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CREATING **VALUE**

Investing and Patience | October 2021

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- This presentation is built on my personal experience and observations.
- I wrote it after watching many, many investments, many watchlists, and many, many other investors.
- It may fit you and it may not, you may agree with it or not, and that is OK.
- Feedback is always welcome!

We will talk about:

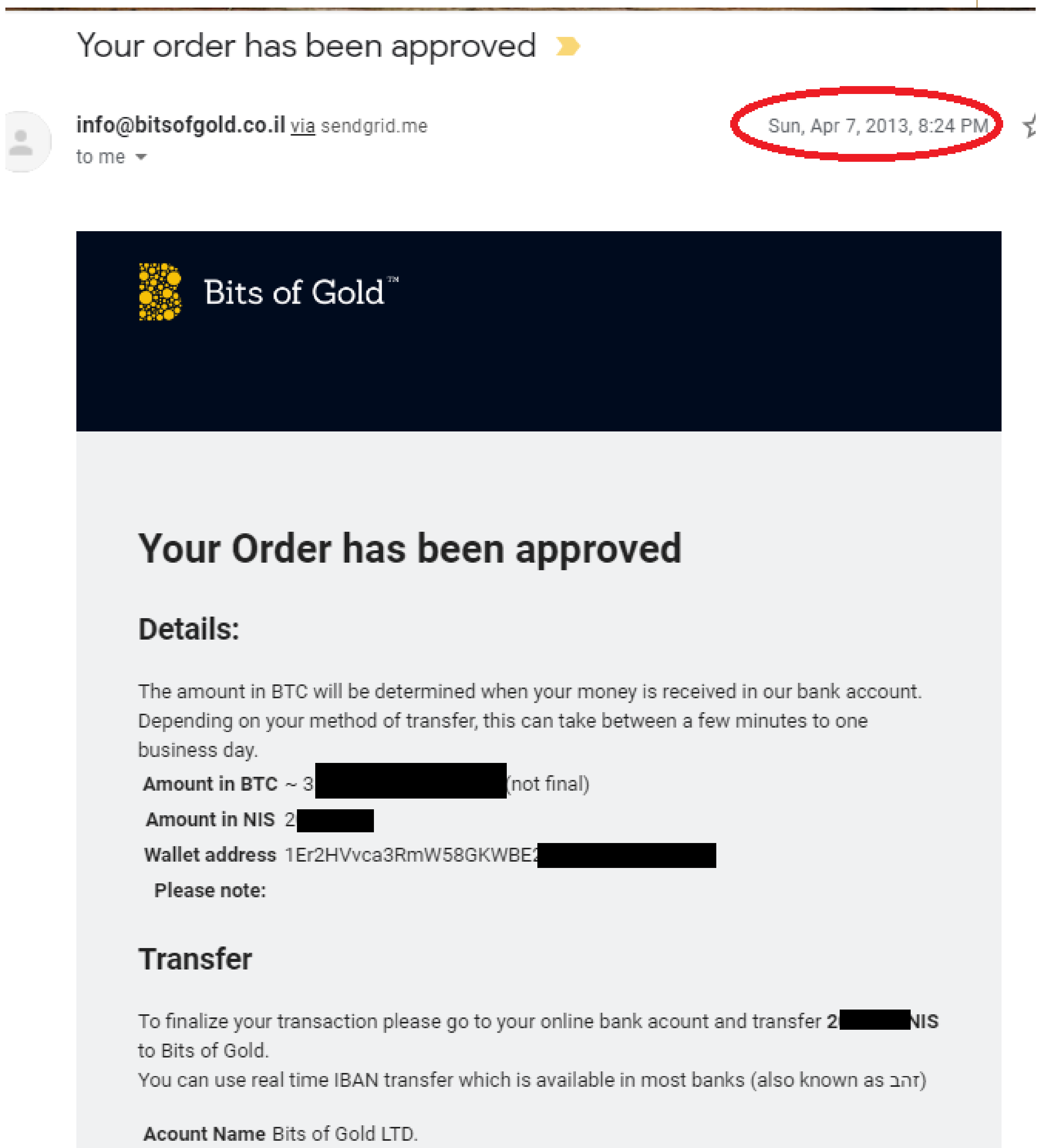
Patience

What is patience?

- Warren Buffett once said: "The stock market is a device for transferring money from the impatient to the patient".

- In the stock market Indeed - patience has granted investors with enormous wins.

- My personal biggest win was buying bitcoin for $200 apiece in 2013 and being a HODLER since then.



Your order has been approved

info@bitsofgold.co.il via sendgrid.me

Sun, Apr 7, 2013, 8:24 PM

to me

Bits of Gold™

Your Order has been approved

Details:

The amount in BTC will be determined when your money is received in our bank account. Depending on your method of transfer, this can take between a few minutes to one business day.

Amount in BTC ~ 3[redacted](not final)

Amount in NIS 2[redacted]

Wallet address 1Er2HVvca3RmW58GKWBE[redacted]

Please note:

Transfer

To finalize your transaction please go to your online bank acount and transfer **2[redacted]NIS** to Bits of Gold.

You can use real time IBAN transfer which is available in most banks (also known as זה"ב)

Acount Name Bits of Gold LTD.

Patience – what does it require?

- The ability to stay put when it looks like things are not going your way
- Remembering that investing results are set only by the long-term business performance
- Ignoring day to day price fluctuations
- Having the ability to estimate where will the business trade years will from now
- Having a strong stomach, self control, good crisis management

How rewarding can patience be?

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How rewarding can patience be?

- Amazon was IPO'ed on May 15, 1997, at a split adjusted price of $1.5 per share. It is worth $3444 today
- Amazon made X2300 on investors money, or 230,000%, that translates to a bit over 38% CAGR over 24 years
- During this 24 years stretch, crises were abundant, I marked only 6 major crises easily identifiable but there are more

