



UNDERVALUEDSHARES

# THE WORLD'S BEST INVESTING BLOGS



## MY TOP 20 INVESTMENT BLOG RECOMMENDATIONS

Independent bloggers create some of the highest-value investment content – most of it entirely for free! There are hundreds of such blogs available on the Internet, but many are hard to find. This eBook features some of the world's best investment-related blogs that I've come across in 2019-2021 – independently chosen, and all personally endorsed.

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# INTRODUCTION



Investment blogs offer valuable content – and often for free! However, there is no central registry for investment-related blogs on the Internet. How to find the best websites and authors to help you be more successful in your investments?

**T**hat's what this eBook is for. Over the past two years, I have been researching and testing around 500 blogs that deal with investing, and featured a selection of them on [www.undervalued-shares.com](http://www.undervalued-shares.com).

Each of the blogs included in this eBook is written by someone who is passionate, knowledgeable, and generous in sharing their insights with others. Some of these bloggers offer everything for free, others charge for at least some of their content.

I am not rewarded by any of them. My primary aim is to help you become better investors and improve your returns. I'd also like the public to become more aware of the quality of information offered by some investment blogs. At a time

when many are looking for alternative media, I am sure the selection offered in this first edition of "The world's best investing blogs" will be useful for you.

If you want to follow part 21 onwards of this series, make sure you've signed up to my [Weekly Dispatches](#).

Last but not least, if you have suggestions for further blogs to feature, please let me know: [swen@undervalued-shares.com](mailto:swen@undervalued-shares.com)

Best regards

A handwritten signature in black ink, appearing to read "S. Lorenz". The signature is fluid and cursive, with a long horizontal stroke at the end.

**Swen Lorenz**  
Founder, Undervalued-Shares.com

# #1: LYN ALDEN

My readers regularly ask me to recommend other investment blogs. Obviously, I wouldn't want to suggest just any random blogs to you. This new series will only feature blogs that, in my view, are truly outstanding in terms of quality and offer valuable content. Starting today, I'll feature one such blog every four to six weeks.



**F**irst up, Lyn Alden. The US-based website, named after its 32-year old authoress, covers equity investing both in the States and internationally.

You'll learn why I have come to love her free e-letter, and why her blog is such a valuable addition to reading my Weekly Dispatches and investment reports.

## Carefully choosing a mixture of publications

Before delving into Lyn's blog, here are a few words on how I will select the blogs that I highlight in my new series.

I have subscribed to about 300 publications, and I would like to think that I follow a few useful criteria for my reading habit:

- Authors and publications with similar viewpoints and methodologies as myself.
- Authors and publications that I very much disagree with.
- Authors and publications who cover topics and perspectives that I am eager to learn more about.

Lyn falls somewhere between the first and third points.

She writes about undervalued equity investments and looks at them from a mostly global perspective. So far, so similar.

However, there is a lot I learn from her writing. The approach and methodology that she applies are distinctively different to how I work. Besides giving me new investment ideas, her newsletter also challenges me to up my own game and incorporate additional aspects into my work.

You might also benefit from following her writing, and here is why.

## 1. Systematic approach to finding value

I regularly get asked by readers how I pick – or “find” – the stocks that I analyse in [my in-depth reports](#). The truth is relatively simple and probably somewhat disappointing. Either I read something that randomly triggers a few existing wires in my brain and leads me to a particular company. Or I know someone who has had a good idea and shares it with me. There is nothing particularly systematic or methodological about it.

Lyn, who I recently had a chance to listen to at a conference in Philadelphia (her conference presentation is where the slides below are taken from), is way ahead of me in terms of casting her net.

*“Every year, I publish a report where I look at 30 countries. I look at factors such as debt, interest rates, stability metrics, and foreign exchange rates. I do this to get a broad idea of where value lies. Then I look at the growth rates of individual companies in these countries.”*

With a systematic approach like this, it becomes much more viable to build a portfolio that is based on which regions of the world are most likely to do well over the next decade.

As Lyn’s slide below shows, regions and sectors alternate between long periods of outperforming and underperforming. Or [as Ray Dalio put it in a recent article that went viral](#), there are “relatively long periods (about 10 years) in which the markets and market relationships operate in a certain way (which I call ‘paradigms’) that most people adapt to and eventually extrapolate so they become overdone, which leads to shifts to new paradigms in which the markets operate more opposite than similar to how they operated during the prior paradigm.”

## International Value: Mean Reversion

### *Mean Reversion: winner and loser alternate*

RANK	PERFORMANCE 10 Years	2009-2019	1999-2009	RANK
1	MSCI USA	391%	-40%	10
2	MSCI WORLD	274%	-29%	9
3	MSCI AC WORLD	258%	-25%	8
4	MSCI EM ASIA	197%	48%	4
5	MSCI EUROPE	169%	-16%	6
6	MSCI GERMANY	166%	-10%	5
7	MSCI PACIFIC	165%	-20%	7
8	MSCI EM	152%	81%	2
9	MSCI EM EUROPE	87%	70%	3
10	MSCI EM LATIN AMERICA	74%	200%	1

Source: Thomson Reuters Datastream and own calculations during 1999-2019 for global stock markets based on MSCI REGION INDICES (RI in EUR) as of 04/30/2019.

**Source: Star Capital, Norbert Keimling**

Every decade or so, the world's top performers change (you can [download the entire slide set here](#)).

By adopting a systematic approach to filtering out the best regions and countries, Lyn can place some of her investments where the best returns are to be expected over the next years or decade. Doing this based on a deep-dive of key data about liquid markets and shifting it when the data suggests the next change is due, has a lot going for it.

This aspect of her writing would be sufficient for me to regularly take a peek at her free newsletter.

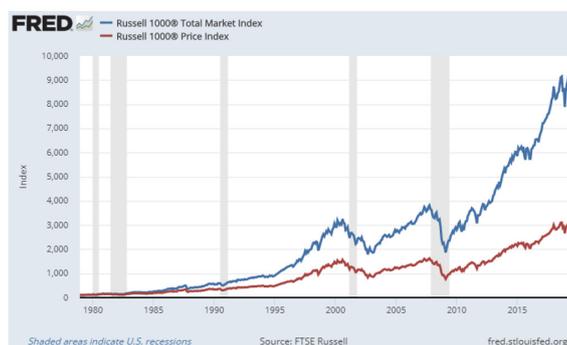
## 2. Using long-term data to inform your investment strategy

I loved Lyn's presentation in Philadelphia because it took the audience on a whirlwind tour of powerful data that is immediately relevant to your investment strategy.

E.g., I have always had a strong bias towards capital gains and tend to not pay enough attention to dividends.

Long-term statistics show that dividends have a powerful effect on your overall investment result. Just take a look at the following chart.

## The Power of Dividends Over Time



The blue line shows equity returns with dividends reinvested, and the red line is without reinvesting dividends.

The graph hardly needs any more explanation. To increase your long-term returns and build wealth, you should:

- Pick stocks that pay an attractive dividend while you wait for capital growth; AND
- Be disciplined about reinvesting your dividend payments.

Picking the right stocks is only half the work. You also need an informed long-term strategy for building and managing your portfolio. Spending a bit of time looking at long-term data and drawing manageable but powerful conclusions from it does pay dividends (no pun intended).

All the better if you have someone informing and inspiring you about it. I find it useful to regularly have one or two such data points and rules thrown my way.

### 3. The joy of following level-headed, meticulous long-format writers with a longer-term view

Much as I regularly rant about the mainstream media, I also feel a bit sorry for journalists who work at a daily newspaper or even a weekly publication. Legacy media has to struggle with a lot of in-built structural weaknesses that affect how much value and enjoyment media consumers get out of it:

- They continuously have to conjure up stories, even if there is little to say that day or week.
- When there is a lot to say, they may be restricted by the number of columns their editor has allocated to them or the amount of airtime their network can give them.
- Often, their headlines are written by clickbait-y headline writers whose work often feels like raping the spirit of the original article.
- Editorial boards or editors that give out a house view on certain political issues. E.g., for many publications, “Orange Man Bad” is currently the unshakable *leitmotif* that each piece of content has to adhere to no matter what the facts say.
- Never mind the power that advertisers have over how they select and present their content.

I have long believed that these are reasons why blogs, podcasts, and other forms of independent journalism have been on the rise. Most of these constraints don't apply to them, and it's a breath of fresh air.

E.g., to follow the US economy, Lyn's monthly e-letter has become one of my favourite reads:

- Email format allows to make it as extensive or as short as the news requires.
- Higher-level perspective instead of daily manufactured hype and hysteria. It's monthly, which automatically changes the nature of this reporting to a useful format.
- If Lyn has advertisers or political views influence her thinking, I haven't spotted that yet. Instead, I see reams of careful analysis of data and cool-headed conclusions.

I find her summary and analysis of the macro-situation easier to read, more convincing, and more useful than any number of reports I get from large investment banks.

Best of all, all of the parts of her writing that I have mentioned so far are available for free!

### What Lyn likes right now

Just like my blog, LynAlden.com is geared towards investors who seek to build a portfolio of primarily long-term equity investments.

Her five quality criteria for picking companies are also very similar to mine:

- Benefits from long-term trends
- Strong returns on invested capital
- Durable economic moat
- Safe balance sheet
- Good management

And we both like the same one-sentence summary of value investing. All other details aside, value investing is simply about buying future cash flows at a low price. (And for as long as cash has any value, value investing will always come out as the superior investment strategy – albeit with periods of being “out”).

One of the cornerstones of Lyn's current thinking is that the US stock market will not continue to deliver the kind of superior returns that it has produced over the past decade.

### International Value: Historical Peaks

- ▶ 1980's: Japan peaked, 30+ years of recovery
- ▶ 1990's: United States peaked, 14 years of recovery
- ▶ 2000's: Emerging Markets peaked, 11 years of recovery
- ▶ 2010's: United States peaking?
  - ▶ Highest-valued major market in the world
  - ▶ Biggest profit margins in the developed world
  - ▶ Strong dollar vs most other currencies
  - ▶ Has the largest twin-deficit among the G7

Has the US peaked?

Lyn has identified Russia as a place with an extraordinarily unusual macro situation and value stocks to match. There are, of course, some political tail risks. But as one component of a globally diversified portfolio, Lyn believes Russia is worth looking at.

### Russia's Reserve Stockpile

Country	% of GDP	% of Money Supply
Brazil Reserves	18%	22%
China Reserves	27%	13%
Japan Reserves	25%	14%
Russia Reserves	31%	71%
Thailand Reserves	42%	35%
Singapore Reserves	88%	61%
Switzerland Reserves	100%	51%
United States Reserves	2%	3%

Country	Reserves % GDP	Country	Reserves % GDP
Argentina	10%	Netherlands	10%
Australia	6%	Philippines	27%
Brazil	19%	Poland	21%
Canada	5%	Russia	31%
Chile	14%	Singapore	91%
China	25%	South Africa	14%
France	12%	South Korea	26%
Germany	10%	Spain	10%
Hong Kong	128%	Switzerland	111%
India	16%	Taiwan	80%
Indonesia	12%	Thailand	47%
Italy	13%	Turkey	16%
Japan	27%	United Kingdom	6%
Malaysia	33%	United States	2%
Mexico	16%	Vietnam	22%

Russia is one of the world's paragons of keeping substantial currency reserves.

Comparing Russia's government, household and corporate debt to the comparative figures from the US is nothing short of mind-boggling.



Lyn recommends Sberbank, Russia's leading bank and one of the largest companies on its stock market when measured by market capitalisation.



In between the company's growth, dividend yield, a gradual increase of the valuation, and currency gains, Lyn can see an annual return of about 19% for shareholders over the coming years. Assuming the valuation will gradually change from a p/e of 6 to a p/e of 8 isn't even particularly aggressive an assumption.

If this sort of analytical approach appeals to you, you should check out her blog.

Lyn also offers an eBook about stock analysis and an eBook about selling options (both USD 15). Her rolling commentary on Twitter is another way to follow her thinking.



Undervalued-Shares.com is your eyes and ears on the ground: Yours truly attending Lyn Alden's presentation in Philadelphia.

## #2: LT3000

Whenever I receive an article notification from “LT3000”, I tend to drop everything and read it right away. It’s a blog written by one of the smartest thinkers of the investment blogosphere, and also a very valuable publication financially, even though you can read it for free!



When I wrote about Lyn Alden’s blog a few weeks ago, I was fortunate enough to meet her in person before putting pen to paper. For today’s column, the opposite was the case. I have never met or spoken to LT3000’s author, Lyall Taylor (whose initials and nickname “3000” form the name of his blog). You can’t email him via the blog and I can’t message him on LinkedIn either, as he is too far removed from my own network. I also can’t reach out to him on Twitter as I don’t have a profile on there.

Not having had any contact with LT3000’s author made it a fun exercise to come up with the right angle for my article. I concluded that a list of observations why I love and respect his blog so much is probably most useful to you.

## 1. Long-form content

Articles on LT3000 tend to drill deep into individual issues. Pieces can run 10 to 40 pages if you print them out (as I do when I am near a printer).

The blog's "[Welcome](#)" page states that Lyall writes because "*putting one's thoughts into writing is also a useful discipline*".

He has a talent for analysing a subject in great depth, looking at it from different perspectives (including topics that are contrary to his existing beliefs), and getting his observations across in such a way that others can easily follow him.

Given the apparent similarity to my blog, I suspect many of my readers will enjoy this particular feature of LT3000. This point deserved to be listed first.

## 2. Mixture of content

The LT3000 blog features:

- Discussions of individual stocks
- Analysis of entire markets
- Lengthy essays about any subject that the author happens to take an interest in. Virtually all of them have an angle involving markets, economies and investing but its author also isn't afraid to stray into politics or what Brits like to refer to as "life, the universe, and everything".

I particularly appreciate the latter. E.g., a recent article was about "[freedom of speech, Mark Zuckerberg, and online misinformation](#)".

Lyall previously wrote about why the market currently had [misconceptions about electric vehicles](#), why it was worthwhile to [follow the Turkish stock market](#), and what he sees as [the real reason why populism is rising in the West](#).

LT3000 often takes deeply contrarian positions. It doesn't do so purely for the sake of doing something different, but backed up by in-depth analysis, such as in this November 2018 article [why Greek \(!\) banks were a buy](#). Back in the days, no one would have touched one of the most toxic asset classes in Europe. Lyall, however, clearly explained why there was a large gap between the prevailing media narrative and the facts.

It turned out his analysis was well-timed. During 2019, Greek banks weren't just a good investment, but they ranked among the world's best performing stocks:

- Piraeus Bank: +300%
- National Bank of Greece: +190%
- Eurobank Ergasis: +90%

- Alpha Bank: +68%
- Attica Bank: +300%

(All figures since January 2019 to now. LT3000 had bought into Eurobank and Piraeus Bank.)

I find it incredible that such high-quality investing ideas and analysis are available for free.

