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## What to Own as the Dollar Dies

By **Dr. Steve Sjoggerud**

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So... if the dollar "dies"... what do you do with your money?

In yesterday's *DailyWealth*, we looked at "[The Coming Death of the Dollar](#)." But we didn't cover what you should do with your money to protect yourself.

In Jim Rickards' book, *The Death of Money*, he has five recommendations. More specifically, he has an asset allocation of five different investments that have stood the test of time in previous inflations and deflations.

Jim says this portfolio should offer "an optimal combination of wealth preservation under conditions of inflation, deflation, and social unrest... while providing high risk-adjusted returns..."

So what's in it?

Jim's recommended "Death of Money" portfolio is:

20% gold  
 20% land  
 10% fine art  
 20% alternative funds  
 30% cash

Let's take a look at each of these in a little more detail...

**Gold (20%)** should do well in extreme inflation... AND deflation. Jim recommends that you physically own gold itself - not an exchanged-traded fund (ETF) or a derivative.

As for **land (20%)**, Jim prefers undeveloped land. Jim believes that land like this "can be developed cheaply at the bottom of a deflationary phase, and provide large returns in the inflation that is likely to follow."

For **fine art (10%)**, Jim is talking about "museum-quality" art. He specifically excludes things like antique cars and wine. He says "a \$10 million painting that weighs two pounds is worth \$312,500 per ounce, over two hundred times gold's value by weight, and will not set off metal detectors."

I personally asked Jim how he recommends that people buy the kind of art he's talking about. He told me there are art "funds" that hold museum-quality art. ([www.TheFineArtFund.com](http://www.TheFineArtFund.com) is an example.)

For **alternative funds (20%)**, Jim is NOT talking about traditional stock market investments. Instead, he is talking about funds with very specific strategies... including "long-short equity, global macro, and hard-asset strategies that target natural resources, precious metals, water, or energy." These are typically hedge funds, but there are ETFs that do similar things. (An example would be the IQ Hedge Multi-Strategy Tracker Fund (QAI)).

I was surprised to see **cash (30%)** make up such a high percentage of Jim's recommended allocation. Jim makes the case for it... Cash is "an excellent deflation hedge," it is basically "the opposite of leverage" in your portfolio, and it allows you to "pivot into other investments on a moment's notice."

"Cash might not be the best investment AFTER a calamity, but it can serve the investor well UNTIL the calamity emerges." He recommends owning "the Singapore dollar, the Canadian dollar, the U.S. dollar, and the euro."

As I said yesterday, the picture Jim paints in *The Death of Money* is pretty scary stuff. I don't know if he will turn out to be right or wrong... But to me, Rickards paints the clearest picture of what is possible with the dollar, along with what to do about it.

As he wrote: "Although these scenarios are dire, they are not necessarily tomorrow's headlines. Much depends on governments and central banks... But when the crash comes, it will be better to be among those who have braced for the storm."

So, if you are worried about a collapse of the U.S. dollar, you may want to start incorporating some of Jim's advice into your own portfolio today.

Good investing,

Steve

P.S. If you haven't yet claimed a free copy of Jim's new book, *The Death of Money*, you can do so [right here](#). All you have to do is pay for the shipping costs (less than \$5). And as part of the special deal we worked out with Jim's publishers, we got Jim to write a "bonus" chapter just for our readers. In it, he explains - in detail - how to buy the investments I've covered in today's essay.

### Steve's Premium Notes

For Paid-Up Subscribers Only



#### The simplest way to own undeveloped land today...

Undeveloped land... Rickards is speaking my language!

Longtime readers know I've personally been buying undeveloped land here in Florida for the last few years. In fact, the majority of my personal holdings aren't in stocks... but in land with potential "higher and better use." Luckily, I've found a great way for you to make the same investment...

The company is Rayonier Inc. (RYN)... one of the U.S.' largest timberland owners. The company owns roughly 377,000 acres of timberland in Washington. It also owns around 1,888,000 acres in the Southeast.

Rayonier's main business is timber. And it's good at it. The company pays a 4%-plus dividend by harvesting trees and bringing in big income. But the most exciting thing is Rayonier's potential "higher and better use" land.

These properties aren't boring timber. They're high-quality pieces of land that will eventually become high-end housing developments or commercial real estate. In short, they have the potential to sell for much more than what typical timberland is worth.

I know a few of these properties first-hand. One of the most incredible ones is probably 6-8 miles of waterfront along the St. Mary's River... with easy, direct access to the Atlantic Ocean for boaters. This land - known locally as Crandall - is incredibly valuable. But for now, it sits untouched...

Why is nothing happening at Crandall? Because Rayonier has not been in any hurry to sell. You can only sell land like Crandall once... so when you do sell it, you want to sell it the right way.

For now, Rayonier makes plenty of money from its timber business... and it's waiting to sell its best land at peak prices. It's my favorite way to invest in undeveloped land right now.