Let's look on a single crisis - 2014

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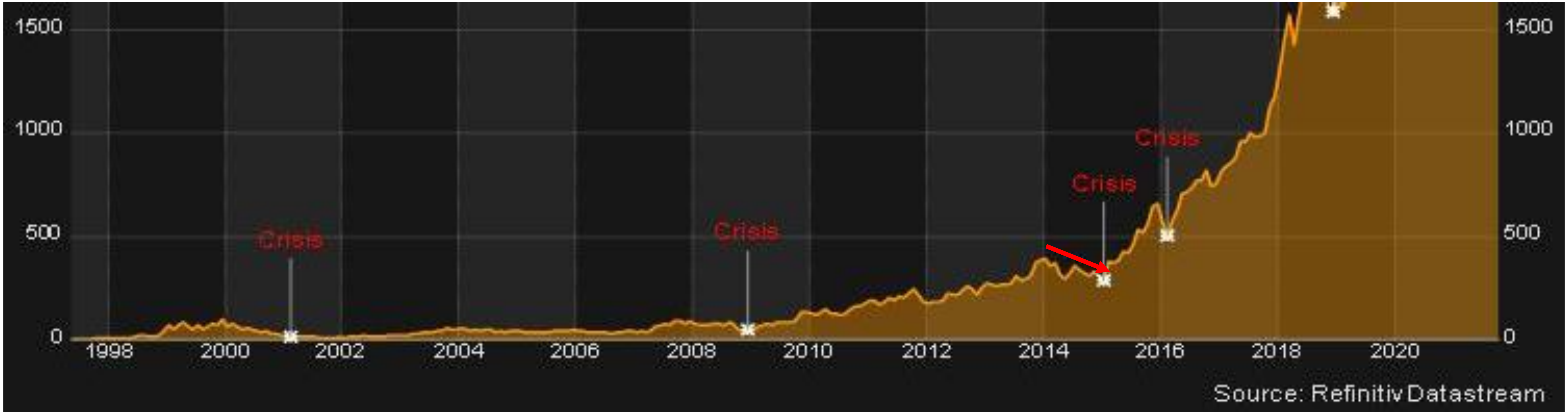
- During 2014, Amazon's share price declined for a whole year, relentlessly, from a high of $407 in Jan 2014 to a low of $287 in Jan 2015, a 30% decline for a year in which the index returned 13.7% !
- For a whole year, everything goes up, Amazon goes down. A W H O L E Y E A R.



Why so scary?

July 25, 2014

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Spending as Contently as Ever...Then Some

Lowering Target to $400 on Meaningful Margin Reductions

Amazon delivered in-line revenues and profitability on better gross margins in the quarter, but the company's margin guide was clearly inadequate with neither the low or high end of their EBIT range in positive territory (neg. $400mm to zero vs. pos. $535mm estimate). As result, we are cutting our 2014 and 2015 margin assumptions until we see a sign of inflection in this investment cycle, which is safe to describe as a wa being waged on multiple fronts.

Dropping CSOI Margins. For 3Q14, FY14 and 2015 we are ramping discretionary opex to account for escalated spending in Content International, Web Services and Fulfillment on essentially unchanged revenue and modestly higher gross profit,. For these periods, CSO margin drops to 0%, 1.3% and 2.6% of revenues from 2.6%, 2.6% and 3.8%, respectively.

- **Higher Content Spending.** Management cited over $100mm in

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Amazon.com Inc.

HOLD (AMZN, $321.83)

AMAZON DECLINE: SHARES DROP OVER 10% ON WIDENING LOSSES.

Haiku: Amazon decline: billions of dollars erased, as expenses grow.

Shares of Amazon are down over 10%, erasing over $15 billion in market value as investors react to the sustained investment cycle that resulted in a wider than expected June quarter operating loss and company guidance for deeper losses in the September quarter. We mention that the nature of the current investment cycle has different components from historical cycles focused on creating additional fulfillment centers. Adding fulfillment centers typically resulted in revenue growth as the company was able to accommodate increased item volume. The current investment cycle layers in increased technology and content costs as Amazon seeks to build itself into a complete consumption, payment and advertising platform for physical and digital goods. There are components of these investments that are naturally going to be recurring as the company

PRICE PERFORMANCE CHART

COWEN AND COMPANY

Internet: E-Commerce

Amazon.com

Equity Research

Earnings Update

July 25, 2014

Price: $358.61 (07/24/2014)
Price Target: $390.00

OUTPERFORM (1)

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Key Data

Symbol	NASDAQ: AMZN
52-Week Range:	$408.06 - 279.33
Market Cap (MM):	$165,020.6
Net Debt (MM):	$(9,256.0)

2Q14 Review: Deteriorating Profitability Challenges Outlook

The Cowen Insight

AMZN delivered a mixed report with units stabilizing and a topline result and guide that met expectations, but the profitability disappointed. Also, AWS price cuts put an unexpected dent in growth. Net-net: while the LT thesis remains mostly in-place, we lowered est's and took PT to $390 (from $410). Maintain OP.

2Q14 Results: Revenues In-line but Higher Cost Sinks EPS

Total revenues of $19.34BN (+23.2% y/y) was in-line with our estimate and consensus. EGM drove the beat at $13.28BN (+28% y/y) vs. our $13.16BN estimate and Media revenue of $4.84BN (+10% y/y) was 1% above our forecast. Other revenue was

Why so scary?

Morningstar Equity Research

MORNING

Amazon.com Inc AMZN (NAS) | ★★★★

Last Price	Fair Value	Consider Buy	Consider Sell	Uncertainty	Economic Moat™	Moat Trend™	Stewardship	Morningstar Credit Rating	Industry Grou
291.64 USD	375.00 USD	225.00 USD	581.25 USD	High	Wide	Stable	Exemplary	A-	Retail - Appar Specialty

Amazon's Network Effect Intact, but Capital-Allocation Questions Intensify; Fair Value Down to $375

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The primary analyst covering this company does not own its stock.

Analyst Note 24 Oct 2014

While we believe the network effect behind our wide moat rating is intact, Amazon's third-quarter update raises questions about the company's capital-allocation strategies. Amazon has made sound investments in developing a moat-worthy business model, including an efficient fulfillment infrastructure in North America (augmented by same-day delivery options stemming from

Vital Statistics

Amazon.com

A lost year, but cause

3Q better than headline results due to phone issues....

Amazon reported rev./GAAP EPS of $20.6bn/($0.95) vs. Street at $20.85n/($0.75). Revenue grew 20.3% y/y ex-FX, a 130bps deceleration vs. 21.6% in 2Q on a 80bps more difficult y/y comp. Gross profit growth of 26% y/y declined from 32% in 2Q, but would have been 29% when adding back ~$150mn for phone write off. Gross margins of 29.7% ex-phone would have beaten our 29.1% estimate. The increase in 3P units to 42% vs our 41% estimate likely hurt revenues by ~$200mn in 3Q.

...but 4Q guidance a concern

Amazon guided 12.5% y/y rev. growth or 15% ex-FX at the midpoint vs. the Street at 21% y/y. Also, GAAP op. margin guide of (0.2%) was well below the Street at 1.5%. It is likely that Amazon was gearing up for a higher gross profit level in 2014 (probably around $1bn higher, AWS price cuts and phone miss key culprits), and with the miss, operating profit is coming in well below plan. We can live with the lower operating profit levels, but 4Q revenue growth guidance is disappointing.

Lowering 2014 estimates, 2015 revenues down 3%

Merrill Lynch

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Stock Data

Price	US$313.18
Price Objective	US$340.00
Date Established	24-Oct-2014
Investment Opinion	B-1-9
Volatility Risk	MEDIUM
52-Week Range	US$284.38-408.06
Mrkt Val / Shares Out (mn)	US$143,828 / 459.3
BofAML Ticker / Exchange	AMZN / NAS
Bloomberg / Reuters	AMZN US / AMZN.OQ
ROE (2014E)	7.6%
Total Dbt to Cap (Sep-2014A)	NA

CREDIT SUISSE

24 October 2014
Americas/United States
Equity Research
Consumer Internet

Rating	OUTPERFORM*
Price (23 Oct 14, US$)	313.18
Target price (US$)	(from 422.00) 395.00¹
52-week price range	407.05 - 288.32
Market cap. (US$ m)	144,700.47

*Stock ratings are relative to the coverage universe in each analyst's or each team's respective sector.
¹Target price is for 12 months.

