Twitter Thread by Vivek Mashrani, CFA



Vivek Mashrani, CFA
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If you understand just this one quote, it will transform your investing journey...

So powerful...

#investing #compounding



"Over the long term, it's hard for a stock to earn a much better return that the business which underlies it earns. If the business earns six percent on capital over forty years and you hold it for that forty years, you're not going to make much different than a six percent return - even if you originally buy it at a huge discount. Conversely, if a business earns eighteen percent on capital over twenty or thirty years, even if you pay an expensive looking price, you'll end up with one hell of a result."

~ CHARLIE MUNGER