

David Morgan:

Welcome everyone. This is early May 2018. David Morgan with you and this is a special podcast I'm doing on a book I just read. I met this gentleman through my LinkedIn associations. It's Joel Salomon in New York and the book is called *Mindful Money Management: Memoirs of a Hedge Fund Manager*. Being in the financial market for so long, there are so many things in this book, Joel that I could relate to. I'll try to stay in some type of order, but let's talk about your early years and you were striving to become a hedge fund manager. Why don't you introduce who you are, why you wrote the book, and your early years?

Joel Salomon:

Thanks so much, David. First of all, thanks so much for having me on the podcast. I really appreciate it. It's a pleasure. Thanks, also, for just noting that you were inspired because that really touches my heart. I appreciate that so much. So, to answer your questions, first of all let me just say I'm a dedicated father to two amazing, beautiful, inspiring daughters, Lauren and Morgan from which my company is actually named: SaLaurMor. As background, what I'm currently doing, I'm working as a prosperity coach. Some have called me a money shrink. My goal is to help at least 100,000 people become financially free. I work with clients to help identify and overcome their money roadblocks standing in the way of their personal financial freedom.

No one really talks about what they've learned about regarding money growing up subconsciously between age 0 when they born and say age 10. This is sometimes stopping them from taking action. They live in fear. Some people live in fear about investing in different markets. They can't invest in real estate or stocks, or currencies, or commodities because of this fear that they actually have subconsciously. It creates a poverty consciousness. So, I work with them on overcoming these blocks so that they can move on their way to financial freedom.

Now, to tell you a little bit about my career and how I got here, it's unusual I think, to say the least. I started my career as an actuary. Some people don't really know exactly what an actuary was. I distinguish an actuary, an actuary and accountant by saying an actuary looks at his feet when he talks to you, an accountant looks at your feet.

An actuary does a lot of different things. They'll calculate the reserves for an insurance company for their future claims. They'll calculate your dividends or your premiums. I did a lot of those types of things at a company called New York Life Insurance Company. I worked as an actuary, became a Fellow of the Society of Actuaries going through a series of exams, and became a Fellow of the Society of Actuaries, but really didn't love my day job.

I had a dream to manage money whether it was as a hedge fund manager or a mutual fund manager. That was my dream back in 1993. Everyone I talked to at the time, gave me massive doubt. They said that's impossible, you're an actuary, there's no way you can become an investor. But, I talked to one actuary who was on Wall Street. He said you need to get credit analysis experience if you want to be a great investor in financial securities. So, I made the move to Moody's Investor Service, a credit rating agency-. got the basics of credit analysis and actually, ultimately, got a portfolio of companies that I assigned ratings to and then learned everything I thought I needed to then get to the next level. A recruiter called and said, "Do you want to be a private equity investor?" I said, "Okay, that's one step closer to being a hedge fund manager or mutual fund

investor.” So, I jumped at that opportunity at a reinsurance company called Swiss Re, first in New York.

I’m working in New York for about year when my whole group was disbanded. That actually got me the opportunity to work in Zurich. I say in my book, *Mindful Money Management*, that from “bad things come good things, and from terrible things, come awesome great things.” So, from this potential bad thing of getting laid off, I got the opportunity to live and work in Zurich for almost a year-and-a-half. As I say in the book, and I have two appendices on travel because it’s one of my biggest passions in life, I got to travel to more than 30 countries, 40 towns across Europe and really had a great time there, but I came back to New York and realized I wasn’t one step closer to my dream and started looking. I found a job at a small hedge fund and that got me one step closer to my dream and ultimately in January 2008, after getting a call from my Citigroup salesperson in late 2007, I started in my dream job working as a hedge fund manager at Citigroup, and actually managing money. So, that’s the short story, I guess, of how I got to live at least for a few years, my dream and then I, of course, started my own company SaLaurMor Capital in late 2012 using insurance company money to invest and did that for a few years before I made the transition to become a prosperity coach. Does that answer your question, David?

David Morgan:

Yes, it does. There’s a lot in the book that has to do with what I call balance. Often, in interviews that I give, I talk about having enough. That’s a different number for everybody. I deal, as you have, with investment bankers or people that are in the billionaire status. There’s maybe four that I know on a first name basis, but I don’t need that much. I’m very content where I’m at. So, when you talk about being financially free in your book, you talk about, I think three items and I’m going to lump them together if you don’t mind and that is, this idea that first of all you got a lot of your foundational, I’ll call them philosophy, from others.