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Amazon com Inc. (AMZN)

DECREASE TARGET PRICE

We Hold Our Nerve Amidst the Negative Sentiment Storm

- **Event:** AMZN reported lower than expected 3Q14 results - revenue of $20.6b up 20% x-FX while a CSOI of -$136mm (vs. $267mm in 3Q13), was worse than our -$72mm forecast and modestly better than the mid-point of guidance. Consequently, CSOI margin of (0.7%) vs. 1.6% in 3Q13 was 300bps below our (0.4%). We have decreased our NT Int'l revenue estimate on ongoing headwinds in Japan and increase our CapEx assumptions – our FY15 Non-GAAP EPS decreases to $0.97 and our PT is now $395 (from $422).
- **Investment Case:** Ongoing investments into its many initiatives including AWS and geo expansion masked the gross margin expansion benefits in its retail business which was 239bp (less $170mm in Fire Phone write downs

Let's look on a single crisis - 2014

- Amazon finished the next year, 2015, up 135% below its low point in Jan that year, at $676 per share, handily beating the index over the 2014-2015 stretch.

Patience – The sure path to riches

- Patience – Just be patient, and you'll be rich, yes, it is that easy.

END

Right?

WRONG!

My uncle once told me…

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- Working toward a certain goal is different than working towards an uncertain goal.
- Studying hard in the university practically guarantees you a degree and a high score.
- Practicing hard will guarantee that you will improve almost in any space – sports, chess, language.
- Those are certain, definable goals.
- My mother fought fiercely with her cancer. She invested a lifetime of indescribable suffering to fight it off, just to lose in the end, and without any benefit.
- When the goal is uncertain, sometimes the goal is not achieved and the entire investment is lost.
- Patience is working toward uncertain goal because we do not know if our patience will pay off.
- In our case, the investment that may be lost is not only time – remember ? (next slide)

Patience – what does it require?

- The ability to stay put when it looks like things are not going your way
- Remembering that investing results are set only by the long-term business performance
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- Having the ability to estimate where will the business trade years will from now
- Having a strong stomach, self control, good crisis management

Exhausting….

Patience is not the path to riches – it's a statistical game

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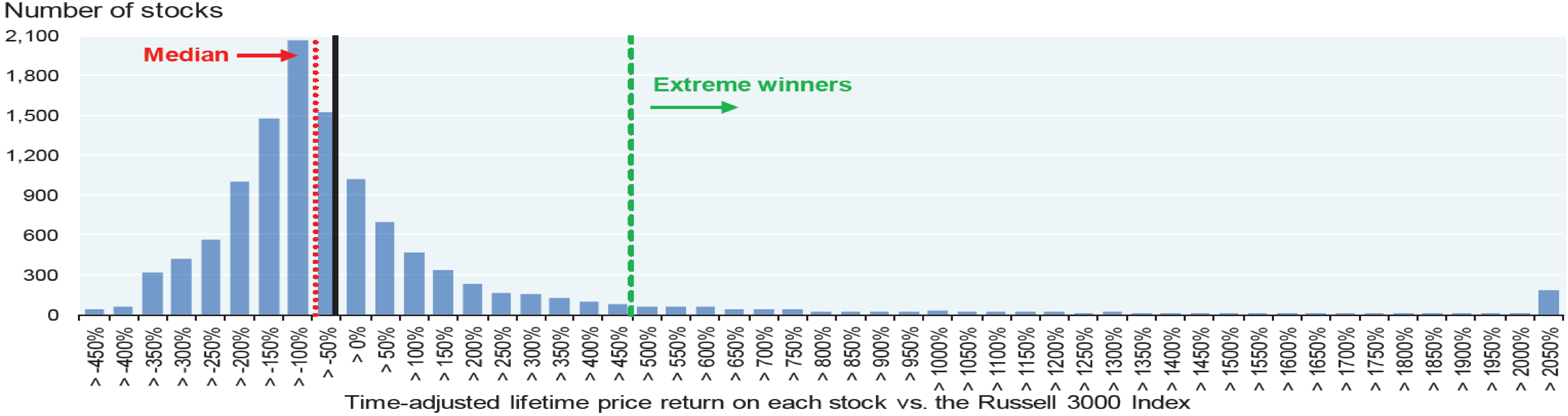
- Surprisingly, 40% of all stocks return a NEGATIVE absolute return over their lifetime*.
- Median Stock is -54% vs index
- 67% of all stocks return sub-index returns over an investing lifetime.*
- What are the odds of your patience being rewarded?

Distribution of excess lifetime returns on individual stocks vs. Russell 3000, 1980-2014



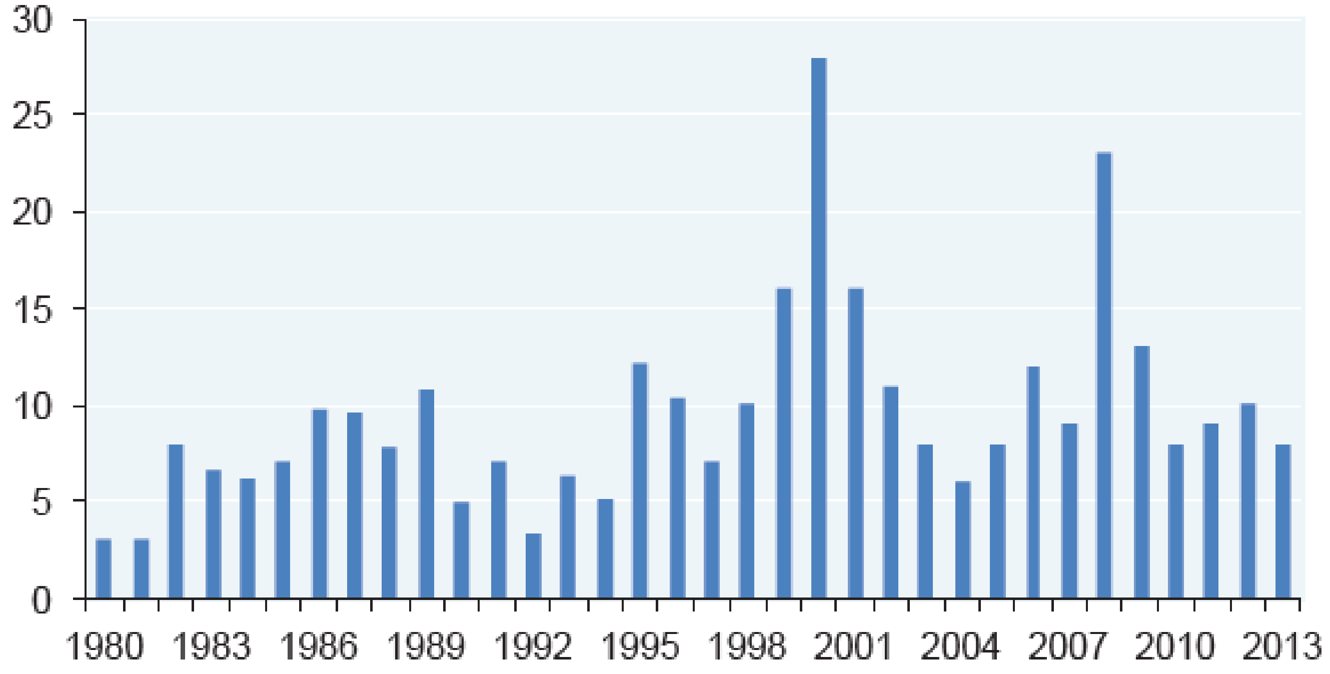
Source: FactSet, J.P. Morgan Asset Management.

