

Twitter Thread by Sajal Kapoor



Sajal Kapoor

@unseenvalue



Infra vs Compounder. Get poor fast vs Get rich slowly (unless you buy at the bottom and "luckily" survive the bankruptcy/mortality risk to ride the subsequent fast recovery and then turn "lucky" again to exit in good times resisting your irresistible greed).

Infra vs Compounder



@unseenvalue

In good-times (up cycle), the infra business would pile on debt to fund the competitive asset-auction (bidding). In bad times (down cycle) – it sells those assets to de-leverage. The **peak-to-valley drawdown could be as high as 99% (compounding remains elusive and unseen)**

The evergreen compounder on the other hand can and **does go through long periods of time correction**, but **still creates serious wealth** over long time periods (decades)