For example, you talk about T. Harv Eker and the millionaire mindset. You talked about Napoleon Hill. You talked about many of the people that have really kind of blazed the trail in financial thinking. You talked about Sir John Templeton and about being grateful. I know I’m lumping a lot of things together, but I think since you wrote the book, you can kind of summarize some of these ideas. I’d like you to talk about acting as if and being grateful. I think those two chapters really, really hit hard for me.

Joel Salomon:

Thank you, David. I really do appreciate that. So, financial freedom, it’s a big topic. What is financial freedom? It can be different things to different people, but let me just say how I define it. T. Harv Eker and people like him define it as the amount of income you get from passive income investments that will cover your expenses, either your current expenses or your dream expenses, your dream life expenses, so that you don’t have to work. Let me give you an example. This is an example I gave in my book, *Mindful Money Management*.

If you have \$5,000 of expenses a month, \$60,000 a year, if you have passive income investments of a million dollars generating 6%, that would equate to the \$60,000 of expenses a year and then you would be financially free. Now, what are passive income investments? It’s not your house. It’s not your 401k. It’s not your retirement savings. It is investments that are currently generating

income for you today. So, it can be rental real estate property or commodities, or currencies, or a side business, an Amazon fulfillment business, anything that's generating you income currently; stocks today that you have invested in that you're generating either capital gains or dividends on. That's how I define financial freedom. I talked about how I started paying myself first back probably 25 years ago now, which people—again, it's an important concept to put money aside not for 30 years now, but for today where you can start investing today and generate income today. So, that's an important concept of putting whatever you can start with; 5%, 10% and just right off the top instead of putting it aside for future, putting it aside so that you build up and invest today.

Yes, T. Harv did have a fairly strong influence on me as Napoleon Hill did, as well. John Templeton, he talks about gratitude and giving. It's two concepts, which I think are very, very important, which no one talks about when they talk about financial freedom. I think it's absolutely essential to both financial freedom for mindset, for knowing that you are worth dramatically more than where you might be today. So, John Templeton, the quote I have in the book and I'm going to paraphrase, is he hadn't met anyone who hadn't given at least 10% of his earnings to charities over a 10-year period, who didn't have massively more wealth at the end of the 10 years than at the beginning. So, he's advocating a giving program. Some people may say okay you're advocating for me to give away money, how does that make me richer?

Well, when you give, it kind of primes the brain. It makes you believe and know that you have plenty to spare and share, and that's when your mindfulness related to your money mindset changes. That's the importance of giving. Now, being grateful is also really important because I talk about different energy levels, different vibration levels, which Abraham Hicks talks about, Esther Hicks talks about. Gratitude and appreciation, believe it or not, is the highest energy or vibration, or feeling level. If you could feel gratitude all day long every day then it's the same level of energy and vibration that equating to love and passion.

So, I recommend, and I started this probably about six years ago, writing down what you're grateful for. Every morning when you wake up, write down what you're grateful for. It doesn't have to be massive, great things. It can be something really simple like it's a sunny day. I wrote down, every morning, I'm grateful for Lauren and Morgan. It just changes your perspective on life. I used to, before 2012, right before I'd go to sleep, think about all these things I had to do the next day, all the things I didn't get quite right in the current day. Then, I, in 2012, shifted and so I started writing down the things that I was grateful for that happened that day. It just changes your perspective.

David Morgan:

Excellent. I'm going to chime in here a little bit. I'm going to circle back a bit, also. When I picked up the book and you talked about being of service to others, that's something I learned, was taught by one of my mentors early on and I truly believe that. I mean, when I started my business, it was to be of maximum service to others in an industry that has oh, let's say, been tainted by some of the practices that go on. It happens in all industries, I know that. To me true capitalism means you can serve yourself and serve others at the same time.

When you said being of service, I'm also right on the same page about being grateful. It seemed-- I never heard is expressed the way you did as far as being the highest vibration or one of the highest

vibrations. I believe you're right, after listening to you. I really want you to talk about, a little further, about how this paradox of giving to receive works. Let me say specifically, how it worked in your life. You did it and what happened to you?

