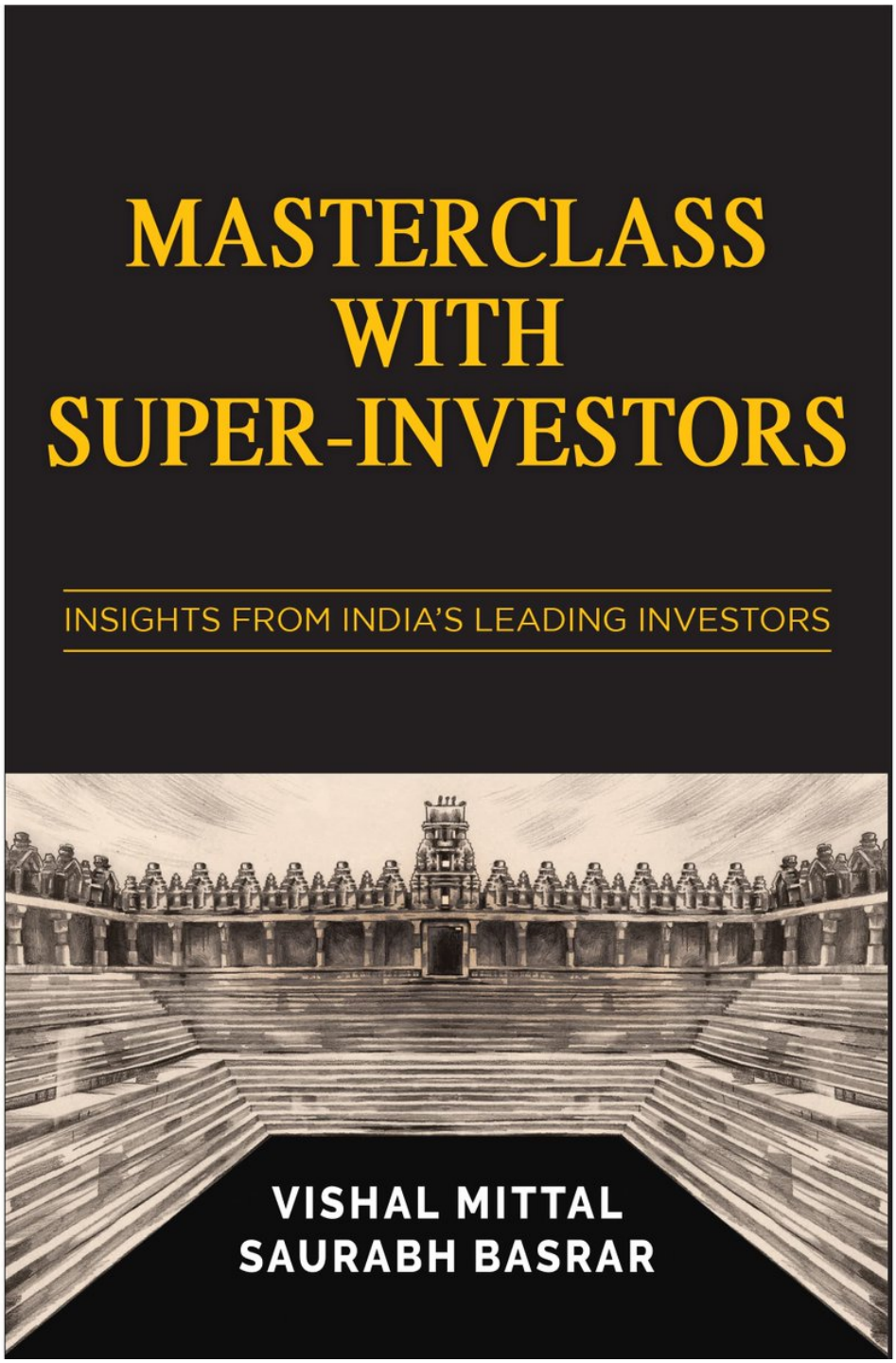
Twitter Thread by Investment Books

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As part of our Knowledge sharing initiative by @FinnacleAcademy and @Investmentbook1, here we are on our post 2 with some of the most important key takeaways of the book “Masterclass with super investors” by @vishalmittal22 & @basrars

Here we go! (1/n)



Masterclass with super investors is one of the best books covering the investment strategies & journey of renowned domestic investors. Our summary has been segregated in 2 parts, A) Common traits in investment ideologies of these stalwarts B) Investor specific key takeaways (2/n)

A)Let's look at a few common points in these Stalwarts' investment ideologies 1)Invest (higher % of portfolio) when you have conviction backed by sound logic 2)You need to be bullish on India to make investments in Indian cos. bcoz majority of Indian cos. are domestically focused