*Investing lifetime – a period of 35 years

Patience is not the path to riches – it's a statistical game

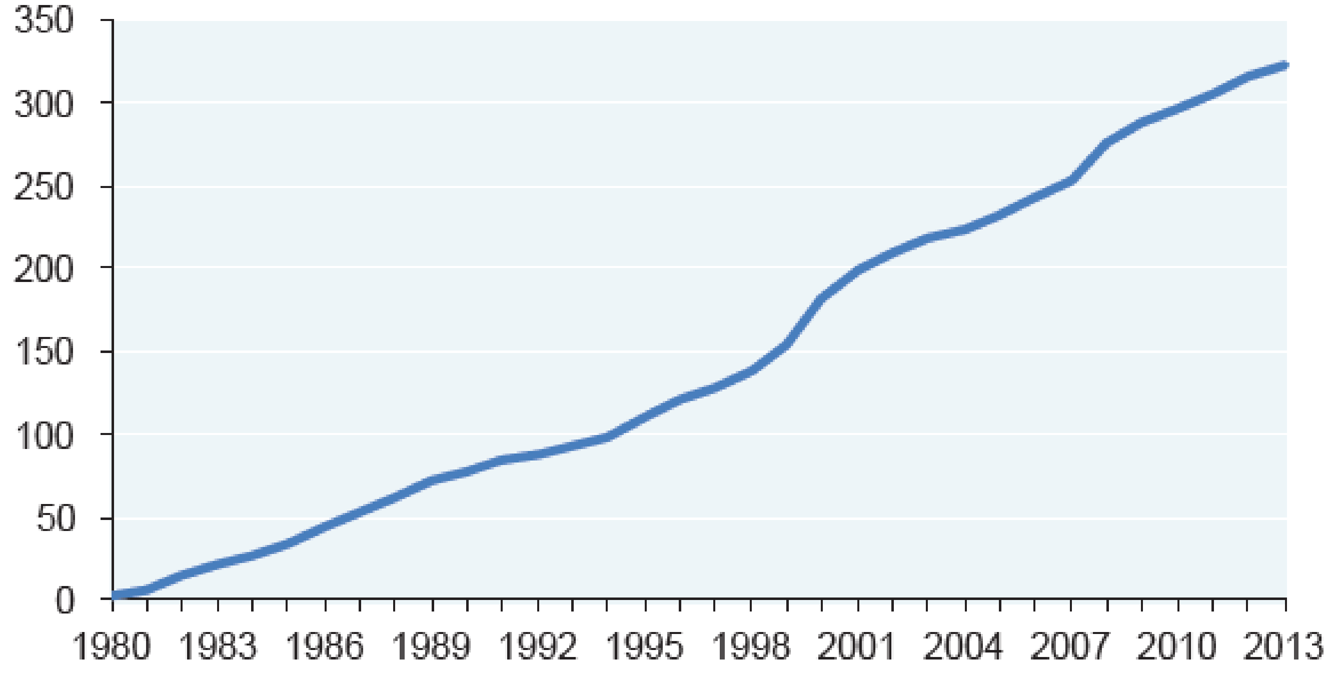
- Let's look on S&P500:
- 320 stocks removed from the index due to distress in 35 years
- Only 3% of the companies beat the S&P500 over a period of 40 years
- What are the odds of your patience being rewarded?

Number of companies removed from the S&P 500 due to distress by year, Number of companies



Source: FactSet, Bloomberg, Standard & Poor's, JPMAM. 2013.

Cumulative number of companies removed from the S&P 500 due to distress, Number of companies



Source: FactSet, Bloomberg, Standard & Poor's, JPMAM. 2013.

