Twitter Thread by Brian Feroldi

Brian Feroldi
@BrianFeroldi

1/ My most popular tweets of 2020 by month (thread)

January:

A reminder of @morganhousel cash strategy.

For every $1,000 in cash:

More: ■■■■■■■■■■

Market falls by this much	I invest this much	Historical frequency
10%	$100	Every 11 months
15%	$220	Every 24 months
20%	$300	Every four years
30%	$130	Every decade
40%	$125	Every few decades
50%	$125	2-3 times per century

2/ February

If you've truly found the next $AMZN, $AAPL, or $NFLX and can hold for years, it's nearly impossible to overpay.

But finding them is hard.

3/ March

Millennials have seen tech crash, 2008, and now #COVID19

I'm worried that many of them will swear off the stock market -- the greatest wealth-building device ever -- for life.

4/ April

Want to see the checklists used by

Buffet
Dalio
Fischer
Graham
Greenblatt
Klarman
Marks
Munger

and more?

https://t.co/lrR1Fwe2WE

5/ May

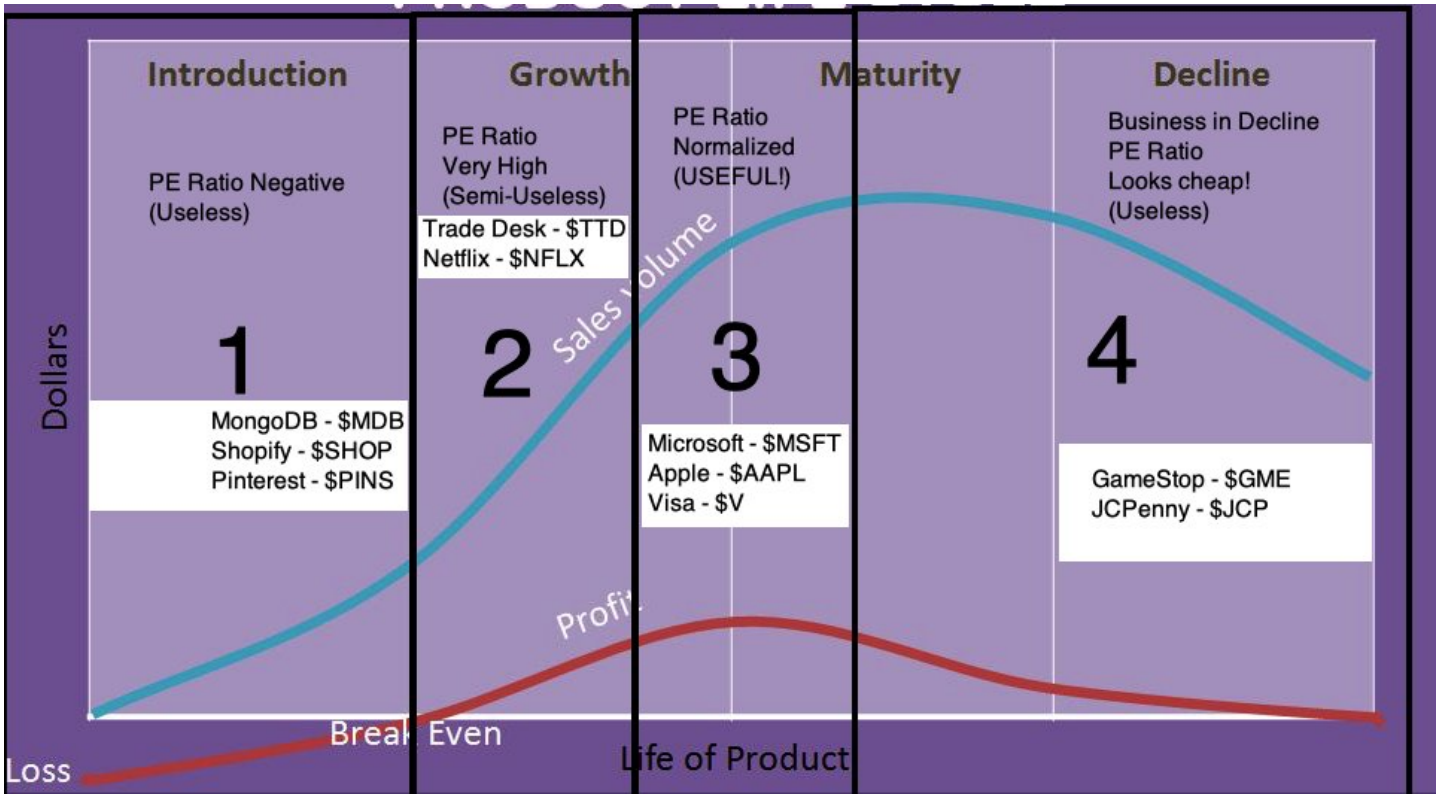
When the P/E ratio is:

