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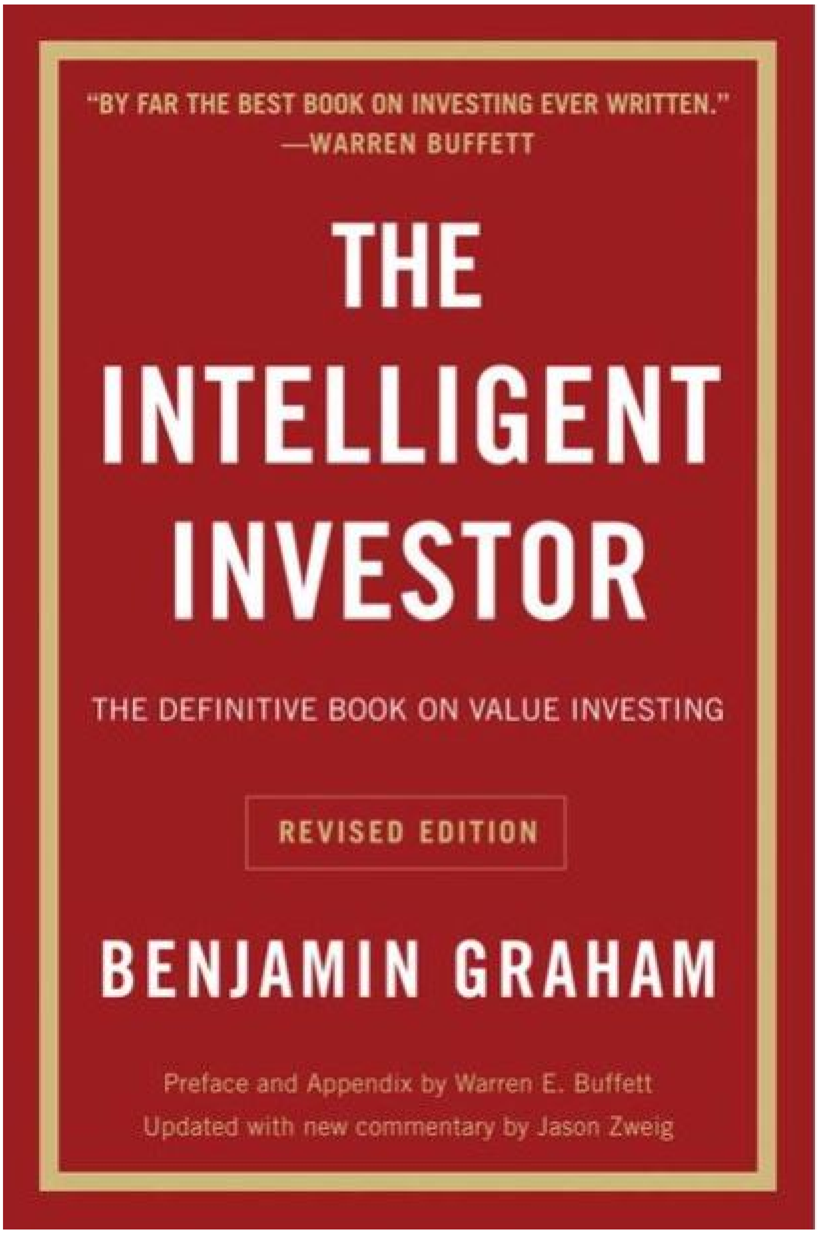
Ben Graham's "The Intelligent Investor" is a horrible book if you're using it purely for the quant formulas in today's Markets, but probably THE BEST BOOK if you're interested in learning about the core investing concepts, and eternal truths about the Markets & its participants.



Below are few of my fav quotes organized by topic.

1■ Discipline

Discipline

Investing isn't about beating others at their game. It's about controlling yourself at your own game.

The sillier the market's behavior, the greater the opportunity for the business-like investor.

By developing your discipline and courage, you can refuse to let other people's mood swings govern your financial destiny. In the end, how your investments behave is much less important than how you behave.

The investor's chief problem – and even his worst enemy – is likely to be himself.

Even the intelligent investor is likely to need considerable will power to keep from following the crowd.

In the financial markets, hindsight is forever 20/20, but foresight is legally blind. And thus, for most investors, market timing is a practical and emotional impossibility.

The best way to measure your investing success is not by whether you're beating the market but by whether you've put in place a financial plan and a behavioral discipline that are likely to get you where you want to go.

2■ Investing vs Speculation

Investing vs Speculation

Investment is most intelligent when it is most businesslike.

Confusing speculation with investment is always a mistake. Never mingle your speculative and investment operations in the same account nor in any part of your thinking.

Speculative stock movements are carried too far in both directions, frequently in the general market and at all times in at least some of the individual issues.

A great company is not a great investment if you pay too much for the stock.

An investor calculates what a stock is worth, based on the value of its businesses. A speculator gambles that a stock will go up in price because somebody else will pay even more for it.

The speculator's primary interest lies in anticipating and profiting from market fluctuations. The investor's primary interest lies in acquiring and holding suitable securities at suitable prices.

Successful investing is about managing risk, not avoiding it.

At heart, "uncertainty" and "investing" are synonyms.

3■ Mr. Market

Mr. Market

Mr. Market does not always price stocks the way a private buyer would value a business. Instead, when stocks are going up, he happily pays more than their objective value; and, when they are going down, he is desperate to dump them for less than their true worth.

The intelligent investor shouldn't ignore Mr. Market entirely. Instead, you should do business with him- but only to the extent that it serves your interests.

Mr. Market's job is to provide you with prices; your job is to decide whether it is to your advantage to act on them. You no not have to trade with him just because he constantly begs you to.

Price fluctuations have only one significant meaning for the true investor. They provide him with an opportunity to buy wisely when prices fall sharply and to sell wisely when they advance a great deal.

The margin of safety is always dependent on the price paid. It will be large at one price, small at some higher price, nonexistent at some still higher price.

4■ Bear Markets

Bear Markets

A defensive investor can always prosper by looking patiently and calmly through the wreckage of a bear market.

The best values today are often found in the stocks that were once hot and have since gone cold.

The intelligent investor should recognize that market panics can create great prices for good companies and good prices for great companies.

Avoid second-quality issues in making up a portfolio unless they are demonstrable bargains.

Losing some money is an inevitable part of investing, and there's nothing you can do to prevent it. But to be an intelligent investor, you must take responsibility for ensuring that you never lose most or all of your money.

Wall Street has a few prudent principles; the trouble is that they are always forgotten when they are most needed.