By the way, talking of Greek banks: If you missed out on them, you might get a second chance with Italy! [I've just looked at one Italian bank](#) which stands out as an attractive value play with clear catalysts on the horizon. The company has already confirmed some of my projections, and the stock has started to move up. Clearly a case of "get in while everyone thinks you are crazy"...

### 3. A view from a different part of the world

Where you live shapes your worldview.

Lyll lives in Singapore, which, naturally, makes him view the world from a different perspective. Living in Asia's richest city-state exposes him to media, opinions, and opportunities that are very different compared to those in Europe or the US.

Asia is a part of the world that I don't tend to visit often enough in my travels.

I appreciate reading from someone who is on the ground in a part of the world that I am not sufficiently familiar with. (If any of my readers know of other investment blogs that are based out of Asia, I'd be keen to hear about them.)

### 4. Heretical viewpoints

Lyll used to work in the financial services industry but now manages money for himself and friends – a position which gives him the necessary independence to write without restrictions.

He recently wrote a piece where he analysed what it takes to be an actual contrarian:

*"So why is contrarianism so rare? It is rare not only because it is intellectually hard (it requires constant, active open-mindedness), but also because of incentive problems, and the personal costs involved in invoking the ire of the tribe.*

...

*I feel extremely fortunate to work in a job where I get rewarded for discovering truth. As I work for myself, I also need not fear being fired for the expression of politically unpopular or controversial beliefs. I feel extremely lucky ... (because) I could easily have found myself .... alienated, condemned, and ejected by the tribe for espousing unpopular views. It is partly for this reason that I feel a respon-*

*sibility to share some of the politically unpopular insights I have, because if it's not people like me, then who can we rely on to do so?"*

So much of stock market success depends on being able to see what others aren't seeing yet. Sometimes, some of your readers will dislike your viewpoints (e.g., [my recent column about investing in Saudi Arabia](#) upset a few people for different reasons). If you want to be good at investing your own money, you cannot be afraid of holding an outside opinion.

The LT3000 blog is not only an excellent source for such viewpoints but also a good training ground for yourself. You can use it to steel yourself in the art of holding contrarian views – backed by solid analysis!

## 5. Reader feedback is actively invited

As Lyall wrote at the end of one of his more “controversial” pieces recently:

*“On a final note, I wish to emphasise I could well be wrong in some or all of my analysis. These are complex issues. I always consider all of my opinions provisional, and open to change in the face of new or better evidence/arguments/insights. If someone is able to convince me I've made a mistake, I'll be more than willing to change my mind.”*

One of the most significant upsides of writing a blog with quality content is that you tend to get interesting input from equally interesting readers.

In the politically charged environment that we now live in, I tend to divide people into two groups. Those who have an open-enough mind to be able to respect other viewpoints and occasionally amend their own; and those who do not respect other viewpoints and are only consuming information that originates from their tribe. Obviously, the former are generally a more useful group of people to receive feedback from.

Like myself, Lyall seems to use his blog to what I call “test your own BS”. Publishing your viewpoints and conclusions is the single toughest test you can put them through. And it's fun for the readers, too, when the author engages in conversations with them.

## 6. The arrogance of publishing long, dense text

The LT3000 blog comes with few illustrations and very lengthy text.

Its layout would have been outdated 20 years ago. It doesn't even have a standalone web domain but is hosted on Blogspot.

I love the fact that its author has the self-confidence (if not arrogance) to disregard much of the modern thinking about web design, user experience and similar subjects. He seems to think that for as long as your writing is useful, people will read it anyway.

Which reminds me of an old joke that made the rounds among my fellow investment newsletter writers during the 1990s: *“If the investment analysis is good, then you can print it on the back of a stamp. People will read it anyway.”*

As I know now, LT3000 was read by several of my personal friends before I discovered it. It's safe to assume that its readership has grown nicely despite the lack of fancy design.

I appreciate this attitude as something refreshing.

## 7. No fixed schedule

Any “expert” in blogging will tell you that it is essential to publish regularly and reliably. They'll cite readers' expectations, search engine optimisation etc.

There is one significant downside to having a regular publishing schedule. As an author, you can quickly end up with mediocre content just because you HAVE to deliver something on a particular date. It's tough to churn out new ideas and original thinking based on a fixed schedule. The muse either kisses you, or she doesn't. When she doesn't, there is no point to attempt writing.

LT3000 doesn't have a fixed schedule. New articles appear whenever the author feels like writing.

In January 2019, he published 10 articles. In December 2018, he published zero articles.

It adds to a blog being genuine and high-quality if the author only publishes when he feels that he has something truly worthwhile to say.

(The more quick-witted of my readers will point out that I am not sticking to this for my own blog. There are several specific, carefully considered reasons for that, such as my desire to learn something new every week by writing my Weekly Dispatches. None of this prevents me from saying that the lack of a publishing schedule is something I appreciate about someone else's product.)

## 8. The lack of focus as a feature, not a weakness

I take an active interest in the media industry and, in particular, the fast-growing “alternative media” sector. I consider large parts of the mainstream media a dying system, and see tremendous commercial potential for new, different media operations throughout the 2020s.

Experts will mostly tell you that a publication, such as a blog, needs to have a clearly-defined focus.

LT3000 is breaking that rule, and it seems to be doing very well on the back of it. Subjects such as the author's view of the reason for the rise of so-called populism or his opinion on

freedom of speech don't seem to be an immediate match for an investing blog. However, in the case of LT3000, this mixture has come together to a product where you check any new article because you want to see the world through the prism of an author who has a broad, different perspective. I appreciate such diversity in writing because I believe that no one can reliably judge investments without a view on where the world is heading. Also, I like to get to know an author from different perspectives. What can appear as "off-topic" articles add nicely to the overall value I attribute to LT3000.

The author very cleverly dubbed his blog: *"Eclectic musings on value investing, business, economics, and life"*.

I don't know if he did so consciously, but he latched on to a new trend in media. Many readers are looking for something that doesn't fit into boxes. Lyall turned not being conventional into a feature. He could never pursue this approach at a corporate media publication, but I assume it serves him well for his blog.

## 9. It's for free

Did I mention already that Lyall's blog is free?

### Where to find him...

You can find LT3000 at <https://lt3000.blogspot.com> (and sign up for an email alert for new articles).

[Lyall's Twitter account](#) is worth the occasional look (I am a Twitter lurker, which doesn't require an account).

If this article sounds like his fund management expertise might be of value to you, you can look at [his LinkedIn profile](#). I have no idea if he accepts any mandates or how he operates.

If you happen to know Lyall personally, please do give him a nudge about this article. Not that it makes much of a difference, but he might enjoy knowing that he got featured.

# #3:

## THE MACROTOURIST

If you take just a single thing from today's blog recommendation, make it [reading this article about the possible return of inflation](#) (but only once you have read MY article for added context – stay with me!).



The article manages to turn a boring, complex and abstract subject into one that is understandable, interesting and relevant.

It briefly explains and analyses how and why inflation could become one of the most important, powerful aspects to influence your investments over the coming years. Put another way, if you want to grow and protect your assets, can you afford not to know about unexpected inflation risks? Are there even some highly attractive investment opportunities to be discovered if inflation were to make a surprise return? The powerful article covers it all, if only briefly and as a stepping stone towards ongoing reporting.

Welcome to the world of Kevin Muir, aka “the MacroTourist”.

Since discovering the Canadian's blog a few weeks ago, it has become one of my favourite reads. How could I not have found it earlier?

### Personal growth happens outside of your comfort zone

As part of my reading routine, I make a conscious effort to look at authors who write about subjects outside my own radar. These authors are teaching me lessons about what I am missing in my view of the world, and they are pushing me to learn about stuff that I know too little about (something I recommend to everyone).

As you will know from reading my blog, I am first and foremost a stock picker. Subjects such as interest rates, exchange rates, REPO rates, inflation rates or corporate debt levels only make marginal appearances in my day-to-day research.

That's why I find Kevin Muir's blog so useful. As the name suggests, much of the writing and investment analysis revolves around MACRO issues.

Crucially, Kevin has the rare gift of writing about those issues in a way that doesn't make me fall asleep. Quite the opposite, he makes them come alive because he considers his audience before publishing a new piece. Like myself, he views writing as a useful process for putting his thoughts into order AND exposing them to a critical audience for feedback. The results are often highly readable, valuable pieces about big subjects that could have a significant influence on your investment success.

Kevin is also one of those rare bloggers who go completely against the prevailing view. The MacroTourist presents investment cases that are built on the back of being ultra-contrarian. Very, very few people can come up with a combination of original, contrarian, and accessible investment writing.

The aforementioned recent piece about a possible return of inflation is the best example (shortened for easier skimming):

*"My longer-term goal .... is to ... take advantage of what I believe to be the next major market disruption - a return of inflation.*

*I believe we are on the cusp of a dramatic economic shift. In 1981 no one could imagine inflation doing anything except go higher. Today we are at the opposite extreme. Investors are convinced the three D's (debt, demographics and disinflation from technology) doom us to a world of extremely low inflation (and interest rates)*

...

*Inflation has been almost priced out of financial assets. No one believes it will return, so there is little reason to hedge for it. Inflation protection is dirt cheap.*

...

*A return of inflation is the one thing shockingly few are positioned for, and therefore, offers a terrific opportunity."*

How did Kevin get to write about such big ideas?

His personal story is interesting in its own right and it helps to appreciate the thinking behind his blog.

### So much experience – and it's yours for free!

If you think bloggers are mostly 20-something or 30-something kids, think again. Kevin is a middle-aged guy who has seen a lot in life. Or, as the tagline of his blog says: *"All I bring to the party is twenty-five years of mistakes."*

As a self-described aficionado of trading and computers, he started an online trading journal. With a growing fanbase, he ended up getting quoted in publications such as *Barron's*, *Bloomberg* and *MarketWatch*. [His Twitter feed](#) currently has 20,000 followers.

Kevin has spent many years working for a bank as well as an investment management company but has recently gone freelance again. He is focussed on trading with his own money and promised his community to write more regularly once again (which his recent output has lived up to). There'll be no more corporate compliance department "editing" his viewpoints, at least for now. He also has the ambition to launch a fund that will take advantage of the paradigm shift he expects in inflation. That's an idea he has put out to his community for feedback ([here is his email address](#) if you want to get in touch).

In the meantime, he is entirely focussed on finding macro trends and investment ideas that no one else believes in. [In a Seeking Alpha interview](#), Kevin once described his approach to investment analysis. The following paragraphs are something to behold for anyone who appreciates the difficulty and potential reward from not running with the herd (bold part highlighted by me):

*"Often people would ask me what area of the market I specialized in. Or they may be more blunt and straight out say how do I make money. I would tell them that I often didn't have a clue where I would make my money. All I could say is that I was constantly watching the markets for opportunities and I was hopeful to be clever enough to recognize them.*

...

*Every year seemed to be different and flexibility seemed to be my greatest strength.*

*The 'hard trades are most often the right trades' refers to the idea that often, the best trades are ones that few other market participants are recommending. **These are the trades that when you make***

*them, everyone tells you how wrong you are. These trades often make you feel sick when you execute them as you are so alone. It feels like you are the only one who doesn't 'get it.'*

*Writing a newsletter is an interesting exercise. By definition the more popular a post, the more likely it confirms traders' existing positions. People want that confirmation bias. Therefore when I have a post where everyone agrees with my analysis, I generally know this idea has the potential to already be discounted by the market.*

*However, if I have a post that is universally decreed, then I know I might be onto something. The posts with the most pushback, the ones when market participants feel most confident to write me to tell me how wrong I am are the ones they should be most scared about.*

*This is what I mean when I say, 'the hard trades are most often the right trades.' **The more difficult it is to execute because everyone around you believes the opposite, the more likely it will work.** If trading was easy and trades 'felt good', then everyone would do it and be rich. But trading is hard and the worse a trade feels, often the better it is.*

...

*I don't mind being alone in a trade. In fact, I often feel better."*

Speak of opportunistically finding and pursuing opportunities! Even though Kevin has an entirely different universe of investment ideas and themes, it's easy to spot why I share such enthusiasm for his work. Not only does the MacroTourist broaden my horizon, but it also provides me with one or the other valuable, concrete investment inspiration.

Never mind that it's also fun to read. It features a never-ending stream of memes, all relevant and many of them hilariously funny – something that I wished more financial publications would do (and something that I'll try to do more myself).

Here is a selection of my recent favourites.

**THE LAST TIME INVESTORS WERE EXCITED ABOUT JAPANESE EQUITIES, THE MACROTOURIST LOOKED LIKE THIS...**



**MARTY, WE NEED TO GO BACK AND BUY BITCOINS...**



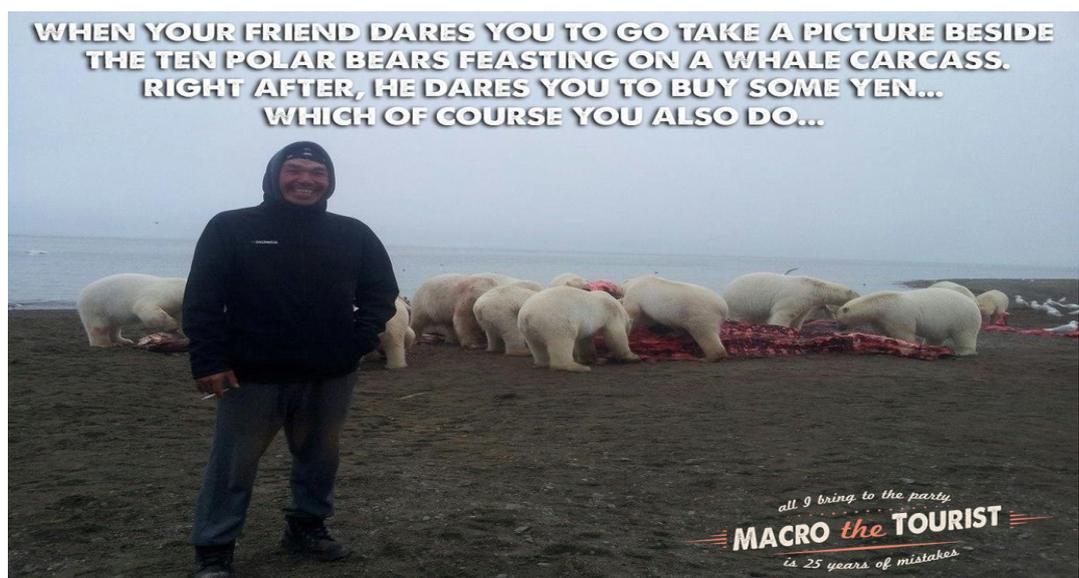
**LONG TERM DEUTSCHE BANK SHAREHOLDER FEELING BAD ABOUT YOUR LIFE CHOICES? COULD BE WORSE... YOU COULD BE THIS GUY TAKING A PICTURE OF YOUR VAPORIZER ON THE BEACH AT SUNSET...**