Useless (Stage 1, 4) - $MDB, $SHOP, $PINS, $GME, $JCP

Semi-useful (Stage 2) - $TTD, $NFLX

Useful! (Stage 3) - $MSFT, $AAPL, $V

In determining valuation



6/ June

Thread on the presentation that I give at my kid's stock about the stock market

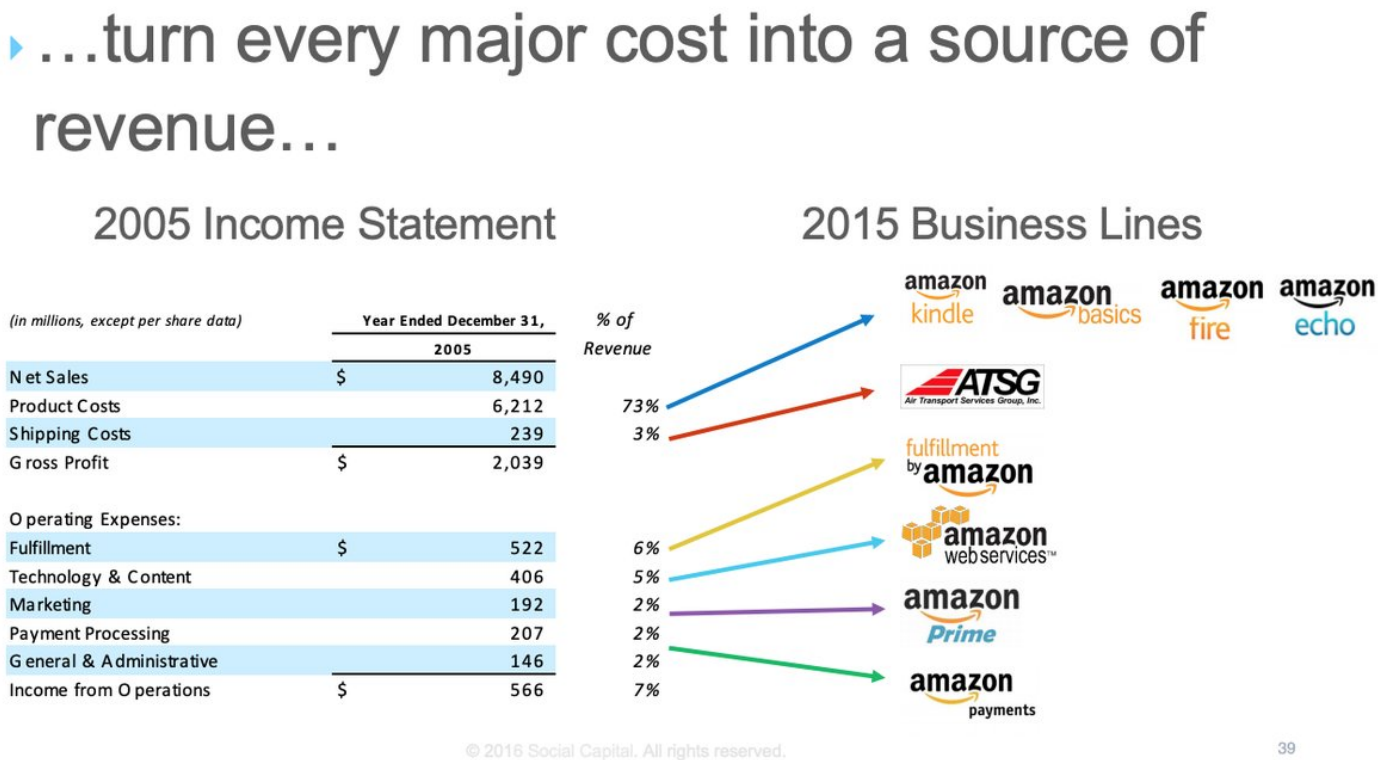
https://t.co/Qf1SQxjEQ3

> This school year, I lectured at my kid's school
>
> I taught 2nd - 5th grade about investing/money
>
> 11 classes/250 kids.
>
> My goal was to maximize ENGAGEMENT, so I made it as FUN as possible@themotleyfool has taught me that headlines matter, hence title :)
>
> Details below: \U0001f447\U0001f447\U0001f447 pic.twitter.com/BYktP1NDUm
>
> — Brian Feroldi (@BrianFeroldi) June 13, 2020

7/ July

Amazing slide from @socialcapital on how $AMZN gradually turned all of its major costs into sources of revenue

This is beyond brilliant



8/ August

Warren Buffett is worth $90 billion

$89.7 billion of that was generated after he turned 50

9/ September

Characteristics of stocks with 10x potential:

1) Market cap <$5 billion
2) Building a moat that could be wide eventually
3) Huge TAM
4) Recurring revenue
5) Stable/expanding margins
6) Great management team

10/ October

Invest in:

Your skills
Your home
Your family
Real Estate
Your health
Your network
Your community
The stock market
Your relationships
Your balance sheet

11/ November

I updated my "Do I Invest?" framework to include $SNOW, $LMND, $FSLY, $ADSK, $ETSY, $ZS, $NNOX

Investment Stage	Risk	Profits?	Return Potential	Do I Invest?	Company Examples
1. Business Formation	Max	No	200x+	No	
2. Product Development	Max	No	200x+	No	$NTLA, $EDIT, $NNOX
3. Product Launch	Very High	No	100x+	No	$SPCE, $NKLA
4. Product Market Fit?	Very High	No	100x+	No	
5. Huge Revenue Growth	High	No	20x+	<1%	$GH, $TMDX, $DKNG
6. Reinvestment	Med-High	No	20x+	<1%	$SNOW, $LMND, $FSLY
7. Margin Expansion	Medium	Close	10x+	1% - 2%	$SHOP, $ROKU, $BYND
8. Reach Profitability!	Med-Low	Yes	10x+	2% - 4%	$PINS, $NVCR, $TSLA
9. Huge Profit Growth	Med-Low	Yes	10x+	2% - 4%	$ADSK, $ETSY, $ZS
10. Market Maturity	Low	Yes	2x $SPY	4% to 10%	$MSFT, $FB, $SBUX
11. Dividend / buyback	Low	Yes	1.5x $SPY	Start to Exit	$BKNG, $AAPL
12. Dividend Aristocrat	Low	Yes	1.25x $SPY	Full Exit	$VZ, $ECL, $MMM

12/ December

Personal finance should be a mandatory curriculum in middle school and high school