3. New Bull markets have new leaders when a bull markets ends the stocks which have gained the most falls the most 4. The entry price that you pay for a company should be very cheap so that even if your assumptions go wrong in future you don't end up losing money (4/n)

5. We get attached to stocks which have given us a lot of returns in past even though in current & future expected scenarios they seem overvalued 6. Focus on art of disciplined selling-it's imp. to have a sound selling mechanism just buying at right price wont create wealth.(5/n)

7.Lower interest rates leads to increased liquidity which in turn reduces co. cost of capital & is good for equity mkts 8.Don't sell your winners bcoz they have crossed some threshold of % of portfolio,sell only if their valuations are extreme or business has turned negative(6/n)

9.For a company to make lot of money for investors the mkt size of industry should be huge so that the co. can expand & Mgnt execution track record should be great 10.Similar to business in investing initial 5-10yrs offers struggle & then you understand the main edge.(7/n)

11.There should be tailwinds in your investment i.e. something naturally happening good for the co. & industry as a whole 12 Be courageous to act differently & have patience for your thesis to play out. (8/n)

13.Always ask "why" try to understand the logic behind the increases or decrease in fortunes of the company. 14. Never EVER invest with a poor management 15. Indicators of Bull Mkt nearing its end a) Bull market ends when bad companies IPOs are also getting oversubscribed (9/n)

b) IPOs mkt is hot c) Govt is also selling stake c) cos. are also selling stake d) the stocks with junk quality also start rising exceedingly well 16. The highest valuation are awarded to businesses with High growth + High ROCE 17. Great companies have 2 characteristic:(10/n)

a) They grow more than expected & b) they grow with consistencies. 18.A good indicator that a particular sector cycle is ending is to see lot of new players from India or abroad trying to enter the sector especially after the good period has sustained for sometime (11/n)

19. In bear mkt everything falls and in bull market everything rises but the real difference is that in bear market good businesses falls the lowest and in bull market good businesses rises more than average. So the real difference comes by losing less in good businesses. (12/n)

20. When a lot of companies start expanding in the industry have a close watch on supply side economics. Expected Supply should not outstrip demand bcoz then industry down-cycle begins 21. Apart from equity the 2nd asset class that can provide decent returns is real estate (13/n)

B) Of the 11 Investor Stalwarts covered in the book, due to thread size constraints, we have picked only 5 of these stalwarts for summary purpose: Ramesh Damani sir: 1)Position Sizing: Invest heavily (a higher % of portfolio) when you have conviction backed by sound logic. (14/n)

2) Evaluating Managements: Watch hunger & passion of mgnt in business, not stock price. Decisions shouldn’t be taken by seeing stock prices, rather it should do what suits the business. Check the history of mgnt: See whether what they have told has been executed or not. (15/n)

4) Mistake to avoid: Don’t assume stocks which have performed well in the past cycle will perform the same in coming years. Anil Goel sir: 1) Understanding Business + Good Management = Key to success in stock markets (16/n)

2) To invest in commodity stock first you need to understand the underlying commodity & its cycle.
3)Investment style: “KCPLTD”
- K = Knowledge
- C = conviction
- P = Patience
- L = Luck
- TD = Timely deployment (17/n)

Vijay Kedia sir: 1)SMILE approach: Small in size, Medium in experience, Large in aspirations & Extra large in mkt potential 2)Things to look in mgnt: 1)Honesty 2)Hunger 3)Smartness 3)Best time to sell: 1) Mgnt loses its focus from core business 2) Valuations are extreme(18/n)

4) Mantra for investing: Unheard companies + Capable management + Low valuation Govind Parikh sir: 1) Scuttlebutt: Reading AR is not sufficient, you have to do ground research by yourself! (19/n)

2)When you buy a stock maximum amt you can lose while holding that stock is what you have invested but when you short a stock bcoz of high valuation maximum amt you can lose is infinity. 3)Look for the companies which are the 1st ones in the industry to do new things (20/n)

4) While investing, never trade by watching any other’s trade irrespective of who that person is, always have independent decisions based on your research. (21/n)

Rajashekhar Iyer Sir: 1) Rajashekhar sir loves to buy companies where profit growth is high but are trading at very cheap valuation. He also uses technicals to evaluate entry and exit points. (22/n)

2) Idea Generation: Can be generated through screens or from someone else but the most important thing is to eliminate bad one’s. Some of the criteria for rejection: - Poor Management quality - Absurd valuation - Lack of entry barriers or - Less scope for scalability etc (23/23)

Let us know your thoughts or point of view on the same.

Here is book link if you loved the thread and want to read more about these super investors :)

https://t.co/5nvTS4yDvN

You can read the unrolled version of this thread here: https://t.co/VPU1xE9VZV