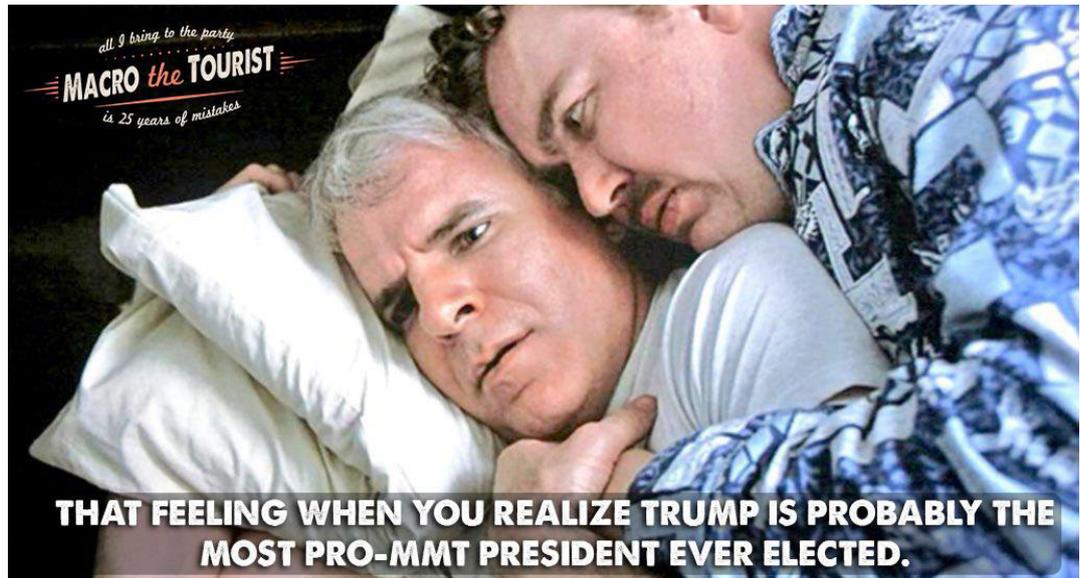


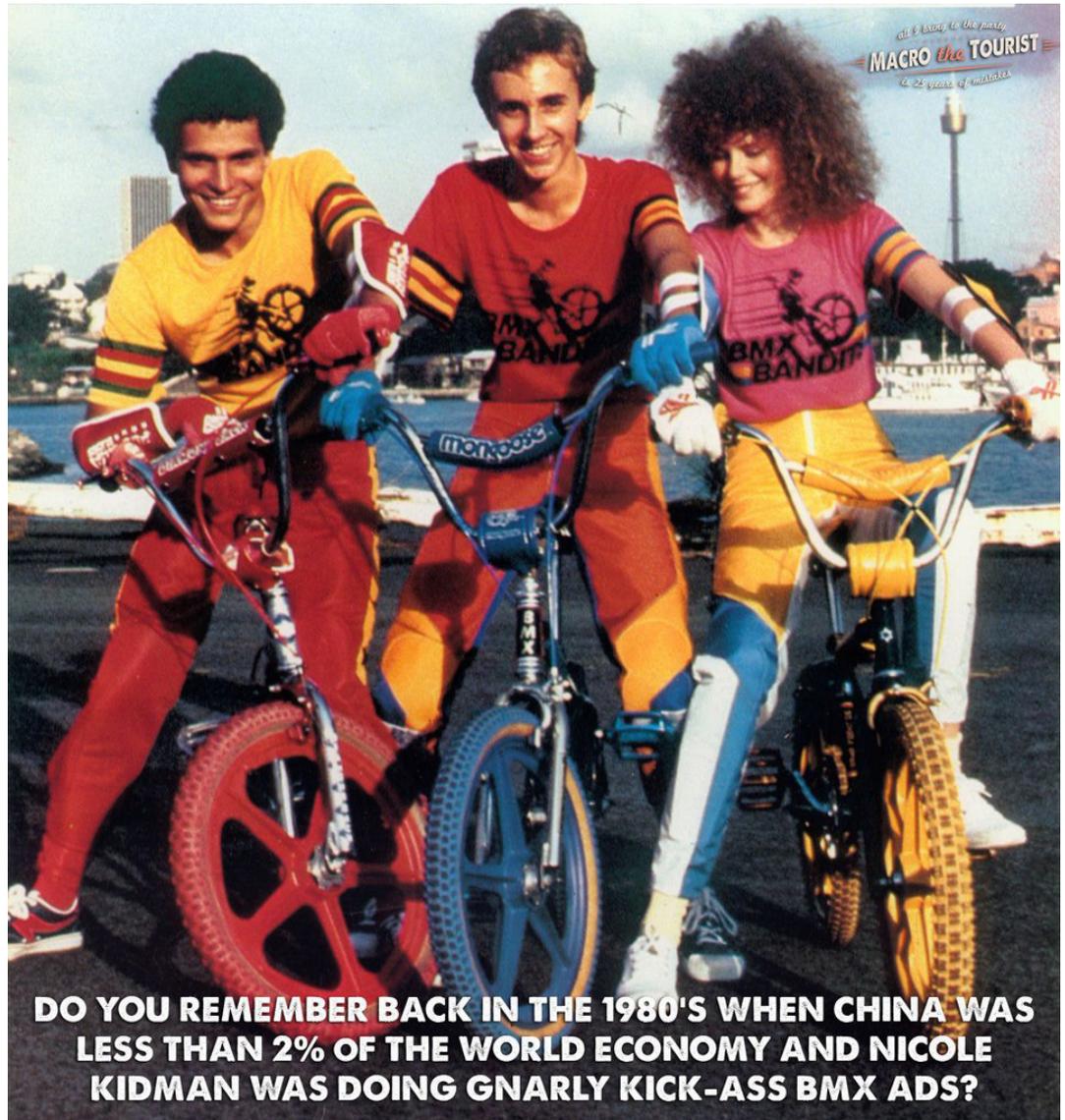
**WHO ELSE WOULD LIKE TO TALK ABOUT THE FEDERAL RESERVE'S COVERT TWO DECADE LONG CAMPAIGN TO SUPPRESS THE PRICE OF GOLD?**











**DO YOU REMEMBER BACK IN THE 1980'S WHEN CHINA WAS LESS THAN 2% OF THE WORLD ECONOMY AND NICOLE KIDMAN WAS DOING GNARLY KICK-ASS BMX ADS?**



### If you learn one thing from the MacroTourist, make it this one

Today's recommended blog is quite different from the two previous ones. When I wrote about Lyn Alden and Lyall Taylor's LT3000, I knew they were going to appeal to my stock-picking audience (and they did!).

I expect today's article to be less popular than the two previous recommendations. The MacroTourist does touch on a wide range of subjects, [such as the mainstream media's often distorted \(and sometimes, outright incompetent\) reporting](#), and [occasionally kicks off fascinating Twitter discussions](#) by making [controversial posts](#). Still, macro subjects are less popular in general, no matter how much one tries to make them sound interesting. They are also usually much harder to bet on because it often requires more than just buying and selling a specific stock.

As Kevin says, inflation could turn out to be the most under-appreciated danger of the investment world (and at the same time, one of the biggest opportunities for those who find smart ways how to bet on it while no one else does). Few would disagree that what has happened in the monetary world since the Great Financial Crisis is complete and utter madness. You'll probably also find it difficult to locate anyone who doesn't agree that inflation is the thing that no one is expecting to make a comeback.

The MacroTourist believes that despite all the voodoo and promises by central bankers and the politicians that rely on them, *"there will come a point where inflation cannot be controlled anymore. The problems of disinflation will go away and be replaced with a problem of inflation."* (Quote taken from a TV interview he did.)

I'll keep reading the MacroTourist because I know that Kevin Muir has now taken a deep, ongoing interest in the subject of inflation. It sounds like he will continue do a lot of thinking about it, and I am convinced that he will look at it without being biased by a job in a bank, an investment fund, or a government bureaucracy. His interest is to analyse how "Modern Monetary Theory" affects the economy, and how the entire plumbing of the economy works.

I am not saying his view about a return of inflation is right, nor do I offer any counter analysis. But following this one subject via someone who is singularly focussed on it and can also write well is bound to be a fun, insightful experience.

# #4: PENSIONCRAFT

Have you ever wondered how the math behind financial “CDOs” works? Does not knowing what “CDOs” are and how they affect your investments keep you awake at night?



If the answer to both of those questions is a resounding “yes”, then PensionCraft is for you. (I’m afraid that those of my readers who are already professionals will not find today’s featured blog overly useful – unless you’d like to recommend it to your less experienced friends and family members).

[PensionCraft](https://pensioncraft.com) is a British investing blog and virtual learning centre for anyone who wants to grasp the basics of investing without getting bored to death. The blog’s author, Ramin Nakisa, is a former investment banker turned university teacher turned finance blogger. He has a wonderfully pleasant and calm way to talk his readers and viewers through complicated financial subjects (some people were simply born with the voice and the demeanour to become educators and YouTube personalities).

Ramin truly understands the art of storytelling. Just listen to his story about “castles and gold”, and you’ll learn all about CDOs without even realising that you are sitting in a virtual classroom.

### A treasure trove of content to delve into

My series “Blogs to Watch” aims to connect you to blogs that you might find useful, but which you probably wouldn’t come across yourself. Strangely, the world of finance blogs remains a pretty opaque sector of the media industry – a niche within a niche. I am subscribed to several hundred blogs and keep an eye out on your behalf, but only came across this one because a reader from Hong Kong pointed me towards it.

PensionCraft is a hidden gem indeed. It does not (yet) feature outrageous follower numbers, even though it would fully deserve so and occasionally sees one of its videos go viral.

Ramin – who I never met or spoke to before writing this article – goes about his work with a visible dedication and passion. His website is divided into three main parts:

- A [vlog on YouTube](#), which already includes 100 bite-size videos about specific subjects.
- A collection of material from his public appearances, such as an [informative 22-minute talk about “Filling the financial knowledge gap”](#) (which includes the castles and gold story about CDOs).
- Links to several affordable products and services, primarily eBooks and personal training, but also public speaking.

Even if you never spend a penny on any of Ramin’s paid-for products, you could find his blog supremely useful. If you do purchase one or the other product, you’ll find some of them cheaper (by a wide margin) than what you would pay for comparable products and services elsewhere.

Ramin never tires of making the point that fee minimisation is key to anyone’s saving and investing strategy. After all, guess who pays for all the shiny offices in the City of London and bankers’ bonuses? The customer, of course.

Anyone who puts real dedication into his or her product and sells it off at the lowest viable price immediately gets my thumbs up.

### British readers should love it; everyone else will find interesting nuggets

PensionCraft is quite UK-centric. British readers will find that a lot of Ramin’s subjects tie in with current reporting in their domestic financial media. They will immediately recognise stories such as:

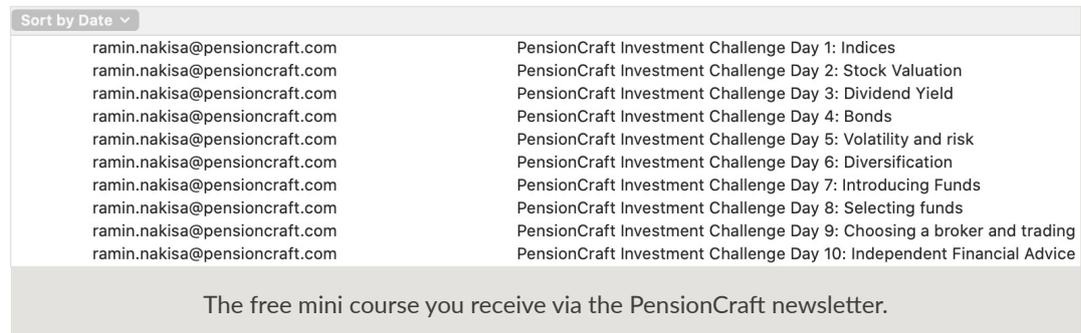
[Peer to Peer Lending UK – a liquidity snare](#)  
[UK Investment for Beginners – ISA or SIPP?](#)  
[Vanguard SIPP review – a game-changer](#)

Given the surprising scarcity of quality finance blogs in the UK, PensionCraft could be all the more useful for my readers in the British Isles (who currently make up my third largest group of readers).

Readers from other nations will have to look past two-thirds of the content to find the parts that are relevant to them, too, such as:

[Investing for Income – where to look?](#)  
[How to invest during a recession?](#) (170k views!)  
[Is gold a good investment?](#)

Aside from the regular stories, PensionCraft offers a free 10-part mini course about the very basics of investing, broken down into digestible parts (see screenshot). Simply sign up to its newsletter to start learning!



### I would like to hear more about what YOU need

Separate but related to all that, I would love to hear what basics you would like me to cover on my own website.

The most frequent questions I've received from readers so far include:

- "How can I buy stocks in foreign markets? I live in country X and want to trade shares in country Y."
- "What happens with my shares when a bid is launched for a company?"
- "Is there a difference between ADRs and ordinary shares?"

I have plans to write an eBook about these questions and make it available for free to my readers. In a rare exception to my policy of writing all content on my website myself, I might also invite a select few other finance bloggers to contribute.

Are there any particular questions or subjects you would like me to cover? Please do let me know and help me steer my efforts into the direction that is the most useful for you.

#5:

## KLEMENT ON INVESTING

If the finance and investing bloggers of the world came together, they could easily conspire to create a world-class publication to rival the *Financial Times* or the *Wall Street Journal*. I am regularly amazed about the quality of writing that is available for free online (if you know where to find it).

Among the most prominent contributors of such a potential “bloggers-turned-newspaper” publication would undoubtedly be Joachim Klement. The German-born, London-based investment strategist freely shares his extensive knowledge on his [“Klement on Investing”](#) blog. It has already become one of the better-known finance websites, and regularly gets quoted in other publications. Still, I believe most of my readers will not have come across “Klement” yet (he does refer to himself by his surname).

Here are five reasons why you might want to take a look at his writing:



## 1. Proven expertise of the author – not your average blogger!

Until recently, Klement was Head of Investment Research at Fidante Partners, an asset management firm with USD 41bn in client assets and nine offices around the world.

His previous career included stints as an investment strategist at a Swiss private bank, and as Chief Investment Officer at a firm that advises family offices and institutional investors.

There are not that many others who are in such a professional position AND choose to share their expertise through frequent, extensive writing. Klement's blog is not even aimed at selling anything. It seems to come out of a genuine passion for sharing and communicating.

## 2. True independence of thought

I enjoy reading Klement on Investing because it carries viewpoints that I would often disagree with: those typical of “metropolitan liberals”. That's a tribe I'm rather bored of, and I primarily follow such writing to see what the other side of the argument thinks.