*Investing lifetime – a period of 35 years

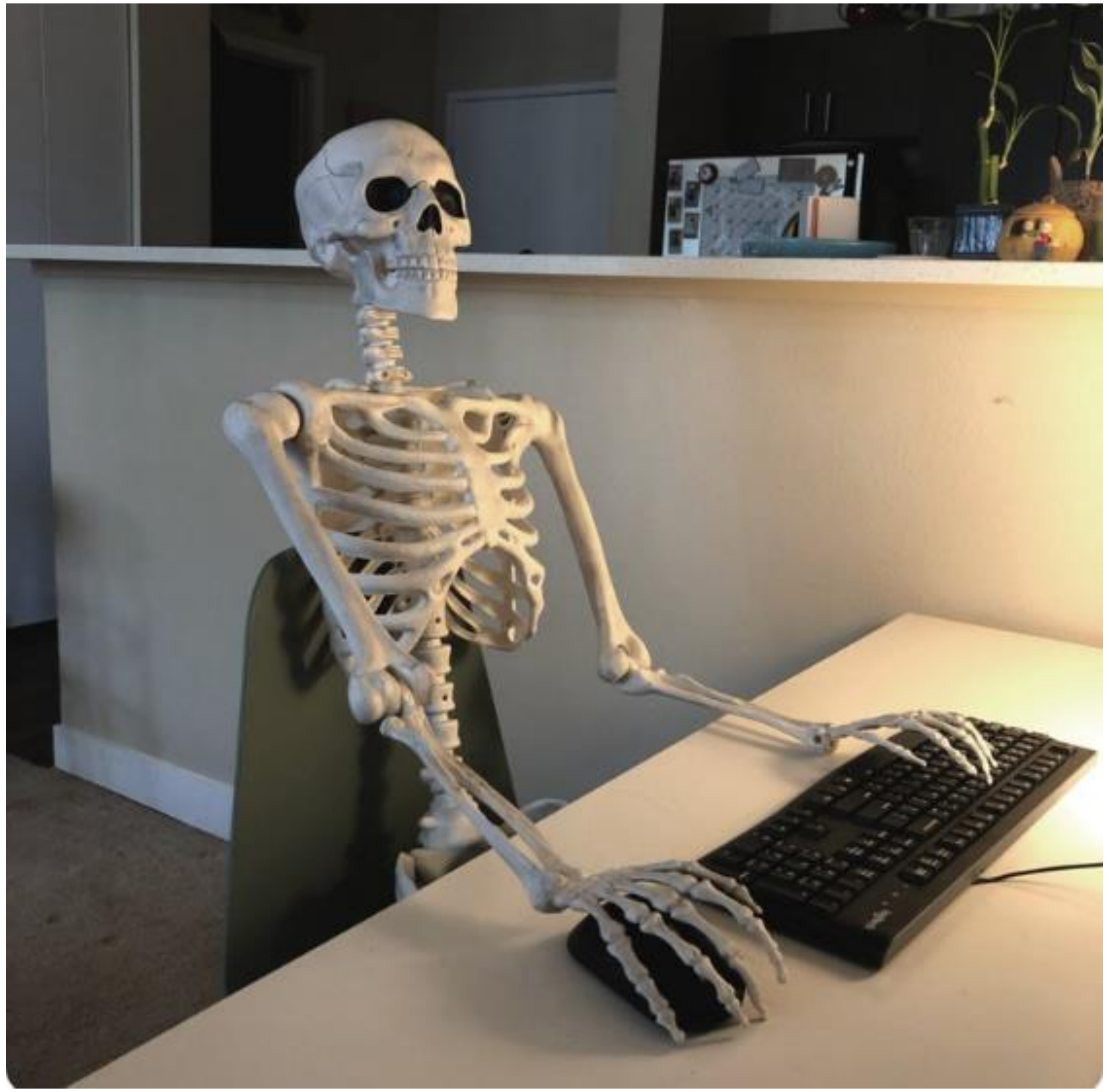
Your investing career

- The average investor has about 35 years of investing throughout his career.
  - Most investors start off when they have accumulated enough wealth around the age 30.
  - Assuming retirement at age 65.
  - Life does not end at 65, but at 65 you better have reached your goal and have enough to spend

- Remember - Life is finite, money is not

What are the odds of your patience being rewarded?

- Looking at Amazon's graph makes "patient" people that held Amazon since early years look like geniuses. Kudos, they deserve it. We know that being patient is hard. And they were rewarded.
- But this is Survivor Bias.
- For every such genius, we have many, many other brave patient investors who waited and waited and waited.
- They were not rewarded and disappeared quietly into oblivion.



Real world example – Liberty Global

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- Liberty Global is the largest cable company in Europe.
- I bought the first stock of Liberty Global in 2014, when my son was less than one year old, on 15 July 2014 for $42.77 per share.
- My 2014 analysis of the industry came after reading a book about John Malone cable empire.
- Cable is a good business – customers are sticky, being an internet supplier is a critical service that is not price sensitive, inflation is a large plus and since it is a very predictable business it can be leveraged significantly.
- Management was excellent, Malone was controlling and had a significant stake.
- The company was making good deals for shareholders, and they were buying back stock.
- The share price has been on the rise for years.
- Seems like a very safe investment!

Real world example – Liberty Global

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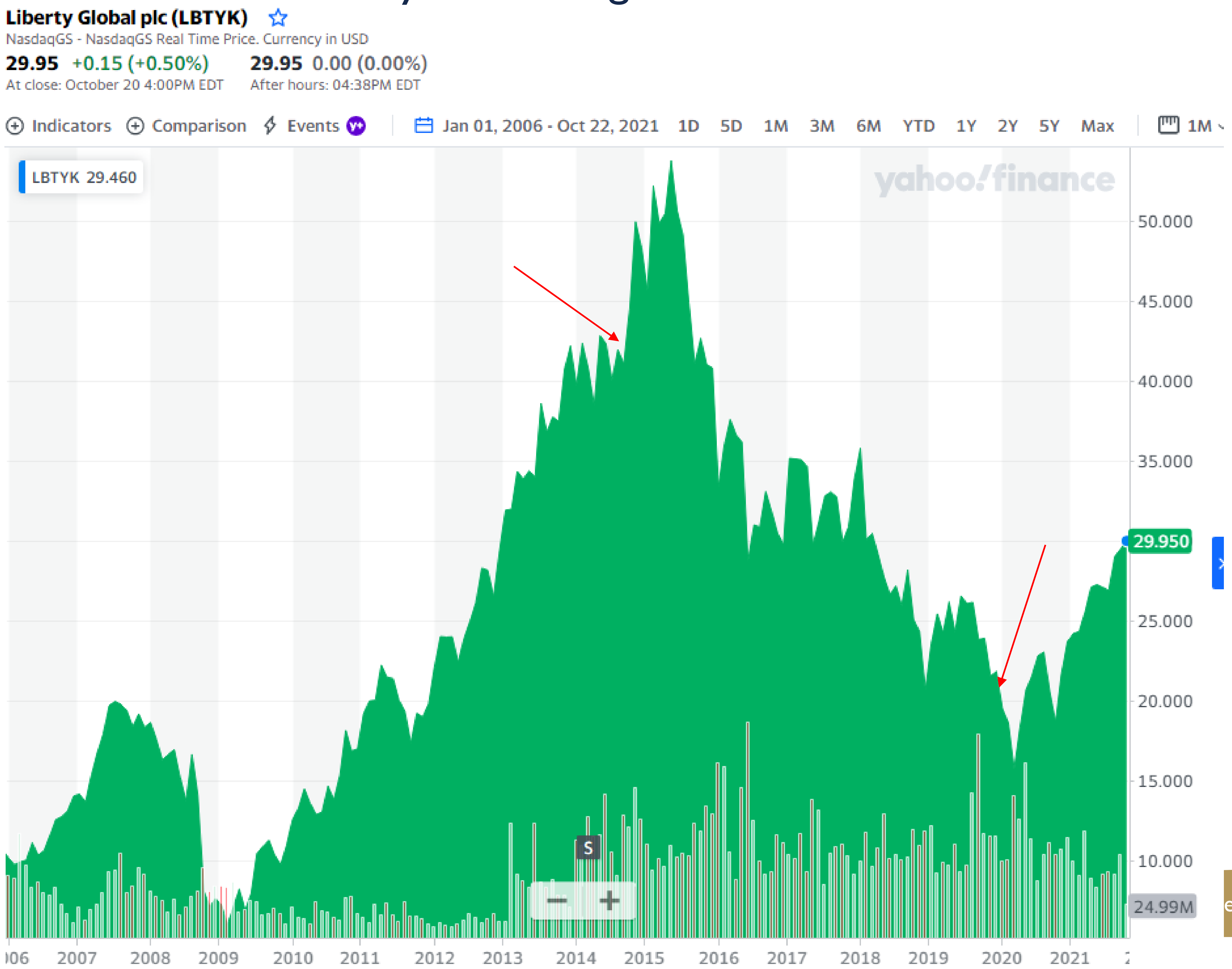
Fast forward 7 years

