

Value Investing & Growth Investing



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What We Will Cover

- Define '*value*' and '*growth*' investing
- Compare the two investing strategies
- Look at what some of the best investors have done



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Value Stocks

Trade below what they are really worth and should provide a better return.



5 days 1 month 6 months YTD 1 year 5 years Max

2017 2018 2019 2020 2021

Cheap?

<https://www.betterinvesting.org/chapters/rocky-mountain>

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Growth Stocks

Potential to outperform the market overtime thanks to their future performance.



Amazon.com, Inc.
3,417.43 USD
+8.43 (0.25%) ↑
Closed: 27 Apr, 7:58 pm GMT-4 · Disclaimer
After hours 3.422.06 +4.63 (0.14%)

1 day | 5 days | 1 month | 6 months | YTD | 1 year | 5 years | Max

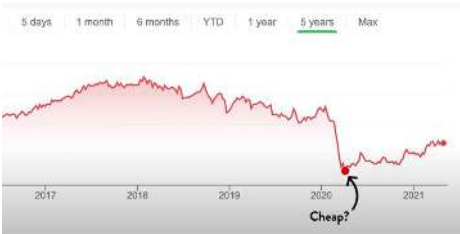
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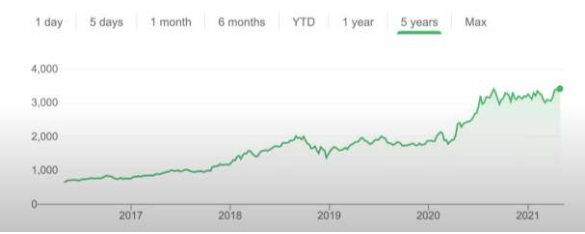
Dilemma



5 days | 1 month | 6 months | YTD | 1 year | 5 years | Max

Cheap?

Value stocks offer very little future growth.



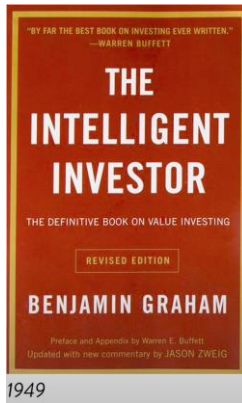
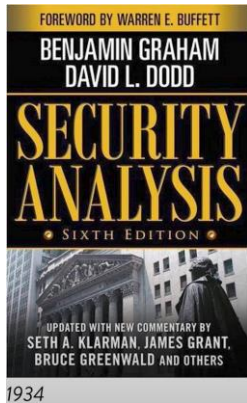
1 day | 5 days | 1 month | 6 months | YTD | 1 year | 5 years | Max

Growth stocks are usually expensive.

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Value Investing Champions



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CIGAR BUTT INVESTING

1. Find ultracheap stocks (P/E <10)
2. Buy a lot of them.
3. Over time some will fail, but you'll still come out on top.

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BUFFETT
~~**CIGAR BUTT INVESTING**~~

1. Focus on the business, not just the valuation.
2. Ensure it has a durable competitive advantage.
3. Ensure the management team is competent and trustworthy.
4. These steps will ensure the business survives and thrives.

Sounds familiar?

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CIGAR BUTT STOCKS

BUY

'One last puff'

BUFFETT STOCKS

BUY

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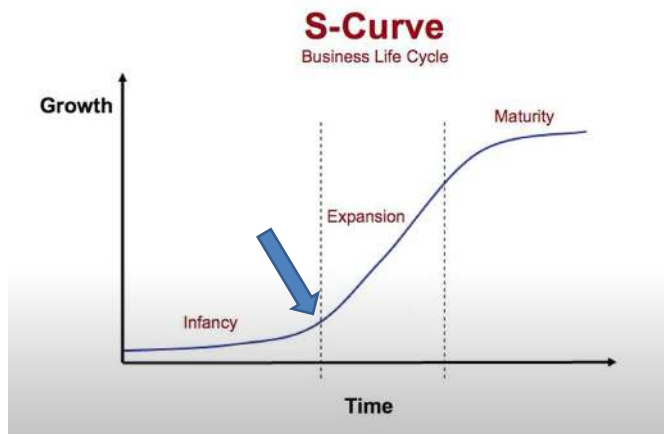
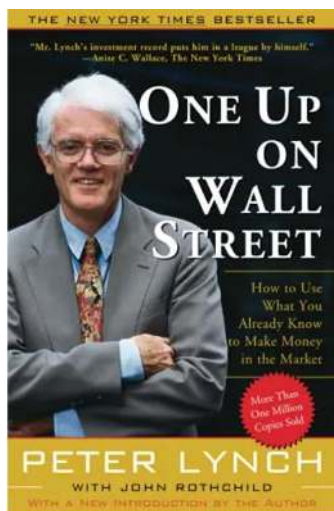