What I mightily respect Klement for is that he regularly disagrees with views that I would have expected of him. E.g., on the one hand, Klement is a self-professed fan of environmental, social and governance (ESG), and green investing. However, he also just published [an article that shows just how non-sensical and ineffective some aspects of the movement to divest from fossil fuels are](#).

Kudos to anyone who independently looks at the evidence, instead of blindly sticking to the politically correct mainstream or the well-trodden, safe paths of established narratives.

## 3. Tangible stories

I am the first to admit that academic writing about finance and investing puts me to sleep. If it's too theoretical, I get bored and my mind switches off.

Klement regularly manages to inject a bit of fun into his writing.

E.g., [read his column about why smokers are worse fund managers than non-smokers](#).

Or [check out his article about mafia firms and their effect on the Italian economy](#).

Articles that have such lively themes are much easier to share with friends or family. They'll thank you for it, instead of thinking of you as a bore. If you have someone who you'd like to see learn more about investing, consider pointing them to Klement on Investing.

#### 4. Common sense advice that applies in real life

One of the reasons why I believe Klement on Investing has become a success is its down-to-earth approach to complex subjects – combined with conclusions that you can base your own actions on.

E.g., read [Klement's column about the British and American obsession with getting on the property ladder](#). I love how he concludes that despite the statistical evidence pointing in one direction, human psychology and behavioural weaknesses could still make it advisable to head into the other direction. It's important to recognise that outside of the world of finance theory, there are also real-world realities and human flaws to take into account. E.g., even if real estate might not always win in terms of returns, it can be a worthwhile addition to your portfolio if it forces you to put aside a certain amount of money each month.

There is quite simply a lot of thoughtful, applicable wisdom on Klement's blog.

#### 5. Content that helps beginners to become better investors

I notice from the feedback on my own blog that there are many people out there who are new to the world of do-it-yourself investing. Their emails remind me that so much of what is second nature to myself are complicated subject matters to get your head around for others. If you are still at the outset of your investing career, there is an overwhelming amount of stuff to learn about.

Klement on Investing regularly features articles that help investing newbies into the saddle. E.g., I loved [this article asking what an asset class is and how they connect to the real-world economy](#).

Possibly even more useful for some of you, Klement has just published a book: "[7 mistakes every investor makes \(and how to avoid them\)](#)". He calls it a "manifesto for smarter investing". I got a copy right after publication and read it the other night.

More seasoned investors should only buy it if they are major fans of Klement and want to support his work (as I do), or if they simply want to read every word he publishes. If you are at an earlier stage of your investing career, I recommend you check it out. It's a distilled version of his years of blogging. Why make mistakes yourself, when you could benefit from all the mistakes Joachim Klement has already suffered through for you?

Klement's book is published by Harriman House, the specialised British finance publisher ([their website is always worth checking out – lot of goodies to discover!](#)). It is, of course, also available on the likes of Amazon.

### **Bloggers who don't live in an ivory tower**

As Klement is the first to admit (in his CV), he lost a large amount of money investing in technology stocks in the 1990s/2000s.

I regularly meet young analysts who have degrees in finance but have barely had any first-hand experience in the markets. I can't even begin to tell how highly I value someone having been through the highs and lows of the stock market using their own money. You need to have been in the trenches of investing to have a real idea of how difficult it is and what skills it requires.

With that in mind, I am always looking forward to receiving the latest missive from Klement on Investing. Hopefully, some of my readers will also find it useful.

# #6: CODY SHIRK

How far would you travel for a business lunch? I recently travelled from Washington, DC, to Miami, for the sole purpose of having lunch with a fellow investment writer.



Admittedly, I ended up doing a few other things along the way. Miami is always a hoot to visit, and the route worked nicely for my onward trip to South America.

In a way, though, I did go there primarily for that particular lunch. And I am glad I did, not the least because there might be a surprise outcome that could prove useful for you, too.

Here is why anyone who reads my Weekly Dispatches should check out [Cody Shirk's blog](#).

## How I choose featured blogs

As regular readers will have noticed by now, there are a few criteria that I consistently apply when selecting my 'Blogs to Watch':

- Independent thought.
- Lots of free content.
- One-man (or woman) operation.
- Written by “real” people who are not backed by corporate publishers.

Outside of that, anything goes.

Cody Shirk ticked all the above boxes. What’s more, I am actually a huge fan of his writing – and have been so for years.

Here are the 7 reasons why I like Cody’s approach to researching, writing and investing.

### **1. A self-taught former firefighter turned investment expert**

Although he rarely talks about it, Cody used to be a professional firefighter in Los Angeles.

He wasn’t born with a silver spoon in his mouth, and he did not start his career at a white-shoe firm on Wall Street.

Having worked his way up from a blue-collar job, Cody brings a very different perspective to the table.

He also has a pleasant no-holds-barred approach to saying it as it is.

### **2. A global perspective**

There has long been a myth that only 10% of Americans hold a passport. That hasn’t been true for more than 20 years – the real figure today is 42%. Still, the vast majority of American investors have a particularly strong home bias. But Cody is an exception from that.

Recognising that the best investment value can often be found outside your home country, he has pursued investments in South America and Asia. He has done so with a hands-on approach.

E.g., since suitable real estate funds for Colombia are rare, Cody organised a syndicate of investors to [jointly buy up a high-yielding apartment building in Cali, the country’s third-largest city](#).

The world has 193 recognised countries, some of which I’ve learned more about through Cody’s writing. I consider him to be another set of eyes that roams the globe in search of exciting investment opportunities.

### 3. Zero overlap with my research (yet)

Since I mentioned how similar Cody's approach and outlook are to mine, it's worth mentioning that we are looking at entirely different investment ideas and themes. I can't remember a single instance when Cody would have written about something that I had covered before.

Reading his output also gives me something new to look at and learn about. E.g., Cody knows all the ins and outs of the US cannabis market, and took me to a local cannabis dispensary during my visit – an eye-opening experience for me!

(If a report about cannabis-related opportunities appears on my website sometime this year, you'll know who to thank.)

### 4. An irreverent mix of content

Conventional wisdom says that a publication (or an author) needs some kind of thematic focus.

I find this to be precisely the wrong approach, and I practise it both on [Undervalued-Shares.com](https://www.undervalued-shares.com) and my personal website, [www.swen-lorenz.com](http://www.swen-lorenz.com). Another thing I fervently believe in is that by sharing content with an intelligent audience, you get incredibly useful feedback, and new opportunities will come your way.

Cody also believes in the value of sharing your thoughts freely and putting yourself out there by writing about a wide range of topics.

As he wrote in his blog post "[Putting yourself out there](#)":

*"I have dozens of embarrassing articles posted all over the internet.*

...

*But even though I'm mortified by some of the things I've said in the past, I can't tell you how many opportunities I've had fall in my lap simply by putting myself out there.*

*I've met CEOs of major companies that have allowed me to invest in unbelievably exclusive deals. The Chinese government has flown me around the world to speak at their sponsored events. I've been featured in major newspapers and magazines in countries where I can't even speak their language.*

*It's just a matter of putting yourself out there. The benefits far outweigh the risks."*

In my experience, a blog's audience appreciates if its author experiments with content and doesn't stick to conventional boundaries. If you want to play it safe, pick up The New York Times or any other of the big newspapers. Blogs are for finding the kind of ideas and analysis that are not part of the mainstream yet, but which could become mainstream a bit further

down the road. This implies that bloggers also need to occasionally experiment with content and themes, rather than stick to safe, proven subjects.

Cody has just started doing this again, by outing himself as a prepper (!) and starting a new series about investing in the time of the Wuhan flu. I'll get back to that at the end of this article.

## 5. A unique business model and investing alongside readers

After experimenting with conventional subscriptions, Cody has evolved his business model.

His blog articles are all for free. They are often much more valuable than what you get from many paid-for publications.

You can also benefit from Cody's occasional events. I once attended one of his dinners in London, and for a paltry USD 100 received the opportunity to make some incredible new contacts – and got fed on top of it. Making money off events isn't part of Cody's business model, which is why he can afford to offer them at cost price.

Cody's model nowadays revolves around a private equity firm he created. He organises co-investment deals, or club deals as I like to call them. Cody invests his own money and takes others along for the ride. If this is of any interest to you, the website of the aptly named [Explorer Equity Group](#) has more information. There is no fee to join. You just have to be an [accredited/qualified investor under the US' SEC rules](#) in order for his firm to legally share the deals that they are pursuing. Currently, he has investors from over two dozen countries who have deployed capital in opportunities that range from cannabis to e-sports to real estate. You can use [his website's contact form](#) to get more information on what Cody is currently invested in and where he has taken readers along as co-investors.

What you are most likely going to be interested in is Cody's writing. All his articles (including a new series, more about this later) appear for free on [www.codyshirk.com](http://www.codyshirk.com), and he sends out email alerts.

## 6. Happy to meet readers in person

Call me old-fashioned, but I prefer to personally meet people that I am dealing with.

Is someone I want to write about available to meet in person? It can be telling if they aren't. (Though some bloggers have legitimate reasons to stay anonymous, which I also respect.)

When I meet people, do they strike me as authentic and knowledgeable?

Whether you are in Europe, the US or Asia, it is not that difficult to get hold of Cody.

## 7. An American take on things

I ascribe tremendous value to getting the views of people from around the world.

On the one hand, there is something to be said in favour of not being on the inside and looking at something with the neutral, curious view of an outsider.

Equally, there is a lot to be said in favour of listening to the views of someone who is on the inside.

When you combine both, you get the most complete, objective picture.

Cody grew up on the West Coast where he held a blue-collar job. He now lives on one of the best stretches of the East Coast, just down the road from Mar-a-Lago and the seaside estates of hedge fund titans. You want to subscribe to authors who don't live inside a bubble. Trust Cody for giving you balanced, informed insights about what's happening in the US.

### Good news – Cody is upping his output!

Over lunch, Cody and I swapped notes about the investment writing and blogging industry.

When we left, Cody said he now felt inspired and energised to write more and more often. With that in mind, I figured my trip will have already been worth it! I'll now get his missives more often, and you can join in.

Lo and behold, Cody has just started a new, aptly-timed series: "[The best investment opportunities resulting from the COVID-19 pandemic](#)". This past week has already seen him put out four articles, including [his confessions as a closet prepper](#).

Cody and his family are currently self-isolating to stay clear of the crisis, and they have plenty of supplies to keep them going. Notably, he bought his supplies before the hoarding started, because, well, he is a prepper!

Knowing Cody a bit, we are probably all in for a treat now that he has ample time to wear his thinking cap.

# #7: CROSSING WALL STREET

By the time I'm done with this series, my readers will have learned about 40 to 50 investment-related blogs. That's the approximate number of high-quality finance blogs I believe currently exist around the globe.



Taken together, these blogs provide a lot of my daily reading material. One of my long-time favourites among them is [Crossing Wall Street](#).

I have never met or spoken to its author, Eddy Elfenbein. Still, I feel like I know him personally – a sentiment that many of his tens of thousands of readers will share. Eddy is a veteran who has been publishing his blog since 2006. While in the US, his readership is considerable, he is less known elsewhere.

Here are eight reasons why I love reading Crossing Wall Street:

## 1. A clearly-defined list of specific stock recommendations

At the beginning of each year, Eddy publishes a list of 25 stock recommendations.

About half of these stocks are widely-known blue chips, the other half are small- and mid-caps. All of them are US stocks.

The list makes for concrete, actionable advice. It always consists of a large number of stocks from the previous year, plus newly added ones.

[Here is the 2020 list](#), which also explains the methodology behind it.

You can assume that Eddy is invested in those stocks.

Undervalued-Shares.com doesn't provide such an overview, for good reason. That's not to say that I don't appreciate someone else providing a quasi-portfolio for their readers.

If this is what you are looking for, then Eddy's blog will be superbly useful for you.

### 2. A window into the US market

I do like keeping an eye on the US market, but it's not the primary focus of my research (at least not right now).

Instead, I mainly follow this market through the eyes of a few other bloggers, such as Crossing Wall Street.

The day-to-day commentary which Eddy provides through [Twitter](#) is also very valuable.

### 3. A different way of seeing the world

It's imperative to read content from people who do NOT share your worldview and your methodology.

Eddy looks at a lot of material that I wouldn't usually consider myself. Reading his output challenges me and broadens my outlook.

### 4. Humour

My own readers have requested it, but I have so far failed miserably at it. I should sprinkle more humour into my writing, and memes. Memes!

Eddy isn't a meme king, but he does circulate the occasional fun meme.

Especially at times when there is nothing else to laugh about (as during the March 2020 crash), an investment blogger who still keeps his sense of humour goes a long way.

You will find his occasional humorous side on Twitter.



## 5. You can beat the market for free

Over the past 14 years, Eddy's annual list of 25 stocks has gained 309%.

In comparison, the S&P 500, which is his benchmark, has only gained 247%.

Eddy's blog is free – which means that you could have beaten the market without paying a dime.

How amazing is that?

## 6. No ideology, no politics

Politics is currently all-permeating, and it's difficult to find publications that do not take one or the other side. I myself am guilty of that, being the active participant in the culture war that I am.

When it's not politics, it's ever-repeating themes of a similar nature. Many investment blogs are OBSESSED with the Fed, gold, or the coming depression to end all depressions.

Crossing Wall Street is almost entirely free of that.

The occasional snarky comment that is made about anything relating to politics usually fits under point #4 (humour).

### 7. Interesting charts

In an ideal world, I'd love to spend much more time looking at the world through charts. But my day, too, only has 24 hours.

I usually get access to (and awareness of) the most amazing charts through a bunch of people I follow. Eddy is among them, through his Twitter feed. Getting the right kinds of chart put in front of you is also a valuable service.

### 8. A list of oldie-but-goldie articles

Eddy keeps a list of his most popular articles. Many of them contain general investment wisdom, of the kind that you should re-read every now and again.

He also keeps a list of articles that he has written about exciting personalities from the world of investment, such as [the legendary Sir John Templeton](#).

You can see a quick overview of these articles in the ["Top Posts" section](#).

### 9. A beacon of brevity

On the whole, Crossing Wall Street errs on the side of brevity. When my telephone book-style research reports get too tedious for you, here's an alternative for you!

### How to follow Crossing Wall Street

Besides his [Twitter account](#), Eddy maintains a [free weekly newsletter](#).

I wish there were more blogs of this kind to cover countries other than the US! Can we please have Eddy Elfenbeins for countries like the UK, France, Japan, China, Australia, and South Africa? If any young, aspiring bloggers are reading about this, do take it as your call to action.

If you don't want to invest the time and effort of following and executing Eddy's recommendations, you can let him take care of that. Eddy also needs to earn a living, and he makes fees off an ETF fund that he manages. The AdvisorShares Focused Equity ETF (ticker symbol "CWS") emulates Eddy's annual stock recommendations and currently has about USD 20m in assets. For more information, [visit the fund's website](#) or [download its factsheet](#).