- After a lot of acquisitions, problems started arising.
- The assets in the Netherlands started making problems.
  - The company presented a detailed program on fixing the problems and turning them around.
  - At first, it looked like it behaved according to the plan.
- When the stock dropped, management bought back tons of stock
- Small Regulatory problems started arising, then grew larger
- Competition (overbuilding) started churning
- Other geographies started slowing down or became problematic, but the business is VERY resilient – this is how we chose it!
- A deal with a cable company in Latin America was unfavorable to current shareholders. Still, we did not notice since Malone was controlling both, and he "won't screw himself over."
- The stock became cheaper and cheaper

Fast forward 7 years

- I waited almost seven years. Seven years. I bought the stock when my son was less than one year old; now he turned 8.
- During the COVID crisis, I decided to sell and buy something else



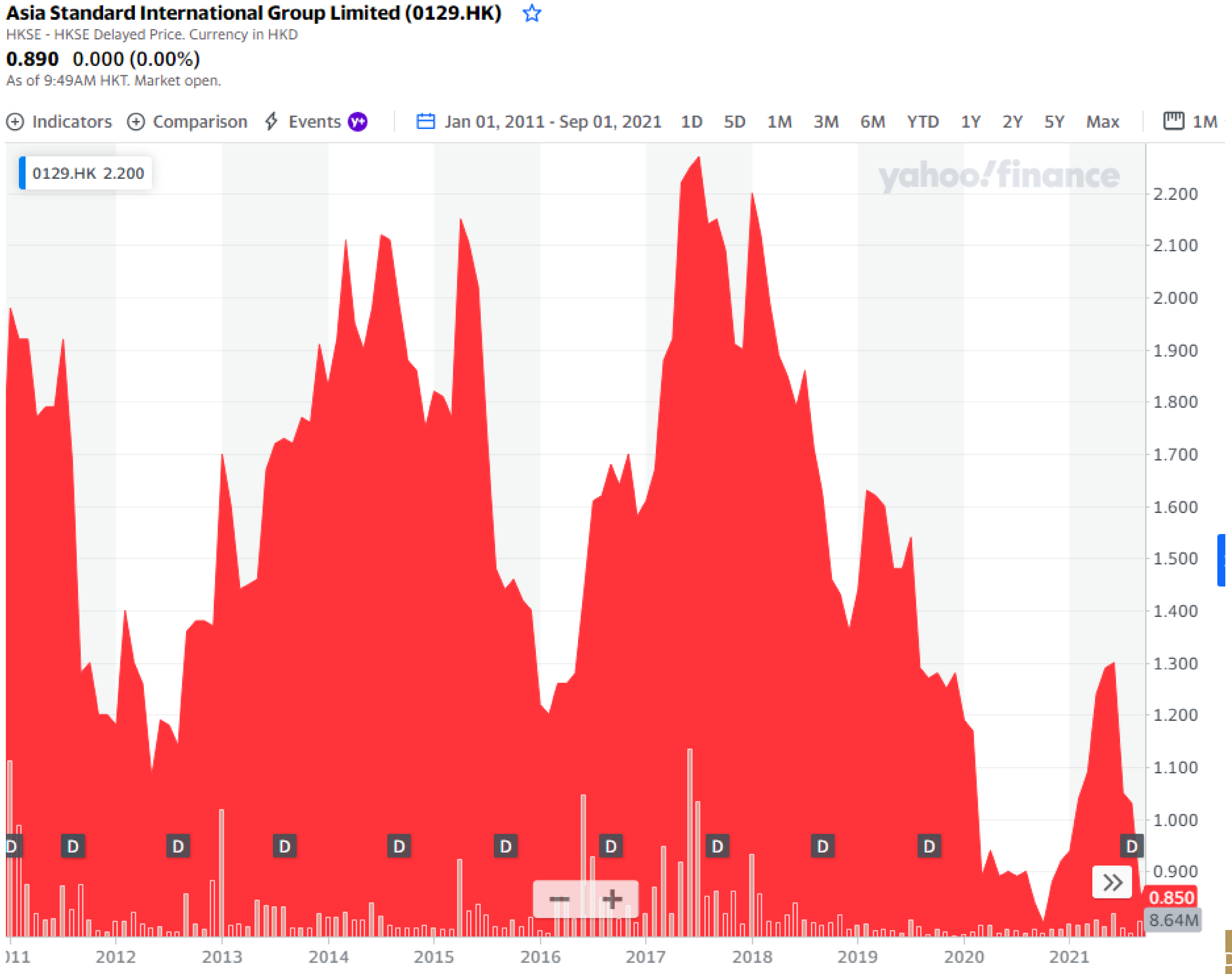
Fast forward 7 years

- It was a bad investment, but I did not lose much – in the graph you can't see two spinoffs that made the loss low double digits. But still – 7 years for a NEGATIVE return.
- The real loss was time, stress, endless conversations with my colleagues, and of course – alternative cost.
  - Almost ANY stock would have fared better.
- In this case patience was NOT rewarded.
  - I even added to it on several occasions, which increased all the losses dramatically

Let's talk Asia Standard

- Asia Standard (0129.HK) is a HK company that manages hotels and other real-estate properties and develops properties in HK and China.
- It is family owned, conservatively managed, looks good
- I bough stocks in AS in 2011, because it traded at about $1.5B HKD and its cash on balance sheet was about $5B HKD and book value was also around $5B HKD.
- The stock went nowhere for a long time, and it was clear that management could not care less about share price
  - Although the company slowly advanced, share price hasn't moved
- The company continue to advance slowly, book value now is $9B but the stock is down 30% from my purchase price 10 years ago
- When they started investing in China and buying EU bonds, after about 1.5 years, I sold all the shares. Lucky me!
- CHEAP IS NOT ENOUGH

Let's talk Asia Standard



The people’s stock (מניית העם)

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- My dad held TEVA for many years, and he told me, “just be patient; it always goes up.” He held for many, many years.
- In mid-2014 I forced him to sell it at $55 per share, i.e., forced him to be “impatient” in order to buy other things.

“You see Assaf? It always go up!! Why did we sell it? You have no patience!”

The people's stock (מניית העם)

- During 2016-2017, TEVA's stock collapsed from a height of $71 per share in April 2015 to around $11 per share, where it lingers till today.
  - In Feb 2017, Erez Vigodman left the sinking ship
- In the past, being patient in TEVA proved profitable. People that bought it in 2000 for less than $10 per share and held tight during the ups and downs enjoyed a very nice run and by 2014 were up more than 7 times their money, a 15% annual compound rate.
- But years of mismanagement, oversized egos, and lots and lots of debt and acquisitions, together with other worsening market factors, destroyed all the value accumulated in the company.
- So now, 21 years later, those who bought it at $10 have about 0% CAGR for over 20 years, almost an entire investing career.
- And TEVA will probably NEVER return to $70 again.
  - even if it does, the CAGR will be very low, such as it was better investing in bonds throughout the period.

