretty well respected people like Marc Faber, Peter Schiff, Donald Trump and others feel we are on the verge of another financial crisis that will be even worse than the last one. They are urging people to take immediate steps to protect their wealth.

I'm an IRA Administrator, not an investment advisor Jim!

I'm not an investment advisor and I'm not trying to advise you what to do with your portfolio. I am just offering my opinion that if I were you I would want to do something to try and protect my IRA and or Retirement Plan assets.

One way to do this is to get all or part of your assets offshore. Diversify outside of the dollar and consider some non-traditional assets, and or investments without much correlation to the market.

Alternative Investments-

From time to time we include articles of interest you may find interesting or useful. This month we've included one from Michael S. Young, COO of Simply Natural Investments. Agricultural Investments like Simply Natural have little or no correlation to traditional markets, little or no exposure to the dollar, and are outside of the United States which can add an extra layer of protection to your assets.

I became aware of Michael when one of our clients decided to self-direct their IRA into a Mango Farm in Panama.

As always these articles are not meant to be an investment recommendation. You should always perform your own due diligence and seek your own outside counsel before making an investment in your IRA or Retirement Plan.

Please contact me if you have any questions pertaining to getting your retirement plan offshore or investing in alternative or non-traditional investments.



Is Agriculture the new Gold Standard? What are the Benefits of owning a Farm you don't work?

Did you know that the United Nations estimates the global population will reach 9 billion people by the year 2035? Did you know that the United Nations also estimates that the Global Food Output will need to DOUBLE by the year 2035 in order to accommodate this population increase? All of the major financial pundits agree that agriculture is the most important economic sector of our time, and will continue to increase in both its importance and economic profitability. So why don't we all own a farm?!

Can we afford one at an entry level of \$38,500 (includes labor until harvest), or higher, depending on size..? What other sector provides the stability of such high reward and low risk; long term?

Proper Farmland investments are full title ownership property transactions with a turnkey "hands-free" farm management solution which provides a buyer all of the economic benefits of owning a farm, without the hassle of day to day operations or the coordination efforts of the sale of harvests. Simply Natural offers the sale of individual Farm Units from a Master Plantation Development in the Republic of Panama, a country which boasts of the largest shipping hub, the largest banking center in Latin America, and a country with some of the most secure asset protection laws in the world. Having 4th generation plantation management on ground, assures that every hectare of plantation is managed to precise standards, and ALL of our plantation is Organic and under process of international certification. How can you own property that outpaces the returns of the stock market with none of the volatility? Own a Farm. Most people don't realize that the reason why the price of food year after year continues to rise. Yes, inflation is a good answer generically. However, the price of food is consistently increasing world-wide, because the output of global food production is rising by only 1.5% per year. The Demand for new food however, is increasing at 2.5% globally, which indicates a global shortage of supply, and a shortage that the UN projects will continue to grow for decades. If you were to analyze what industry to buy, would it be an industry that has decades of supply shortage if you were ON the supply side? Of course! Macro Economics teaches us, that the price of a commodity increases when there is a shortage of supply. Owning a farm does two things: 1) We become part of a solution to provide food to the world, where there is great and growing demand, 2) We are also positioned for decades to produce a commodity that most likely will rise in price year after year, increasing your cash on cash returns for decades.

Here are a few statistics many people don't realize about Mango Farming and its Profitability:

- Mangoes are the most consumed fruit in the world next to the Tomato.
- Mangoes are a super food, incredibly rich in nutritional value
- Mango trees will produce large yields for 60-80 years providing a very profitable long term legacy of wealth enhancement.
- There are over 10,000 products globally that incorporate mango in one form or another.
- The United States consumes roughly 40% of all global mango exports
- Our Farms, can be owned in name, LLC, or in an IRA through Sovereign International Pension Services

Contact us to learn more about Turnkey Farm Ownership, an international wealth diversification, it may be one of the best decisions you have ever made, and one that will provide economic stability for generations.

Michael Young, myoung@simplynaturalinvestments.com ph: 720-530-8434. Website: [click here to access Simply Natural Investments website](#)

As always if you have additional questions or concerns please feel free to

contact the office.

"Liberate Your IRA"

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Thank you for your time and cooperation. We appreciate your business. Make sure to visit us on Facebook for the most up-to-date information. Please take a moment to "Like us in Facebook".

If you have any questions or comments, please send them to lgrossman@offshoreira.com

Sincerely,



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