Twitter Thread by The Undercover Fund Manager

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My 12 favourite quotes from Phil Fisher, from his wonderful book 'Common Stocks and Uncommon Profits'

Aside from Buffett/Munger, Fisher is the investor that has had the most influence on me and I would recommend his book to anyone:

"More money has probably been lost...

...by investors holding a stock they really did not want until they could 'at least come out even' than from any other single reason... Especially so when you consider foregone reinvestment gains."

"If the growth rate is so good that in another 10 years the company might well have quadrupled, is it really of such great concern whether the stock might or might not be 35% overpriced? Maintain the position and don't worry about losing a small part of the gain."

"If a company has changed for good it deserves to trade at a P/E premium to its history and will probably continue to do so. For young companies in particular many investors will mistakenly view them as overvalued...

…Stocks that at first glance appear to the highest priced may, upon analysis, be the biggest bargains."

"There are enough spectacular opportunities among established companies that ordinary individual investors should make it a rule never to buy into a promotional enterprise, no matter how attractive it may appear to be."

"If a stock seems the right one and the price seems reasonably attractive, buy 'at the market'. Don't quibble over the odd few % or you may miss out on huge long term gains."

"Take care to own not the most but the best (businesses). A little bit of the great many is a poor substitute for a few of the outstanding."

"It is impossible to stand still. Only by getting better can a company be sure of not growing worse."

"You need the greatest possible number of vivid spirits in an organisation - exceptional entrepreneurs with the determination not just to leave things at their present state but to drive improvement."

"When management instil a belief among all employees that it is doing everything it can to create a good working environment and take care of its employees' interests, the rewards the company receives in greater productivity can vastly outweigh the costs of such a policy."

"Many companies have an irresistible urge to maximise profit in each accounting period. A true growth oriented company must never do this. It must focus on earning sufficient current profits to finance the costs of expanding the business.

"High quality management possess two things 1) They handle day-to-day business tasks with above-average efficiency 2) They are able to look ahead and make long-range plans that will produce significant future growth for the business without compromising existing operations."

"A strong ability to defend established moats against new competitors is essential for sound investment."