Microfocus – Amazing returns

- Microfocus is a company that used to buy mature software companies and increase their margins to generate cash.
- It was considered an "Outsider Company" (so much damage this book did…)
- Mature software companies are mostly in decline; after buying them, it tried to slow the decline.
- It was managed very well by capable people; one of them was Kevin Loosemore.
- It worked like magic, generating shareholders over 25% per annum over 12 years – 15 times your money!

Microfocus – Amazing crash

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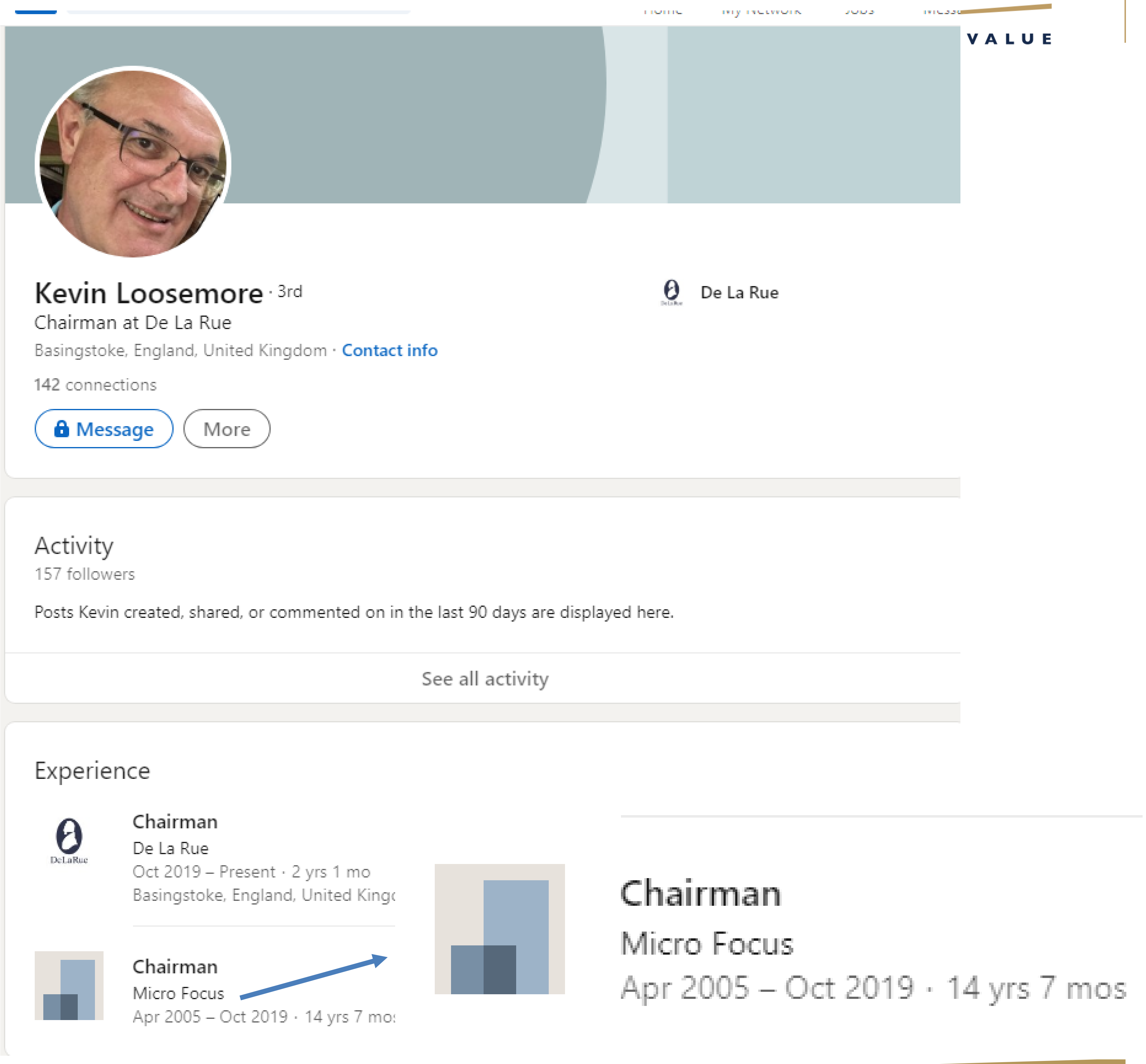
- Then they did one acquisition too many.
- They bought a player 3 times their size - HPE, like they did in the past, but this time it did not work
- They experienced the perfect storm – competition from much stronger, newer software companies
- CEO of the acquired company was let go, a MicroFocus insider took the helm, big platforms connection mess, management could not track how the co as a whole was performing in the most critical of times
- The co kept on missing targets, till one final huge miss that teetered it close to bankruptcy
- 12 years of value creation were destroyed in just a few months, Kevin Loosmore abandoned ship and no recovery is seen
- What killed them?
  - Acquisitions
  - Debt

Microfocus – Amazing crash



Let's pick on Grandpa

- Buffett's patience was not always rewarded as well.
- Buffett's (past) largest holding was Wells Fargo Bank.
- Berkshire started buying Wells Fargo in1989 for around 2.5$ per share and made around 10X its money to $25 per share by the year 2000, an amazing return of about 24% per year for 11 years.
- But in the year 2000, the bank slowed down considerably, and with new regulations, market changes, other management problems, and its sheer size, the bank is only up X2 to $50 in the next 21 years, a measly return of 3.3% per year.
- The overall return of Berkshire on WFC on its 32 years of holding WFC is a little less than 10% per year, not far from the market return over that time, and obviously, almost all the return was achieved on the first 11 of these 32 years.
- In any year in the last 21 years, had Buffett sold WFC and bought the index, Berkshire would have done MUCH better in any aspect (risk, volatility, return, dividends).

Let's pick on Grandpa

E D E N

May 17, 2021
11:57 PM IDT
Last Updated 6
months ago

3 minute read

Finance

Berkshire sheds nearly all of Wells Fargo, a holding since 1989

By Jonathan Stempel

Let’s pick on Grandpa

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- Wells Fargo is not the only investment Berkshire did that yielded sub-mediocre results.
- Same subpar result occurred in Coca-Cola, US Bancorp, Bank Of New York Mellon, and others, between them – Liberty Global (which Berkshire recently almost sold out).
- To be fair we need to remember Buffett is playing a different game, as his portfolio is part of a larger corporation and insurance operation, so his portfolio is not tweaked for max performance but max stability.
  - Nevertheless, I would argue that over the course of 21 years there are more stable investments than WFC
  - OR – invest in S&P500

Cost of patience

- As you remember – Patience requires lots of qualities and mental exercise to work, it is exhausting
- It also has other costs:
  - Alternative cost – one of the biggest risks!
  - Increased stress, lower quality of life, shortening lifespan – "Mental Capital" (!)
  - Lowering mental flexibility (admit you are wrong) and adaptation to change (ignore disruption)

So – is patience bad?