# #8: INVESTOR AMNESIA

If you study the history of financial markets, you eventually realise that there is hardly anything new under the sun. Or as Jamie Catherwood likes to put it: *“We have been here before.”*



The 20-something has created a blog that looks at exciting parts of financial history and puts them in the context of what’s happening in financial markets today. The name of his blog, [Investor Amnesia](#), is a reference to investors forgetting lessons from the past and making the same mistakes over and over again. Instead of merely looking back at relatively recent events, Jamie travels back in history hundreds of years.

To the best of my knowledge, no comparable blog exists.

Here are seven reasons why I have started to look forward to its lengthy *“Sunday Reads”* emails.

## 1. A genuinely useful tool

Even if history isn’t your cup of tea, do not underestimate its value. If you want to become a suc-

Successful investor, you need to have a thorough understanding of what has happened in the past.

You only need to follow Investor Amnesia for a few issues to discover how valuable Jamie's approach is. Changes in technology driving rampant speculation, the oil market undergoing extreme volatility, entire asset classes surging before being wiped out almost overnight – it's all happened before, and multiple times!

E.g., did you think that today's low interest rates and Quantitative Easing were new phenomena?

Think again. Back in the 1800s, the British government carried out similar measures, albeit through different mechanisms. Today, it's pension funds that are desperately chasing yields. Back then, it was Britain's leisure class who lived off their bond investments. Different era, same problems.

Just like today, the low interest rates of that era spawned an entirely new industry of financial services companies that promised to help investors generate a higher income.

As (almost) always in financial market history, it didn't end well. You can read all about it Jamie's article "[The Yield Of An Empire](#)".

Reflecting and studying the past is a valuable activity that will help you make sense of our world today.

## 2. An extremely passionate author

Jamie's writing is eclectic, and the variety of his sources mind-boggling.

In the olden (pre-Internet) days, I would have imagined him to be an older guy with a house full of books. As Jamie disclosed in one article, his work greatly benefits from online archives that nowadays make historical material more easily accessible.

You would expect someone to be genuinely passionate if they call themselves "*The Finance History Guy*" on Twitter.

What's more, Jamie is very clearly gifted. His explaining the present through the lens of the past has already made him a bit of a media phenomenon: on *Bloomberg TV*, Jamie [explored the origin of modern-day passive investing in medieval Italy](#), while on *RealVision*, he [put the coronavirus crisis in historical context](#). All that before (presumably) hitting the age of 30.

It's always best to stick to authors who genuinely love what they do.

### 3. Focus on the bigger picture

I myself am more of a big picture person than someone who would get lost in details. I am interested in the overall direction of travel, first and foremost. My focus is to know where the world will be in three, five or ten years.

Investor Amnesia takes important pieces of news and analyses them with an eye to the bigger picture, e.g. by looking at [the commonalities of the San Francisco earthquake in 1906 and the 2020 coronavirus pandemic](#).

This kind of content feeds nicely into my approach to analysing investments.

### 4. Book recommendations

Inevitably, one or the other book that Jamie refers to in his writing will be of interest to me.

His blog is a source for books that you had no idea even existed, and which you can often easily buy through out-of-print book shops such as [AbeBooks](#) (which beats putting more money in Jeff Bezos' pockets).

### 5. Anecdotes for your arsenal

Us finance people tend to be way too serious and intense, and we should all become better at lightening things up a bit.

I love picking up the odd anecdote and geeky historical reference that I can sprinkle into dinner conversations and pub evenings.

Who'd have known that most everything we thought we knew about "Tulip Mania" was wrong? The famous descriptions of people going bankrupt from trading tulips or drowning themselves in canals were all based off *satirical* pamphlets that exaggerated the events of the mania on purpose. There has been a global misunderstanding of what happened because Charles Mackay misrepresented facts in his widely known 1841 book "*Extraordinary Popular Delusions and the Madness of Crowds*". Who'd have known?

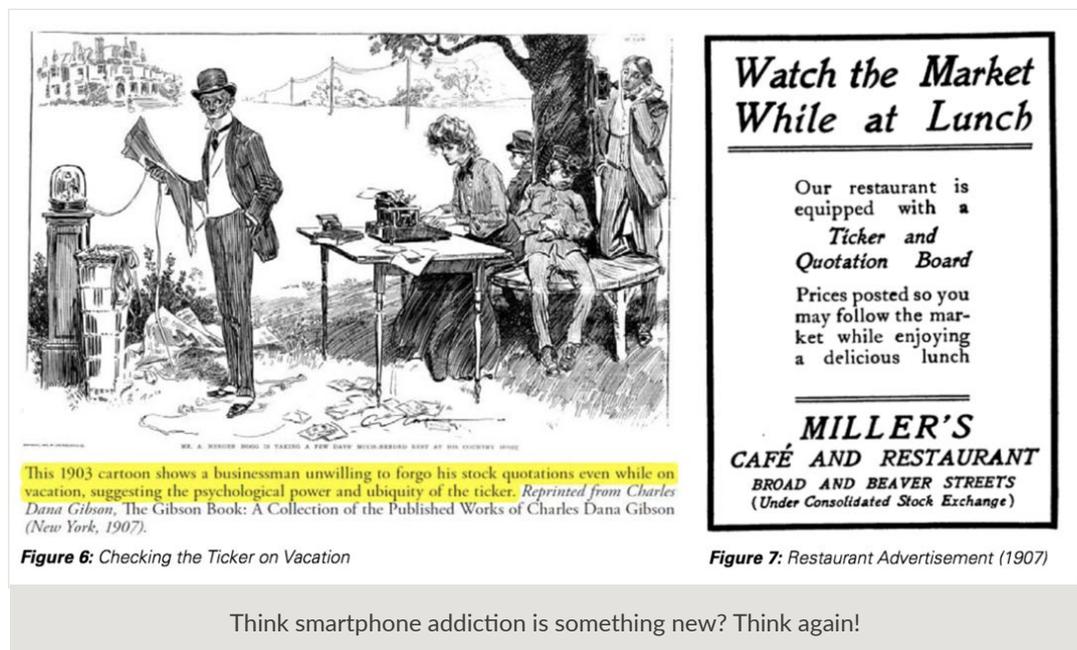
I also loved learning about "*windhandel*", the Dutch word for "trading air". It led right over to a section that describes rather vividly how Dutch stockbrokers sold overvalued securities to a speculative mob during an investment bubble in the 1720s. [One engraving from the era](#) shows "*customers snatching stock certificates from the streams of gas blasting out of the brokers' posteriors - a fitting metaphor for investments that ended up too foul to touch.*"

Back then it was Dutch stockbrokers, and today it's investment banks from Wall Street. What has changed?

## 6. Engaging Twitter feed

[Jamie's Twitter feed](#) has attracted over 25,000 followers by now, and there is a lot of interesting engagement among his followers.

If you prefer Twitter to emails, check it out.



## 7. Events

Jamie works as a Client Portfolio Associate at [O'Shaughnessy Asset Management](#) in Washington, DC. His work seems to allow him to [organise the occasional get-together of like-minded people](#). Events have already taken place in Los Angeles, Chicago, Philadelphia, New York, Toronto, Atlanta, and Washington, DC.

Events are great fun to attend as a guest, but a bitch to organise and virtually impossible to earn money from. I appreciate anyone who puts himself (or herself) out there by making an effort to bring like-minded people together. If I ever end up in the right location at the right time, I'll be sure to attend myself.

### The next generation of globally known talking heads

I have long been going on that the world of finance urgently needs a new generation of bloggers, writers and media personalities.

Much as we all love them dearly, the Jim Rogers, Marc Fabers and James Grants of this world are all getting a bit tired. Other long-standing favourites have already retired, such as the inimitable Harry D. Schultz (who spends his late nineties in Monaco).

It doesn't take much to imagine Jamie Catherwood turning himself into the globally known Finance History Guy. He might just become part of finance history himself.

I think (and hope) that we'll see a lot more of him.

Besides checking out his blog, I also recommend this [insightful interview with him](#).

# #9:

# ADVENTURESINCAPITALISM

Writing this series is a constant struggle between two opposing ideas: 1) Featuring blogs that are similar to mine. 2) Featuring blogs that are totally different from what I do.



For today's blog, the first category won (yet again). "AdventuresInCapitalism" is the blog of Harris Kupperman, who is widely known in the investment industry as "Kuppy".

Here are five reasons why I always enjoy getting his email alerts.

## 1. Specific stock opportunities

There are over 100,000 publicly listed companies in the world. Much as I would love to follow them all, I struggle to have some level of familiarity with even just 1% of them.

Kuppy discusses individual stocks in detail, and he tends to look at companies that I would not know anything about myself.

His motto is: "Small Companies – Big Upside".

All his blog posts are free, by the way.

## 2. Very international outlook

Kuppy does have his biases, as we all do. E.g., he loves his oil tanker companies.

That aside, Kuppy looks at potential investments around the entire globe, and he appears to be open to any opportunity that makes sense.

## 3. Articles with general observations

Personally, I prefer to read content from people who have a broad, well-rounded outlook on the world.

It helps me to get to know a blogger if he or she also publishes the occasional general piece, rather than just discussions of individual stocks.

Most recently, I thoroughly enjoyed Kuppy's musings about "[Post-COVID capitalism](#)", which discussed useless employees and the concept of offshoring jobs.

Another epic one is his September 2019 article "[Miami real estate is about to collapse](#)". I am not usually a doom-monger, but I do like a critical analysis of markets that have become too hot. That particular article went viral when it came out.

Last but certainly not least, Kuppy just published [a BRILLIANT take of the entire debate surrounding Modern Monetary Theory \(MMT\)](#). That particular article is a must-read for you, and there will be follow-up articles.

## 4. Humour

Kuppy sprinkles a fair amount of humour across his postings.

(Mental note, I need to learn from him and become better at that.)

## 5. Practitioner

I prefer reading content from people who have real-life experience in what they write about – rather than people who make a living solely off writing.

Kuppy manages a hedge fund (Praetorian Capital), and has been a director of two publicly listed companies (which he discloses on his blog).

That ticks my box regarding real-world experience.

### The bottom line

Kuppy is another one of those bloggers that I have never spoken to or met in real life, yet I feel like I have come to know him well through his writing. His blog has been in business since 2010, albeit without a regular schedule for posts.

If you don't know Kuppy already, [AdventuresInCapitalism](#) is well worth taking a look at.

# #10: BAWL STREET JOURNAL

Sexism, bigotry, workplace discrimination – it's all coming your way today! Not just in the form of today's Weekly Dispatch but also as a goodie that I've prepared for my Members (it'll be worth signing up if you haven't already!). It's high summer after all, and I think we can all do with a bit of diversion.

From 1961 volume and 1963 profits comes our stairway to paradise

**EASTMAN DILION, UNION SECURITIES & CO.**

Special 1/2 price sale many of last years top issues for sale at 50% discounts

**Hemphill, Noyes & Co.**

Markets made while you wait

**Goldman, Sachs & Co.**

We tell more

**Who's News**  
Management - Personal Notes

By EDWINA BOGDANSKI, Managing Secretary

General Motors is planning a large bond issue to be headed jointly by Lehman Brothers-Morgan Stanley & Co. General City's efforts with his fellow directors to eliminate Morgan Stanley completely proved unsuccessful.

Expense Goidler's handcap at Semolina was reduced to 3 this winter. He looks it quite hard, but the rope broke and he will be back with us soon.

Walton & Co. having a company flag on their office, had a contest for a company song. "Have you ever seen a deerskin walking" is way in the lead.

It is rumored that on the retirement of Charles John Stewart from the Chairmanship of the Manufacturers Hanover Trust Co. all their women customers are going to be available as legitimate prospects for handsome bank officers. Tom Gates is having his hair curled and Renard is taking a flyer at plastic surgery which seems smart under the circumstances. The stories about Geoffrey Stockholder buying a topcoat are very much exaggerated. Besides he calls it a "barrier"!

Henry Alexander, David Rockafeller and Bill Moore were only not signed up for Elizabeth Taylor's next picture, they could be effective.

"Fortun" stock jumped 6 points on the April issue reported—Low Rhoades ordered 472 copies, 2 to a customer and none for a correspondent.

Friends are telling Norman Smith he looks pretty well for the shape he's in.

Old Wehmann, the big dog man at White Wolf, has been elected President of the Manufacturers Club of America. Remarkable resemblance won him the necessary votes.

Chief Moore—had a good one, but it's unprintable.

Fenton Johnston, the South Barney Clubman Executive, now sports a derby in his buttonhole. Never mind asking what buttonhole—1958 is a year in a row.

Who, Chairman of Trust Boston, who looks like Frank Stanton more each day, has been turned down by Abbotson Ambrosian for the fourth time.

Did Duffy in the only member of the Links Club allowed to consistently stand at bridge. So one says he's these days.

The reason Harold Baker gets into the office at 8 a.m. is because his wife doesn't want the servants disturbed at that hour and he can't get any breakfast.

Stevie Gardner denies the story that he's been promoted by Abbotson Ambrosian to be secretary the look one look at Gardner, and you must be "taking" and quit.

I understand the book "The..."

I had a feeling this year's entertainment committee was dominated by a conservative element."

**Dateline Washington**  
New Frontiersmen...  
Washington, D.C., March 27—Attorney General and Mrs. Robert Kennedy today announced the expected arrival of another child, their eighth, or eighteenth, or something, to be born some time in June.

Washington, D.C., March 27—The Ford Foundation announced today that it is establishing a grant of one million dollars (\$1,000,000.00) for the purposes of research and development of modes, methods, and means of birth control in this country and in other underdeveloped but overpopulated areas of the world.

Washington, D.C., March 30—The Secretary of Interior, Stuart L. Udall, and Mrs. Udall, his wife, were seen shopping today in the sporting goods department of a large department store. Their only purchase was a two-person sleeping bag. It is understood that their six children will not accompany them on their proposed trip.

Washington, D.C., April 2—The Ford Foundation announced today that its recent grant of one million dollars (\$1,000,000.00) for the furtherance of modes, methods, and means of birth control in the United States and other backward areas of the world would be increased by one hundred per cent (100%), making a total contribution in this case the sum of two million dollars (\$2,000,000.00).

Washington, D.C., April 6—President and Mrs. John F. Kennedy announced today that they were expecting another child, their third, to be born during the month of July.

Washington, D.C., April 8—The Ford Foundation, in a sharply-worded statement, announced today that its recent grant of one million dollars (\$1,000,000.00) for a so-called birth-control campaign, would be augmented by an additional eight hundred thousand dollars (\$800,000.00). Officials of the Foundation pointed out that at the prevalent rate of one million dollars (\$1,000,000.00) in grants for each addition to New Frontiersmen families, and with Mrs. Peter Lawford and Mrs. Margaret Shriver still to be heard from, the future stability of Foundation work was in serious jeopardy, and that the reduction to a rate of only eight hundred thousand dollars (\$800,000.00) per child was the only possible procedure. Some persons hinted should get out of the birth-control business altogether. "This would turn out to be a biggy, Harro than the Edsel," was the way one politician, who is closely connected with the donor country, and so the Foundation put the situation. "Maybe we should only send down a million dollars for the investigation of pregnancy."

