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@InvestRepeat

A THREAD on some insightful thoughts about Investing & Financial Independence by Rohit Chauhan (@rohitchauhan) Sir:

1/

The unfortunate reality of markets is that the last one to panic loses the most. So if you must panic, do it early or else don't.

2/10

Investing is such a solitary activity where you are fighting your own bias and lack of knowledge; that it is amazing to see people argue and fight with others about the merit of their investment ideas.

Other than preserving your ego, what good can defending your ideas do?

3/

Thank god, my parents did not do a DCF on me like a lot of investors do in their analysis. Negative free cash flow during investment phase (school & college) & conclude my NPV was -ve. Good thing there is no way to short your kids. U are forced to be long & hope for the best.

4/10

It's a privileged life if one of the main worries in life is how to beat the market.

Less than 0.1% of humanity has this worry. It is the highest of high class problem.

5/10

25x is a good threshold for financial independence, where x is annual expenses.

Focus on fulfillment and not money beyond that. If you still chase money, then it's not the money you are after.

6/10

As you grow older, you realize you are not as smart as you think; others are in the same boat and we should not take ourselves too seriously.

Freed of this constraint, an open mind & learning begins. I wish I had realized this sooner, but better late than never.

7/10

Investing has become tougher over the last 10 year, not because of market efficiency, but more due to the media noise which distracts us from doing the sensible thing for the long run.

Investing has become a T20 than a test match.

8/10

When you start as an investor, you feel dumb and ignorant.

After a few years, you feel confident, sure and smart.

After spending another decade of learning, you feel uncertain and ignorant again when you realize how much you don't know.

9/

Cannot remember a single year since 1998 when I started investing when there was no worry or macro risk or impending doom

However focus on buying good business at decent prices has worked through this period. I would have been poorer if I listened to all the chicken littles.

10/10

What would I tell my younger self 20 yrs back?

Invest 100% of savings in equities for the long run. Don't try to time the market. Duration of investing beats CAGR anytime.

Plan to impart this learning to my kids in the future when they start working.