Joel Salomon:

Yeah, so giving, it's interesting because again, it seems like a paradox but the more you give, it just increases the vibration. At least for me, it does. When I give, I feel like I do have plenty to spare and share, and it just, it shifts. I think I have a chapter in my book called Overcoming Feelings of Lack. There was a time when I was managing my hedge fund when we didn't have great returns and I wasn't drawing much income, and I started feeling, having that poverty consciousness that I mentioned earlier. Then, I started this giving program and it just shifted. It made me realize, wait a second, there are a lot of people in the world that don't have anywhere near the benefits that I have had in my life. So, it just shifts the way you feel and then things start changing.

It seems like money starts coming back in and there are so many other things in your life that you're grateful for that you can recognize. If you wrote those down, it just shifts the energy and all of a sudden the abundance starts flowing in. That's what happened to me. So, that's why I highly recommend the giving program. You can even start with a small amount. It doesn't have to be big dollar amounts, but it just shifts the energy so that you know in your mind, that you have plenty to spare and share, and then the abundance starts flowing in. That's how it's worked for me. I'd recommend even in the—you can start with a small amount, a monthly deduction out of your checking account to a charity of your choice. If it's to cure cancer or heart disease, or whatever it is, to stop poverty in a town in Africa. Whatever it is that really resonates with you, it will change your relationship with money

David Morgan:

One of the other points that I don't think many make or I haven't read a lot about, is this idea—as a youth, I had the idea. Money equals happiness. Of course I learned fairly early on, that's not true. Can you talk about this, you have a chapter on happiness. You have a chapter on feel good now. You have a chapter that's entitled Trusting Your Gut and Unconditional Happiness. I'd like you to kind of just wrap those up if you could in this idea of happiness. Also, if you could confirm for me that there's no—if it's money only then there's no amount that's going to get you there.

Joel Salomon:

Thank you. Yeah, so again, money doesn't equal happiness, but there is a certain minimal level that is required for the basic freedoms that we enjoy. I talk about happiness a couple of times in the book, as you mentioned. I introduced the concept in chapter eight. What happened was I had, had a really great first six months in 2013 at my hedge fund. We were up 20% annualized in just six months. In 2014, I realized that when things weren't going well, my happiness was conditional on if I was making money for my investors. So, if we lost money I was unhappy. If we made money, I was happy. Of course, it's a terrible way to live your life because even the greatest money managers are wrong about 50% of the time. Imagine every other day you're going to be unhappy.

I think, in general, that's what happens in life, that we live our lives in conditional happiness. Something good happens, you're happy. If something bad happens, you're sad. If you get a raise, you're happy. If you don't, you're sad. If you get that great job, you're happy. If you don't, you're sad. You're driving into Manhattan, you get that great parking spot outside the building you're driving to, you're happy. If not, you're sad. I think the big revelation came to me in August 2011. It was the first time in my career managing money that I took half the month off. I took two weeks off in August 2015. That month the stock market was down about 7%. The hedge fund that I was managing was up about 3%. I truly believe it was because I was feeling good now, I was present, I was having a good time, really happy.

One week I went to Croatia with my friend Don who's another investor and who's actually very calm and we weren't spending our time checking prices all day every day. We were actually being present and having a great time in Croatia. The second week, I was with my daughters going to Hershey Park in Pennsylvania and a few other amusement parks, and just being present with them. I truly believe that, that being happy, being present, actually created that great month that I had. It was a revelation for me that I didn't have to stare at the stock screen and worry about every single tick, worry about every single moment that things were moving and still do quite well. That was the revelation for me. I guess I make this point in the book. Again, it's back to energy and vibration, and feeling. If you're feeling great, if you're feeling absolutely ecstatic and so happy, then what you want--your desires and dreams--will come to you.

It's really hard when you're very depressed and sad, to no matter how hard you work for something, you have a plan, you have a goal, if you're feeling absolutely depressed and anxious, and sad, and worried it's just not going to happen. That's a very important lesson that I mention in the book is where are you in terms of your happiness level. If you're ecstatic and really happy then what you want in life will come and if you're very depressed and sad, it's very unlikely you're going to get what you want.