Washington, D.C., April 12—Jubilation was expressed at a little-pollinated White House dinner here last night. While admitting to doze to be ineffective toward the business or big institutions in general, it was obvious that the guests at the dinner, many of whom were prominent, took considerable personal satisfaction in having through the mighty Ford Foundation in his hands, trying to move in the recent days National Food and Commerce. "We can keep this up longer than they can," seemed to be the general consensus of the party. "After all, we know the 'in' and 'out'."

**Government to Subsidize Brokerage Firms**  
Ploved Under Securities to Reach New High

The federal government announced today that it has formulated a plan under which it will subsidize brokerage firms. In such the same way that farmers are subsidized at present. A new agency, to be known as "Subsidy of Brokers," has been formed to administer the program.

The news about the S.O.B. as it is called, has been received with enthusiasm in Wall Street. "We are unanimously in accord with this program," declared Ralph Owen of the Fidelity Securities Corporation. "The government makes good the losses of farmers at a profit, the S.O.B. will buy shares, paying the highest price at which they sold in the previous five years. Also, in the event that a brokerage firm has an opportunity to underwrite a new issue and does not take advantage of it, the S.O.B. will pay the firm an amount equal to the profit it would have realized."

"Within a short time," predicted Mr. Owen, "the streets of Wall Street will be made impassable by piled-under securities."

The consensus of brokerage firms was again expressed today by Matthew Dimes of W. C. Langley & Co. who declared, "Now every broker can feel secure in the knowledge that in Washington there's an S.O.B. working for him."

In many respects the position of the broker, who parallels those of the farm subsidy. Under this new plan, if a brokerage firm has on hand securities which it cannot dispose of at a profit, the S.O.B. will buy them, paying the highest price at which they sold in the previous five years. Also, in the event that a brokerage firm has an opportunity to underwrite a new issue and does not take advantage of it, the S.O.B. will pay the firm an amount equal to the profit it would have realized.

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**WE HAVE IMMEDIATE OPENINGS FOR**

Securities Salesmen  
Margin Clerks  
Customers

**McDONNELL & Co.**  
Established 1905

Members New York Stock Exchange and other principal exchanges

Substantial investors are invited to see our new and improved Trading Department; Reported by many to be the most expensive in the country.

**BLYTH & Co., INC.**

To the Music of Fern Jacques by Terry Hall (Ret.), The Folk Singer Sung by Perry Hall (Ret.), on his return Responses sung by partners' chorus Morgan Stanley, Morgan Stanley How's by you, how's by you?

Chances are, you'll probably never have heard of the "Bawl Street Journal". It isn't a blog, and it's not even in print anymore – so why feature it as one of my "Blogs to watch"?

Because it's simply too good not to!

A treasure discovered in an out-of-print bookshop

The Bawl Street Journal was a newspaper, and a very special one indeed.

I recently discovered a dozen historical issues of the paper tucked away in an archive.

The stack of papers covered the four decades spanning the Depression era 1930s, the post-war years of the late 1940s, the boom years of the 1950s, and the onset of the space age in the 1960s.

Usually, you need luck to find a single copy. I hit “buy” within minutes of spotting my treasure.

Having read all 12 issues, I can confirm...

They are fun.

They are insightful.

They are bound to be enjoyed by you.

Which is why I’m only too happy to share them with you. This Weekly Dispatch offers you a glimpse of the parody journal and its pearls of wisdom (which are still valid to this day). My Members get to enjoy all 12 issues = four decades worth of offensive historic material!

### **What on earth is this all about?**

The Bawl Street Journal is an annual parody issue of the *Wall Street Journal*.

It was produced by the “Bond Club of New York”, which, according to its statutes, was dedicated to “*intellectual intercourse among men engaged and interested in the distribution of financial services.*” It was probably one of the coolest and best-connected finance-related clubs you could have been a member of during its heydays.

The Bawl Street Journal was launched in 1919 (mainly to fund the club’s annual outing and other extravaganzas), and its yearly issue consisted of:

- Articles poking fun at current events and whatever insanity had befallen its era.
- Countless spoof ads taken out by the firms employing the club’s members. Basically, anyone who was someone on Wall Street participated in the effort.
- Anything else the members of the club or the wider public would have found entertaining.

From its third issue onwards, the sale of the Bawl Street Journal produced enough profits to pay for the club’s annual event. At its peak in the early 1960s, it sold over 60,000 copies for USD 1 each. This was ten times the price of its namesake at the time!

Evidently, the authors of the cheeky newspaper did something right.

I had the dozen old issues delivered to my lair in Sark and spent a weekend sifting through them.

Obviously, society's appreciation of humour has changed, and much of what was offensive back then would make readers yawn today. Also, many jokes required knowing about current events of the time, or even knowing the characters mentioned and what they had been up to during the year that had just passed.

However, other parts aged beautifully!

Even for today's investors, the dusty publication offers eternal grains of wisdom. As I always keep saying, knowing and understanding history is critical for anyone wanting to succeed in investing.

### Is there ever anything new in the finance industry?

What sticks out the most when reading newspapers from decades long gone by is the fact that there is nothing new under the sun. It has all happened before.

(Legal disclaimer: all material featured in this article is Bawl Street Journal comedy, and does NOT speak for today's companies of the same name.)

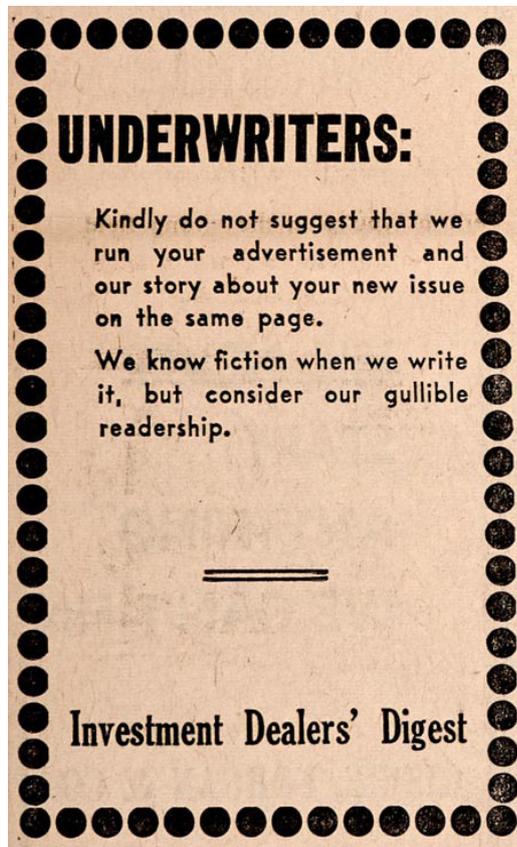
Investment banks bringing questionable companies to the market and issuing shares at inflated prices for a gullible public to subscribe to? Boom times produce a lot of cr\*\* IPOs, which is what this 1948 ad for Goldman Sachs alluded to.

Does karma eventually catch up with you? The 1963 ad for Bear Stearns turned out prescient in ways its authors probably never expected. Or maybe they did?



As ever, the ad-funded corporate media were an important accomplice in hyping overpriced IPOs. The *Investment Dealer's Digest* asked its members not to make it too obvious that purchasing ad space was one way of securing favourable editorial coverage. The business model of corporate media has remained the same to this day.

On that one day each year when the Bawl Street Journal came out, the major players on Wall Street were quite honest about their industry's faults and flaws. These advertisements made it clear what America's masters of finance thought of equity analysts and research reports – and of investors who ascribed any value to this drive!



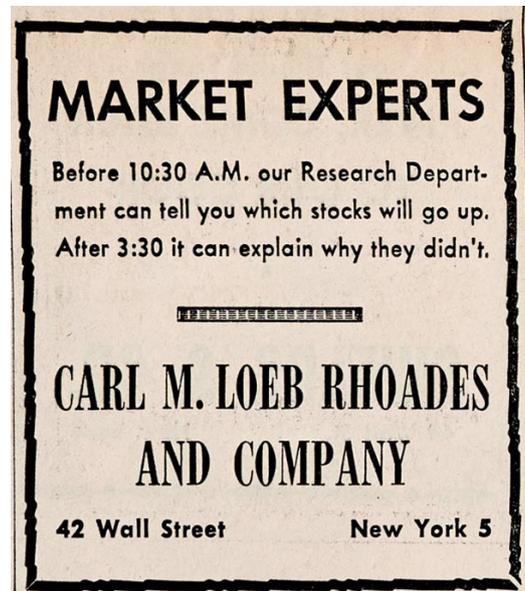
**UNDERWRITERS:**

Kindly do not suggest that we run your advertisement and our story about your new issue on the same page.

We know fiction when we write it, but consider our gullible readership.

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Investment Dealers' Digest



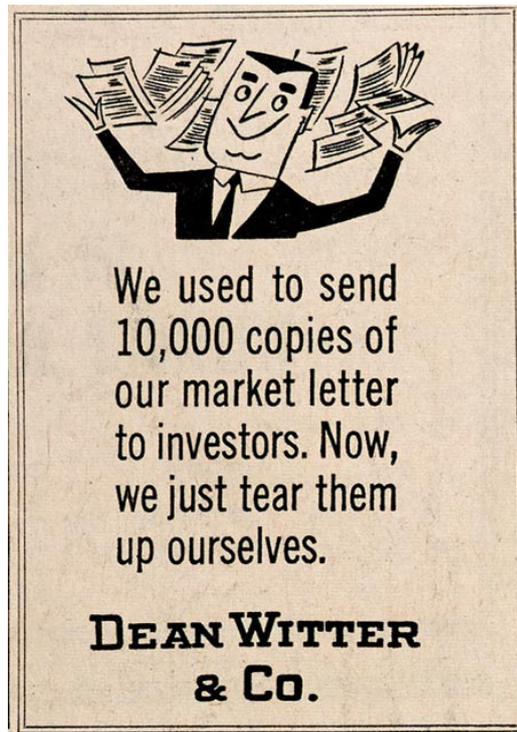
**MARKET EXPERTS**

Before 10:30 A.M. our Research Department can tell you which stocks will go up. After 3:30 it can explain why they didn't.

---

**CARL M. LOEB RHOADES  
AND COMPANY**

42 Wall Street      New York 5



Every decade brings new technologies and bold bets on the future. It's surprising how many of them have already been played several times over by Wall Street. They usually end in busts, but that doesn't prevent them from coming back a decade (or two) later.

Elon Musk hyping life on Mars and Richard Branson floating an overpriced space travel company? It has all been seen before, during the space investments craze of the 1950s. Pay close attention to the spacesuit to see what Wall Street bankers thought of these IPOs. The ad was a homage to the quality of the investment theme.

The 1960s have also seen efforts to raise funds for a tunnel under the English Channel. Readers of my Weekly Dispatches [will know what a disaster this turned out for private investors](#). The Bawl Street Journal had published an early warning about how ridiculous the enterprise was. 1980s investors who pumped money into the Eurotunnel IPO would have been well-served to read a two-decade-old issue of the Bawl Street Journal. As I never tire of repeating, reading out-of-print publications does make you a more astute investor!

The parody newspaper also got it precisely right about Cuban debt. At a time when Wall Street was still floating Cuban bonds, the writers of the Bond Club pointed out how ridiculous it was to expect getting paid back by the rulers of the sugar, rum and casino island. The ad also shows, though, how many of the Bawl Street Journal's jokes require some under-



**NOW!**  
**A Fund with UNIVERSAL Appeal**  
*...the new open-end investment thrust...*  
**SPACE DEVELOPMENT FUND**  
*Booklet by Spacey Comics available.*  
**AMOTT, BAKER & CO.**  
Incorporated  
*Members New York Stock Exchange  
American Stock Exchange (Assoc.)*  
**150 Broadway, New York 38, N. Y.**



if you think financing a  
**BRITISH CHANNEL TUNNEL**  
will be a **BIG DEAL**  
*just wait till we go to work on an*  
**ATLANTIC OCEAN TUNNEL**  
**LAZARD FRÈRES & CO.**  
44 Wall Street, New York 5

standing of the circumstances at the time. Back in the late 1950s, a USD 500m issue volume was an outrageous fantasy number for a Cuban debt issue. Its pricing at 20% alluded to its eventual default, something readers of this website will know a lot more about since the publication of [my Cuba debt report](#).

What's the best recipe for a successful IPO? Simply use incomprehensible technologies and make up a company name that consists of the era's buzzwords. Spot the company name in this cartoon! These were the hyped investment themes of the day – rings familiar?

The US government and other important institutions also received their annual comeuppance. This 1932 article reported on the "Magic Rabbit Act", the US Congress' effort to reflate share prices and control every aspect of human life and the American economy. Seriously, what have we learned in the ensuing 88 years?

**New Issue** **June 5, 1959**

**\$500,000,000**

**THE REPUBLIC OF CUBA**

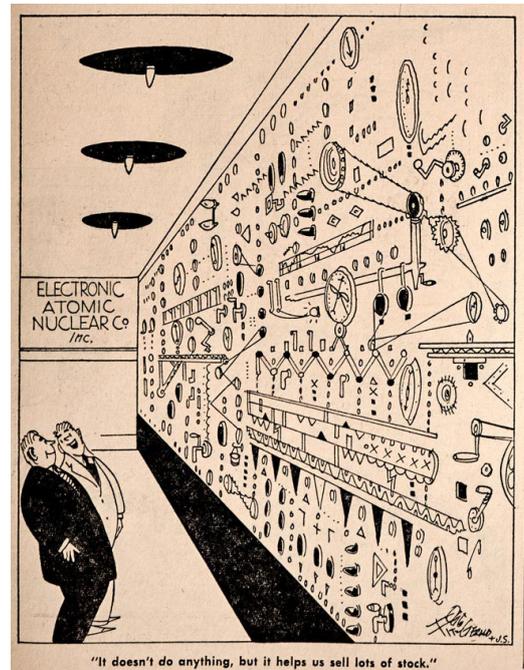
**5% Castro Convertibles**  
**Due February 30, 2000**

Interest payable solely from  
revenues derived from head tax.

In the opinion of counsel, who  
have a vested interest in the  
interest, there will be interest.

**Price 20%**

Less 5% to members of National  
Association of Croupier Dealers



Wall Street bailouts are another theme that is repeated throughout the ages. The 1963 issue opened with a story about Washington reimbursing brokerage firms for losses. If farmers deserve it, why not Wall Street bankers? Native speakers will know what “S.O.B.” stands for (or you can look it up [here](#)). Decades later, too-big-to-fail Wall Street firms again got their losses covered while Joe Public has to pay for it all.