- No!
- To succeed in the investment world, one MUST be patient.
- But being patient does not mean you succeed – it can also actually be to your detriment if you use it too often.
- Patience needs to be regarded as an EXPENSIVE TOOL that is RARELY used and carefully considered, considering its high costs. Do not use patience automatically; use the sell button automatically
  - Think of it as taking a cab from Tel Aviv to Haifa instead of driving, or like registering for a service that charges $6,000 per month.

Why sometimes patience does not pay off?

- There are quite a few reasons that prevent patience to pay off:
  - Management destroys value
    - Many, many times it is done by acquisitions (or should I say stupid acquisitions)
    - Large Egos (Teva)
    - Incoherent strategy or Strategy deviations (Flybe)
  - Business does not create much value over time (does not grow, bad unit economics, etc.)
  - Market changes – for instance, sugar health awareness in the ’80s and in the 2000s
  - TAM saturation (= Growth slowdown – when to worry? RMLI)
  - Disruption (new tech – Kodak and digicams, Canon and smartphones)

The portfolio of patience

- You can construct a patient portfolio, a portfolio built from stocks that you think with patience will succeed.
- But you can also construct the portfolio in the patience dimension, on the contrary to the money dimension.
- Let's call it the patience portfolio.
- In this portfolio the currency is time. Investments in this portfolio are chunks of time.
- You have only 35 years to allocate.
- Since this is your life, you'd like this portfolio to be diversified. "All-in" in this case means you buy one stock and hold till you die – doesn't sound that smart. You'd want to have many, small investments in this portfolio. Occasionally you'd have a large one in case you are very certain – just like in a regular money portfolio
  - Small investment means short time spans
- Now ask yourself – would you spend 20% of your allowance on one investment like Liberty Global? Of course not! But that is exactly what I did.
  - <u>I spent 20% of my career holding Liberty Global, yielding a negative result. 20% of my life. Try to imagine that.</u>
- Buffett spent 60% of his allowance holding Wells Fargo for 21 years. 60%!

What types of investments to hold in the patience portfolio?

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- The question is – what to include in our patience portfolio, and how large should any investment be?
- The answer to this question is the answer to a simpler question – when do we *activate patience*?
- Patience should be scarcely used. This means that if something does not answer ONE of the conditions below, it does not deserve our patience, it does not deserve an allocation in our patience portfolio.
- An investment can be included in the patience portfolio if it is:
  - Growing Fast (slowing down from time to time is ok – more on that later)
  - Has no significant debt load, it is not acquiring other companies (roll ups) and is not messing around with its cap structure
  - Management is excellent, honest, experienced, ideally founder led
  - Management has vision (pay attention this is on its own bullet)
  - TAM is substantially larger than the company's current revenue (need to think about optionality)
  - Good Business - Unit Economics of the business are very good
  - You UNDERSTAND the business completely
  - You can commit BEFOREHAND to use patience on this investment, in case it is needed

Pay attention there is no price criteria. Can you think why?

How do you activate patience? - Negative

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- You can *activate* patience on positive and negative occurrences, mostly on negative.
- Negative:
  - Company suddenly slows down – try to find out why and if you think it is temporary. Ok to wait and see
  - Reputation problems
  - Macro problems (easiest)
  - SOME management problems – dangerous – and depends
- In these cases, you can activate patience by saying: "I will do nothing and ride it out; let's wait and see. I will endure the volatility because there is a big chance my patience investment will materialize."
- In any case, I recommend setting a target time horizon. Don't get caught up like me or Buffett 7 or 21 years later, saying, "oops."
- In most cases, waiting one year is enough; in more severe cases, two years if the outcome is very enticing. Very rarely do you need to wait more than two years, so after two years, it is probably better to sell and move on
- BE READY TO CHANGE YOUR MIND- *"When facts change, I change my mind. What do you do, sir?"* (Keynes)
  - Management problems, change in the business environment, disrupting technology – they do not deserve your patience

How do you activate patience? - Positive

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- You can activate patience on positive and negative occurrences, mostly on negative.
- Positive:
  - Company stock price skyrockets to new highs every day
  - Business advances, everything is great but the stock price does not move
- In these cases you can activate patience by saying: "This is a great company, really, the holy grail. Selling now will probably hurt my returns in the future so that I will wait."
- Here, the horizon can be longer than 1-2 years since the business is still going fast. It is still recommended to set up a pre-set time horizon to periodically check your decision.
- Valuations matter. To activate patience, you need at least some feasibility in justifying a good return deep into the future. It is OK to set up a "dream" scenario since even the wildest imagination can't take into account optionality of a good business. If it works in your dream scenario – no rush to sell your winners.

What types of investments do not deserve patience?

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- Basically, any company that does not meet ALL the previous criteria is very risky when it gets an allocation in our patience portfolio.
- Let's see past mistakes regarding patience:
  - Liberty global – Grows very slowly or in decline, TAM is not large enough, acquisitions are significant
  - TEVA – Grows very slowly or in decline, Acquisitive, huge debt load, management problems, bad business (competition)
  - Asia Standard – Grows Slowly, Bad business, management problems (don't care about shareholders, bad capital allocation)
  - Wells Fargo – Grows very slowly, management problems, reputation problems, and recently, not such a good business (consider new fintech companies)
  - Coca Cola – Grows slowly, market changes (sugar drinks are being replaced and rejected, competition), management problems

Example of investments that deserve patience

- Any company that meets ALL the previous criteria is considered of low risk when it gets an allocation in our patience portfolio.
- Let's see some good examples:
  - Amazon in 2014 – Grows fast but looked like it is slowing down. Aside from that – no problems. Scary, but relatively easy to wait one year to see it get solved. It is such a good business that you don't need to wait over one year to succeed.
  - LGI Homes 2018 and 2020- Grows fast (~20-40% p.a), excellent management and founder-led, robust margins and profitability (good business with a good strategy). Drawdowns of up to 50% but recovery always took less than a year

Summary

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- Patience is a must for any investor to achieve maximum performance.
- But patience is used too often and in cases where it shouldn't be used.
- Patience must be **<u>activated</u>** explicitly, actively – you should NEVER be tempted into just "ignore the volatility" and let thing happen.
- Patience is a statistical game with an uncertain outcome – if you use it, it does not mean you will succeed.
- Most of the patience users FAIL and sometimes miserably, even Buffett is not immune.
- Patience, misused, can destroy returns, destroy your mental stability and exhaust you, shortening your lifespan.
- Investing money bears a risk; investing patience also carries a risk, but from a different kind – time, and mental.
- Before using patience, need to check if it answers criteria. If it does – <u>**plan** to use it before you buy</u>. If no conclusion – sell
- Patience should not be used for long periods without significant thought. Mainly not more than 1-2 years.

WE WOULD LOVE TO GET IN TOUCH

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