David Morgan:

Very good. I want to tie these together. When you're in that place and I think we all get there if we're honest. You're down, you're depressed, maybe you say I'm not going to let the market movement affect me, but it does, if you at that point catch yourself, be mindful and you go out and do something for someone else, does that—for me, it seems to shift something. It gets me out of myself, into being of service to someone else even if it's helping them in a physical way or letting them know, hey I'm moving out, here's my parking place, or some simple task, but just that little extra caring I'll call it. Have you ever practiced that or found that to be useful?

Joel Salomon:

Absolutely, David, that's exactly how it works. Like I said earlier with the feelings of lack, when you're feeling lack, it may seem completely contradictory, but give. When you're feeling that you don't have enough, gives to others. It doesn't have to be just about money. You can give a smile or a compliment to somebody. You can give up a parking spot for somebody. You can give a compliment and it can be significant. That kind of giving can be absolutely significant and will shift your energy, and move you up on that scale towards number one, which is the feeling of extreme gratitude and appreciation. When you feel blessed, that's when all your dreams and desires can come to you.

David Morgan:

First, thank you for coming. On your website, which we'll get to in a minute, I want to bring up one of the quotes posted there. It's also in your book from Napoleon Hill. Of course most people are familiar with Think and Grow Rich, but not his other works. In this one, you quote him and it says, "If I give one of my dollars in return for one of yours, each of us will have no more than we started with. But, if I give you a thought in return for one of your thoughts, each of us will have gained a 100% dividend on this investment of time." Profound. I finish a lot of my lectures about thanking the audience for giving me the most important commodity of all, which is their time. A lot of people, "waste time" or don't manage their time or whatever, so I'd like you to take off on that theme if you might, for a moment and then we'll circle back to your website and what you do now, and how people can get in touch with you.

Joel Salomon:

Yeah, Napoleon Hill has a lot of great quotes. Thanks for quoting that because I use that a lot too. Yes, obviously time is our most precious commodity. It's not money, it's time. So, how you use your time and what you do with it, is very important. I appreciate your time today, David. It's also about the idea, the exchange of ideas. Just giving, exchanging money is not as powerful as what we've done today, which is provide, being of service to others and providing great ideas to others, which is, as Napoleon Hills says, the greatest dividend.

David Morgan:

My world view is that all Fiat currency will eventually reach their intrinsic value or close to it, and of course we've got the US dollar as the reserve currency of the world. Of course, if you look at the Federal Reserve's website, it's going to tell you that the 1913 dollar is worth about 95% less than what it was just over 100 years ago. Do you have a macro view that you'd like to share? If you just want to bow out gracefully, I'll let you off the hook. You were a money manager at one time. You certainly don't get to be good at managing money if you don't see the ebbs and flows in the economy. What's your big picture view look like?

Joel Salomon:

I will profess not to be an expert in the macro economy up front, but I do have some strong views, which haven't come to fruition over the years. Let me back up, first of all, and talk about beliefs just for a second. This is what I tell my clients. It's essential. Think about your belief level in each investment idea and rank them from 1 to 10 where 1 is massive doubt and 10 is absolute faith-knowing that it's going to work out. You should do this for each investment you're already in and each prospective investment. If you're way down at 1, 2, or 3, where you have massive doubt then don't go investing or get out because it's not going to work. when you have absolute strong belief, 8, 9, or 10, that's when if Bitcoin has gone down, you're an advocate of Bitcoin and you have, you've done your research and you're an 8, or 9, or 10, and Bitcoin goes down by 20 or 30, or 40%, you're buying more whereas if you have massive doubt, that's the guy who in early December when he bought it at 8,000 and it had gone up 25% and then gone back down 20% sold before it peaked at 19,000 just three weeks later, knowing your belief level is really essential.

Having said that, I'll talk to you about my views on Fiat currency. I guess my view is if you had told me about the trillions of dollar that the Fed was going to print, the amount of currency in

dollars that the Fed was going to print back in 2009 and 10, I would have said that interest rates would be dramatically higher over the next years and the value of the dollar would be dramatically lower. Here we are 8, 9 years later and the value of the dollar hasn't depreciated and inflation hasn't gone through the roof. I've been wrong for many years. I'll just say that, but that's my view. My expectation is that we will at some point, have significantly more inflation and a depreciation of the dollar, just not sure when and it hasn't happened yet.