Oh, and in case you wondered, presidential elections ending with recounts isn’t anything new. Few people nowadays know that the most iconic of Democrat presidents, John F. Kennedy, only came into office [on the back of a tight election, recounts, and suspicion of voter fraud](#). No doubt, we’ll get to hear about all of this once again in November 2020.

In between all these serious world affairs and financial dealings, the Bawl Street Journal was most infamous for its never-ending jokes about women. Secretaries, gold diggers, and female investors (mostly widows investing in bonds for “safe” income) were the primary targets. Many of these jokes seem tame (or even lame) by today’s standards, but they will have set tongues wagging back in the days.

## EXCHANGE MOVE HOOVER EDICT

Market Ordered to Washington  
to Insure More Complete  
Rule by Congress

*From THE BAWL STREET JOURNAL Washington Bureau*

WASHINGTON—Delighted by the gratifying response of stock and bond prices to the numerous reconstruction measures undertaken since 1929 to "reflate" securities, President Hoover, under the emergency powers granted to him by the Magic-Rabbit Act, today followed through by ordering the immediate removal of the New York tSock Exchange to Washington.

In an interview with the press the President explained that the projections on his confidential price chart (reproduced on the last page of this issue) clearly indicated the urgent necessity for this course if the Cabinet and Members of Congress were to be spared the indignity of the political and personal bankruptcy enjoyed by all common investors. "Prices must continue to respond to our wishes," he said, "otherwise what is the use of being President or having a Stock Exchange or even a depression at all? We will not tolerate the existence of anything in this country we can't run our own way, including the tax rates, the railroad rates, the birth rate, the law of supply and demand, Gresham's law, the law of gravity and other engineering phenomena.

## Government to Subsidize Brokerage Firms

Plowed Under Securities  
to Reach New High

The federal government announced today that it has formulated a plan under which it will subsidize brokerage firms, in much the same way that farmers are subsidized at present. A new agency, to be known as "Subsidy of Brokers," has been formed to administer this program.

The news about the S.O.B., as it is called, has been received with enthusiasm in Wall Street. "We are wholeheartedly in accord with this program," declared Ralph Owen of Equitable Securities Corporation. "The government makes good the losses of farmers on their livestock, so why shouldn't it also make good the losses of brokers on their dead stock? At present farmers are being paid for the cows and pigs they don't sell, and now brokers will be paid for the dogs they can't sell."

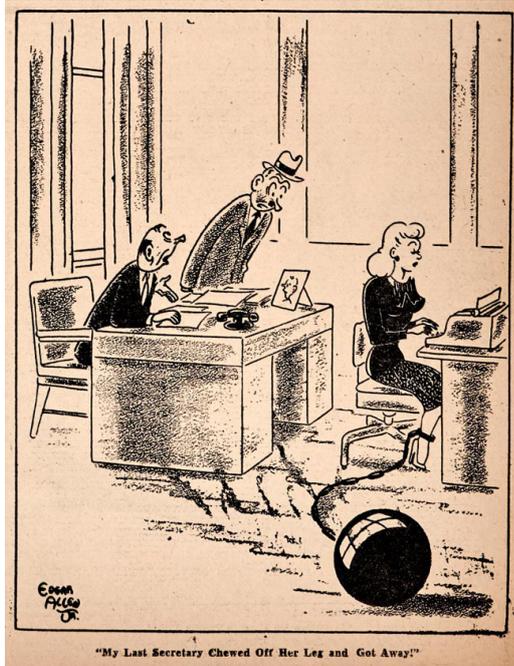
## Kennedy Demands Recount

# THE BAWL STREET JOURNAL

The Bawl Street Journal Corporation, Publishers

NEW YORK, FRIDAY, JUNE 2, 1961

ational Exchange s Canada And U. S. omote Stock Trade		<b>Washington Haywire</b> A Special Friday Report From The Bawl Street Journal's Capitol Bureau
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"My Last Secretary Chewed Off Her Leg and Got Away!"



"Don't get in until they prove they're Bond Club members!"

**WARNING!**  
*The Bawl Street Journal*

If your mention in this edition of our paper brings something more than a slight glow of pleasure, remember that you were singled out by our contributors and ourselves as a good fellow with a sense of humor, even in these times. No higher compliment could be paid you. Furthermore, you have been advertised, without cost, as such a fellow, in America's only "annual financial daily"—a priceless tribute.

Moreover, if you take what we print seriously, no one will take you seriously again in Bawl Street, except perhaps yourself. And what are you going to do when you indict yourself of taking both yourself and us seriously? You can't claim we injured your business—you haven't any.

In this one serious word we extend our cordial thanks and appreciation to Hugh Bancroft and Kenneth C. Hogate for making available to us the facilities of the Dow-Jones organization, and assure all interested parties that the responsibility for material in *The Bawl Street Journal* is ours alone. Dow, Jones & Co., Inc., had nothing to do with the contents or printing of our paper.

THE EDITOR



"You Mean You'll Go Over Everything My Husband Left?"

Just about everyone had it doled out to them, and in spades.

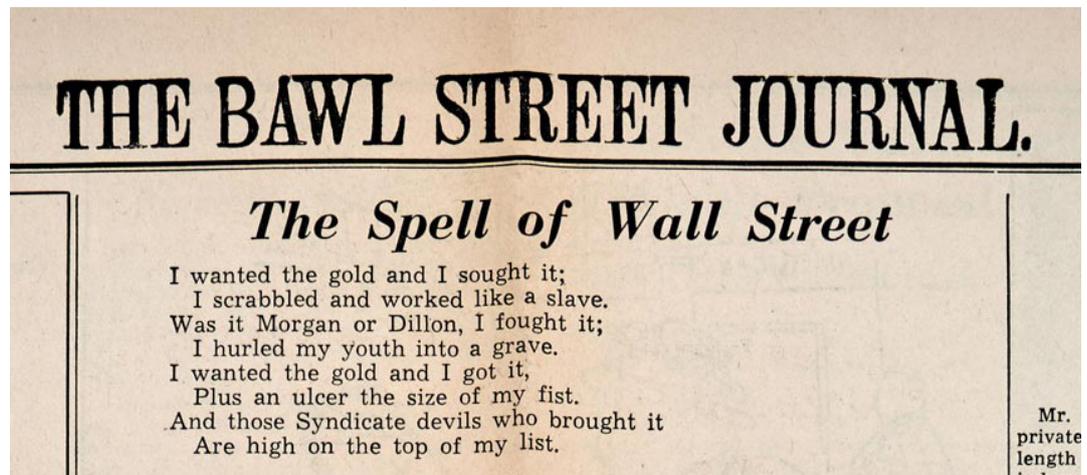
What was the truly worst thing about the Bawl Street Journal, though?

NOT being mentioned.

In each issue, the editors made it clear:

- Being poked fun about, insulted and derided, is just another form of flattery. Only the dull and irrelevant didn't get mentioned.
- Any PR is good PR. Even the stingiest of articles were akin to free advertising. After all, everyone who was someone DID read the Bawl Street Journal.
- If you took the Bawl Street Journal seriously, no one would take you seriously.

After all, Wall Street was never meant to be anything but a tank full of sharks. The opening lines of this 1963 poem captured it beautifully and timelessly.



### What happened to it?

The Bawl Street Journal came to an end after publishing its 2009 issue, which was already its fifth issue that only appeared in digital format. The rising risk of potential lawsuits and the political ascent of the easily offended caused the editors to lay down their pencils.

Bereft of its main source of income, the Bond Club of New York was left with debt following its 2015 annual event. In 2017, some remaining members held a centennial celebration as the club's official last hurrah. No one stepped forward to cover the club's debt, and the legal entity was struck off shortly thereafter.

The former website [www.thebondclub.com](http://www.thebondclub.com) briefly carried a goodbye message and was then switched off altogether. Sadly, no one had the foresight to create a digital archive of all past editions of the Bawl Street Journal.

One of the few visible remnants is a 1999 article published in the members' magazine of New York's Museum of American Finance. The countryside club where the Bond Club hosted many of its early events [made a grainy PDF copy of the article available on its website](#).

In 2017, a blog covering newspaper and magazine parody [dedicated a commemorative article](#).

That was the last that was ever heard about the Bond Club of New York and its Bawl Street Journal, as far I was able to ascertain during my research.

Or was it?

### **It's all yours for the taking (a goodie for my Members)**

Knowing how many of my readers love finance history, I've spared no expense to bring a dose of Bawl Street Journal to those who'd like to immerse themselves in the warm and fuzzy feeling of them olden days.

To give the parody journal something of a home and a place of worship, I have digitised all 12 issues that I've scooped up from the antique book vendor. Undervalued-Shares.com Members can download the following copies (high-resolution PDFs) for free in their Member accounts:

- 1932 issue
- 1948 issue
- 1952 issue
- 1955 issue
- 1958 issue
- 1959 issue
- 1956 issue
- 1954 issue
- 1960 issue
- 1961 issue
- 1962 issue
- 1963 issue

Occasionally, issues surface on eBay or AbeBooks. At the time I published this Weekly Dispatch, a 1965 issue was available on AbeBooks for USD 50 plus postage.

I hope you enjoyed this little summertime excursion to a publication that wasn't a blog, but which should be one if the right author was found today!

# #10: Bawl Street Journal

The screenshot shows the AbeBooks.com website interface. At the top, the AbeBooks.com logo is on the left, and navigation links for 'Sign On', 'My Account', 'Basket', and 'Help' are on the right. Below the logo is a red navigation bar with links for 'Advanced Search', 'Browse Collections', 'Rare Books', 'Art & Collectibles', 'Textbooks', 'Sellers', and 'Start Selling'. A search bar is located below the navigation bar, with a search button and a link to 'Advanced Search'. The main content area displays the product listing for 'THE BAWL STREET JOURNAL - Vol. 38 No. 1 - June 4, 1965'. On the left is a book cover image with the text 'All the news that's fit to print.' and 'THE BAWL STREET JOURNAL'. Below the image are links for 'Bookseller Image' and 'View Larger Image'. To the right of the image, the title 'THE BAWL STREET JOURNAL - Vol. 38 No. 1 - June 4, 1965' is displayed in large bold text, followed by the publisher 'The Bond Club of New York' and the publication date 'Published by The Bawl Street Journal Corporation, New York, 1965'. A 'Condition: Very good' badge is shown. Below this is a 'Save for Later' button and a seller information box for 'Brian Cassidy Books at Type Punch Matrix (Silver Spring, MD, U.S.A.)', which includes the seller's history, association membership (ABAA, ILAB), and a 5-star rating. On the far right, a 'Buy Used' box shows the price 'US\$ 50.00', a 'Convert Currency' link, shipping information 'Shipping: US\$ 29.99 From U.S.A. to Germany Destination, rates & speeds', an 'Add to basket' button, and a '30 Day Return Policy' badge. The breadcrumb trail at the top of the main content area reads 'Home > The Bond Club of New York > THE BAWL STREET JOURNAL - Vol. 38 No. 1 - June 4, 1965'.

# #11: MUSINGS ON MARKETS

Prof. Aswath Damodaran has the most famous yet unheard of blog that you can find online.



**P**rof. Damodaran is a household name among anyone who has studied finance over the past two decades. He authored THE most definitive textbook on company valuation, and his 16-minute video to explain the basics of company valuation has racked up more than 700,000 views on YouTube!

However, I found that most of the people I spoke to had no idea who I was talking about.

Prof. Damodaran's blog is a treasure trove for anyone looking to improve their understanding of financial markets and investments. It's a serious resource – as you'd expect from a university professor with a lifelong passion for teaching.

Welcome to <http://aswathdamodaran.blogspot.com>, also known as "Musings on Markets".

## The collected writings of a beautiful mind

Whenever I receive an email alert about Prof. Damodaran's latest article, I know that it's time to set aside half an hour (or more) of quiet reading time.

Prof. Damodaran doesn't do short and superficial. Not quite unlike myself, he churns out long, in-depth pieces.

His exceptional talent is to break complex subjects into understandable bits (as one popular YouTube comment aptly put it: "Mr Damodaran explained in 16:14 minutes which my professor could not in an entire semester!").

Some of his writing directly relates to investing. Popular posts from recent times include:

[\*A Do-it-yourself \(DIY\) Valuation of Tesla: Of Investment Regrets and Disagreements!\*](#)

[\*Runaway Story or Meltdown in Motion? The Unraveling of the WeWork IPO\*](#)

[\*Investing for a post-virus Economy\*](#)

You can also find more intellectually challenging articles about broader subjects:

[\*A Do-it-Yourself S&P 500 Valuation\*](#)

[\*The Resilience of Private Risk Capital\*](#)

[\*Value vs Growth, Active vs Passive, Small Cap vs Large\*](#)

Before checking any of Prof. Damodaran's writings, do brace yourself for a website with a 1990s look. Despite amassing hundreds of thousands of followers on Twitter, YouTube and his email list, Prof. Damodaran never invested in professional web design but manages the entire website himself. As he put it, it's more important for him to have full control over his website and be able to rapidly make changes than to win a design contest.

Also, not entirely unlike myself, Prof. Damodaran operates not one but two websites. Besides Musings on Markets, you also don't want to miss [www.damodaran.com](http://www.damodaran.com). It's primarily a (mostly free) resource for anyone interested in Prof. Damodaran's teaching and includes courses specifically designed for a web audience.

His personal website also gives an overview of his books, such as "[The Little Book of Valuation: How to Value a Company, Pick a Stock and Profit](#)", a bestseller which has proven popular with both novice investors and more experienced ones. Just as Prof. Damodaran tries to squeeze the essence of some of his 80-minute lessons into 12-15-minute YouTube videos, so does this book distil many crucial lessons into just 256 pages.

It's hard to summarise what Prof. Damodaran offers on his two websites. His body of work is so immense by now (he is 62) that you could spend months reading the existing material.

### Multiple ways to follow him

Prof. Damodaran views teaching as a craft, and it shows in his writing. He is deeply passionate about what he does and proud of being a bit of a generalist who incorporates his extremely diverse interests in his teaching and writing. Even more importantly, he is also really good at taking you along a journey of learning.

If this sounds like your cup of tea, delve right in!

Besides his two websites, Prof. Damodaran has a [YouTube channel](#) and a [Twitter account](#).

Alternatively, look out for him on popular media when markets go through volatile periods. Whenever weird things happen, such as parabolic rallies or market crashes, Prof. Damodaran gets interviewed because he uses logic and simple theory to explain it all. He is fantastic for cutting through the hysteria.

# #12: CHRIS MAYER

Some of the world's best finance blogs aren't written by bloggers but fund managers. How come?



Quite a few fund managers find it useful to test their investment theses on a public audience, or they write to extend their network and increase their fund's visibility.

One such example is Chris Mayer. Chris is a book author, former newsletter writer, and now manager of Woodlock House Family Capital.