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Growth + Value Investing

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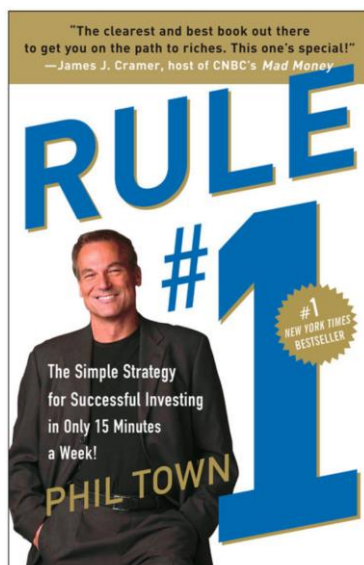


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Growth + Value Investing

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Long term growth rates with +10% in revenue.

Town uses **growth rate** in his valuation models.

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Growth + Value Investing

- Incorporate the best parts of both strategies:
 - 1st find companies that offer **growth** into the future.
 - 2nd, only buy when the market offers such stocks at a **value**, discounted price.
- Sounds familiar!



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LET'S REVIEW

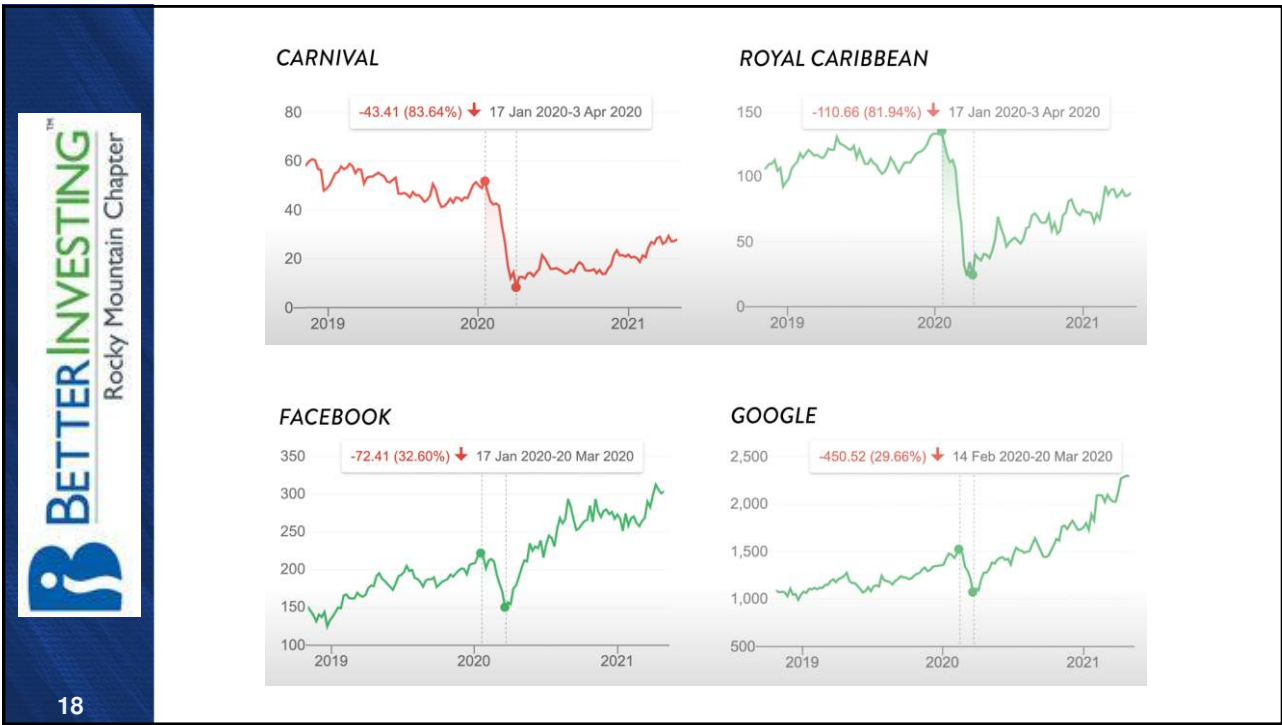


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Thank you for joining us!