David Morgan:

I'd like you to talk about your website, prosperity coaching, how people can get the book, the fact that you do workshops and other things. I'm happy for you. I wish everyone on the planet was doing what they wanted, but so many people just drag themselves to and from work. It takes that desire, I would say, to either be fed up so you've got to leave this job and do something that you want or you just are so motivated, like you were. You were going to get to be a fund manager one way or another, even starting as an actuary. You just knew what your goal was. There's no direct path, a lot of times, to get where you really want to be. I think I'm belaboring this a bit, Joel, but a lot of success comes after a pile of failures. I think a lot of people that look at you, look at me, or whoever, I don't want to make this about us so much as people that are "successful" in their chosen field and they're doing what they want, it's like they just decided one day to do it or they got a lucky break, or someone, they inherited money to start their business or whatever. It almost always, that's false. Usually, it's you learn what not to do a few times before you actually succeeded.

Joel Salomon:

Absolutely. You see the people become popular after they're very successful and no one talks about the back story. There's a back story for everyone. The back story is the challenges and the learnings that they had before they got to be massively successful. That's absolutely true. To answer your question, the website is salaarmor.com. You can also go to joelsalomon.com. Anybody who wants to sign up for one hour free of prosperity coaching, you can go on to that website, get one hour free. I give everybody in the world one hour free, so do that. Then, you can get my book on my website; *Mindful Money Management: Memoirs of a Hedge Fund Manager*. It's discounted on my website. There's a ton of free stuff on my website, as well. I have, besides the quotes that you've mentioned, which I think are quite inspiring, there's free audio files, which are self-talk audio files that I've given out to the world. I also have, which is I think quite unusual, my monthly investment letters from the three years I was managing a hedge fund. I have those on the website for free. Then, I also have what may be quite unusual, I have suggested book readings, I have my favorite songs, I have my favorite travel destinations. There's a lot of stuff. Go on there and you can get a lot of free stuff. Then, just quickly, on my prosperity coaching, there's three different modules that I teach people on. One is the basics of investing. If you want to know about stocks or bonds, or mutual funds or ETFs, or currencies, or commodities, or real estate, I can go into the basics of each of those topics. The second topic is what tends to be the most interesting. We talk about how to create your dreams and desires, how to use the affirmations, the self-talks, to get to your goals, your dreams, and your desires. Then, the last module is a bit of what we've already talked about, the financial freedom. What's your financial freedom number and how you can shift your cash flow, do some budgeting, shift your savings to get to your financial freedom number.

David Morgan:

Joel, I've had a great time with you. I wish you all the best. I think you are one of the leaders. There's a lot of leaders out there, but I think there's a shift that's coming especially with the millennials. I have a 24 and a 23-year-old daughter. Their whole attitude toward money, I think, is different than mine was at that age. They're more about experience than I was. They're more about the intangible, the feelings. Of course they're girls and I think there's definitely a difference, but the point I'm making is that this shift that's taking place about our world and all the problems that we haven't discussed and I don't want to, but the positive ideas that you do have a lot of control. You can manage money. You can be successful. You can be grateful. You can give. All these things we've talked about over the last half-an-hour, have a profound impact on you, the individual. I think this is important because most people seem to be lost in this blur of no self-identity, no self-realization, and no actual accounting to themselves what they are required to do. It's not something you can just sit down and meditate for 10 minutes and all of a sudden you're in a blissful state from that point on, it doesn't work that way. If you'd just like to add on to that because I think this is a message that is being missed, at least that's how I see it, if you could comment on that, we'll wrap it up.

Joel Salomon:

Absolutely. I'm in complete agreement. Again, life is about—one of my mentors is Mike Dooley and he says the meaning of life is to live it, just be present and live it, and be in the moment. I'm a little bit different, but maybe fairly consistent. Me, my view is the meaning of life, is to be happy, to be joyous. It's all about the experiences. I'm probably consistent with your daughters. I believe that my daughters will be the same way in 10 years when they're your daughters' ages. It's all about enjoying the experience rather than accumulating material possessions because as they say, you can't take it with you. Enjoy experiences of life and I think you'll be a better person for it.

David Morgan:

Joel, I wish you the very best from this day forward. I really appreciated your time. I hope that this resonates with a lot of our listeners. I'm certain that after some time I'll probably come back and do another podcast with you.

Joel Salomon:

Thanks so much for your time, David. I really do appreciate it. It's been great to talk with you today.