Each time a new article appears on [Chris' blog](#), I devour it with interest and joy. Chris is quite similar to Lyall Taylor of LT3000, who I know many of my readers adore.

Here are a few reasons why you should check out Chris Mayer's musings.

## 1. Specific stock ideas

Chris regularly writes extensively about individual stocks.

His investment strategy can best be described through the acronym “CODE”:

**C** is for cheap: undervalued assets.

**O** is for owners: managers with skin in the game.

**D** is for disclosure: businesses with transparency and understandable business models.

**E** is for excellent financial condition: companies with low financial risks.

Does the approach ring familiar?

I regularly scour Chris’ website for investment ideas. Occasionally, I go through some of his older articles to see if an old idea has become current again.

His ideas are so well presented that you could probably stop reading my website and move over to Chris instead. Just kidding. Sort of. It’s simply really good material.

## 2. Depth and diversity of thought

Chris seems to have oodles of time to read and think. He appears to have an extraordinarily broad set of interests, akin to a true Renaissance man.

Besides stock ideas, Chris also covers investment strategy, current events, and what you could best describe as life philosophy.

I have a thing for finance people whose horizon extends well beyond the world of money. A well-rounded understanding of the world is crucial for investing. Chris ticks that box.

## 3. Books that help to get to know him better

Chris has published four books, all of which I have read.

[\*Invest like a Dealmaker – Secrets from a Former Banking Insider\*](#) explains why stock investors should analyse investments as if they were about to buy the entire company. A classic!

[\*World Right Side Up: Investing Across Six Continents\*](#) is very similar to my own musings about investment ideas from around the world. The book is now quite dated, but I thoroughly enjoyed reading it at the time.

[\*100 Baggers\*](#) is a book many of my readers will know. It deals with finding stocks that can go up in value by a factor of 100. Back in spring 2019, I gave away 100 copies of the book to new Undervalued Shares.com Members. The feedback I received was enthusiastic. Coincidentally, on the day I published this column I had lunch with a reader in Frankfurt who told

me out of his own initiative: “100 Baggers was one of the best investment books I have ever read.” That’s from a finance professional with over 20 years experience!

[How Do You Know?: A Guide to Clear Thinking about Wall Street, Investing & Life](#) explores the limits of our knowledge and our ability to express it. In all honesty, I found this one challenging to read and probably have to re-read it to properly understand its content. As Chris describes on his website: “It provides a set of thinking tools we can use to help clarify our thinking. Builds on the work of Alfred Korzybski and his meta-discipline general semantics.”

I have never met Chris, but because of his varied writing, I do feel like I know him fairly well.

Hopefully, he’ll find the time to write another book one day. I’d pre-order it without knowing anything about it.

#### 4. Twitter feed

I don’t have a Twitter account, but I do regularly check out the Twitter feeds of a small number of people whose views interest me.

[Chris’ Twitter feed](#) has 14,000 followers, and it’s the bite-sized version of his more extensive writing.

It allows you to see the world through Chris’ eyes, and helps me come across content that is useful but which I otherwise would not have been aware of.

If Twitter stopped allowing people to read Twitter feeds without having an account, I would even consider to hold my nose and open one.

#### 5. Videos

You can occasionally catch an interesting video interview with Chris.

A few months back, he appeared on [valueDACH](#), a website that curates and publishes high-quality content about value investing.

The 1h+ conversation was titled: “[How to hunt 100 bagger stocks? And how to kill bad ideas?](#)”

If you check YouTube, you can find a few other videos with him.



## Go and judge for yourself

It's quite straightforward.

If you enjoy my blog, then you'll probably also enjoy following Chris Mayer.

His website doubles up as that of his investment fund and his writings:

<https://www.woodlockhousefamilycapital.com>

Check him out!

# #13: CLIFF'S PERSPECTIVES

Of all the people I've come across during the past few years, Clifford ("Cliff") Asness is one of my favourite finds. In retrospective, I can't understand how I did not already notice him ten or twenty years ago. He is a prolific writer.



I was lucky to meet Asness at a small conference in New York in late 2018. Anyone who has ever witnessed him in person will agree with what The New York Times wrote about him in 2005: *"He was like an exuberant, well-dressed, overgrown kid, so overflowing with enthusiasms that he couldn't contain himself."*

I have been following (and enjoying!) his genius-level contributions to the investment media world ever since.

To help you understand why Asness is worth following, it's useful to take a brief look at the past 35 years of his investment career.

## From academia to Goldman Sachs to hedge funds

Asness was an underperformer in school, reportedly preferring soccer to his studies. However, while



Asness speaking to delegates at a students' conference in New York (author's snapshot).

at university, he discovered a passion for investment and portfolio management. His research into different investment strategies impressed Eugene Fama, a Nobel Prize laureate who is often thought of as the father of the efficient-market hypothesis. Asness not only worked as Fama's teaching assistant, but he also managed to sign him up as his mentor.

At the time, computer programmes to analyse markets and test financial theories were still in their infancy. Asness had learned how to code, and he dabbled with finding new ways for using technology to exploit weaknesses in the stock market.

For his PhD thesis, he explored "momentum investing", a strategy based on investors buying a stock for the simple reason that it is going up. Wildly popular during the 1990s, Asness initially thought momentum investing was a fool's strategy. His research made him conclude, though, that it was a viable strategy, provided you are good at analysing the underlying data.

At the time, such quantitative research was mostly unheard of. Goldman Sachs didn't even have a division for it yet, and Asness was asked to set it up. Wall Street's #1 investment bank tasked him with finding ways to utilise university research findings – all ideas were considered!

Together with a few university colleagues, Asness created a computer model that combined traditional value investing with momentum investing. The computer would grab a massive amount of data to identify the cheapest value stocks and invest in these value stocks once

they seemed to start an upward swing. Eventually, the computer also learned to apply the same model to growth stocks whose rise was stalling – which were then sold short. The idea was to create a perfectly balanced portfolio that would be market neutral, i.e. produce a return that was independent from the market going up or down.

Later, Asness' team discovered that the strategy could also be applied to currencies, commodities, and entire economies. They started producing lists of “overvalued” versus “undervalued” countries.

Goldman Sachs handed USD 10m to the team of youngsters to manage. Their fund management skills proved so spectacularly good that within two years, they were managing USD 7bn on behalf of the firm and external clients.

In 1998, Asness resigned from Goldman Sachs and created his own firm – AQR, Applied Quantitative Research. Investors gave them USD 1bn to manage, which made it the biggest ever hedge fund start-up at the time.

Fast-forward to 2020, and AQR manages well over USD 150bn (!) in client assets across 41 funds. Asness himself is a billionaire, and his firm ranks among the most successful fund management companies in the history of money management.

Yet, he also has a blog; “Cliff's Perspectives”.

Here are some of the reasons why you might want to follow Asness' writing.

### 1. It's authentically, passionately him

You are either a natural communicator and passionate writer, or you aren't. If you are, then nothing will stop you from writing. It's an urge to get the words out.

*The New York Times* once reported that one of the reasons why Asness quit Goldman Sachs was that the firm wasted his time on client meetings and presentations when all he wanted to focus on was research and writing.

Over the past decades, Asness has developed a long-standing reputation for not holding back. When he is in a foul mood over bad performance, he will smash up computers on his firm's trading desk. He confirmed as much in his 2009 readers' letter to *The Wall Street Journal*: [“Hey, those screens deserved it.”](#)

Likewise, when something is bugging him, he will not hold back in written or spoken language.

Here is a guy who tells it as he sees it even if it gets him into trouble.

## 2. A blogger with 60 PhD-level experts backing up his work

Asness is basically running a think tank.

In his firm, 43% of all employees hold advanced degrees, and there are 60 PhDs on his team.

Reading Asness' blog doesn't just give you access to his brilliant mind, but also to the output of one of the world's largest such teams of high-calibre thinkers.

Think about that – he shares all this with you for free!

They even try to make dry subject matters enjoyable. E.g., the most downloaded ever article that Asness contributed to asked when a hockey coach should pull the goalie when trailing – which was then connected to lessons in portfolio management, risk management, and business in general. "[Pulling the Goalie: Hockey and Investment Implications](#)" remains available for download.

## 3. Big ideas

I am always on the lookout for big ideas, which people like Asness tend to have a gut feeling for. At least that's what I view as a significant part of their massive success. Get ONE big idea right and ride it for all it's worth.

Asness' big idea right now?

The notion that value investing currently offers the largest opportunity ever in the history of the investment style.

Whereas so many others deem value investing to be "dead", Asness bets the other way.

Granted, he's been making that bet for quite a while already, and he has been wrong so far. Still, when someone like him pulls out all the stops to back one major investment theme, it's worth paying attention.

## 4. Education

Many other large hedge funds barely ever speak to the media, let alone run a website for the wider public.

AQR, on the other hand, has a prominently displayed "Education" section on its [corporate website](#).

This very section contains "[Cliff's Perspectives](#)" – Asness' blog. He writes irregularly and sometimes doesn't post anything for half a year. But when he does post, expect articles that are as insightful as they are comprehensible.

In tune with the previous point, you could check out his May 2020 article: "[Is \(Systematic\) Value Investing Dead?](#)"

And if you prefer to watch Asness talk about this article rather than read it, you could watch his [July 2020 webinar with Frank J. Fabozzi](#), editor-in-chief of the *Journal of Portfolio Management*. As Asness said during the 56-minute conversation: "Value has worked on average for 100 years, and will continue to work because it depends on human behavior, especially the tendency of people to "overreact" to market conditions regarding cheap and expensive stocks."

When I saw him in New York, Asness was also a big believer of investing in European equity, because of the much more attractive valuations.

### 5. Twitter fun

Asness has 75,000 Twitter followers, and [his account](#) is one of the few that I check every now and again.

It's an enjoyable mixture of insights into his personal life, fun (including sports and politics), and investment content.

One of the more memorable series of tweets involved a spat with the author of "*Black Swan*", Nassim Nicholas Taleb, over the merits of spending money on insurance against extreme events.

As *MarketWatch* wrote at the time: "[There's nothing like a very public spat between two titans of the financial world.](#)" (use this link to see the tweets of both sides)

Plenty of expletives were exchanged!

### 6. Public appearances

I like it when bloggers I follow make appearances in real life, whether that's at conferences or through the likes of YouTube.

It makes their writing come alive if I have a chance to get a personal impression of them.

A piece some of my readers might enjoy is the following [highly watchable interview](#).



### Can you get a better mentor?

Asness got a great start in his career because Eugene Fama (and others) helped him develop his skills.

He now shares his knowledge through the Internet, undoubtedly quasi-mentoring a large number of people.

If you want to build on and improve your investment skills, then taking the occasional look at Asness' views and insights is probably not the worst thing you could do.

You can also read a feature about him in the 2011 book "[The Quants: How a New Breed of Math Whizzes Conquered Wall Street and Nearly Destroyed It](#)", which described him as "*one of the smartest investors in the world*".

Insights from a self-made investment billionaire – readable, free, and guaranteed not influenced by advertising money.

# #14: SCUTTLEBLURB

Today is the first time I am recommending a paid-for investment newsletter rather than a free blog.



**S**cuttleblurb is a product that I expect many of my readers will love, even at an annual subscription price of USD 210.

David Kim's investment website is very similar to Undervalued-Shares.com yet also very different.

I couldn't resist featuring it in my series about the world's best investment blogs.

**The American alter ego of Undervalued-Shares.com?**

The following might sound familiar to you:

- Deep dive into companies and industries.
- Focus on massive secular tailwinds and multi-year investments.
- An author who derives intrinsic enjoyment from writing lengthy pieces.

David Kim used to be a research analyst at a hedge fund, where he worked on a long-term, concentrated investment approach. He left to build his own fund management firm, Forage Capital.

Creating a new fund management company is anything but easy, and it doesn't usually pay immediate dividends. It does, however, allow the fund manager to spend lots of time thinking about investment ideas. Using his newfound freedom as fund management entrepreneur, Kim found himself with time on his hands to research and write.

Kim himself described it in a blog post:

*"Writing is central to my investment process. I find it to be the most effective test of whether I really know what I think I know. It also jogs my mind and opens new avenues of exploration in a way that listing bullet points or checking off diligence items do not. So I figured if I was going to write for myself, I may as well see if others would pay to come along for the ride..."*

Enter [scuttleblurb.com](http://scuttleblurb.com)!

## Authenticity and intellectual integrity

Unusually for investment websites, Kim doesn't set out to research investment recommendations per se.

Instead, he goes on voyages of discovery.

Scuttleblurb is about understanding a company's advantages and disadvantages rather than an immediate focus on finding worthwhile investments. Kim does find outstanding investment ideas along the way, but that's more of a side effect.

As another article about Kim once described it:

*"David Kim is a Magellan writing about his voyages rather than a salesman trying to get you to buy that shiny Dyson.*

...

*He dives deep into companies and industries, but not in the typical way of many financial writers: He's not trying to pitch you, he's not starting with a conclusion in mind that he's trying to justify by cherry-picking info. He immerses himself in a business for a while and then reports what he finds about industry dynamics, management quality, unit economics, competitive advantages, how historical developments have made things the way they are today, etc."*

Kim describes himself as a slow, plodding thinker.

To account for his way of working, he makes it clear to his subscribers that he will never stick to any publishing schedule.

Neither does he pick stocks from “hot” sectors just for the sake of making more people visit his website. Much as he does write about SaaS, consumer Internet, and other trendy stocks, he doesn’t do it reliably. In between, he might write about a 100-year-old company that sells bacteria to dairy processors.

In Kim’s own words:

*“I hope you find scuttleblurb to be a welcome reprieve from the mêlée, a place where you can find sober, clearly articulated posts about what a company does, how it competes, and how it creates and claims value in its ecosystem. I don’t always get it right but, without the pressure to pitch or to maintain the appearance of expertise, I can fess up to mistakes and explore ideas with sincerity. I try to stay humble about my state of knowledge and offer arguments as an informed amateur groping for good explanations.”*

His ways of differentiating himself are to be authentic and honest.

You couldn’t say this about many other investment newsletters. Scuttleblurb is a welcome reprieve from the scammy and overpriced investment newsletters that the finance industry is littered with.

scuttleblurb.com is a website for people who like to get a little smarter about publicly-listed companies and the world of investing. It’s a site for people who are curious, and who like to follow an analyst on a journey of learning and logical conclusions.

Full disclosure: I am a paying subscriber of scuttleblurb.com myself. Sending USD 210 towards David Kim seemed like a terrific investment to me, even though I have never even spoken to him (and he didn’t know this article was coming – so rest assured it’s not paid advertising in any shape or form!).

### Further reading for you

If you simply want to get to know Kim’s work, you can find a few [sample posts](#) on his website.

You could also follow [his Twitter feed](#).

Last but certainly not least, you can read this excellent interview with him, a section of which I had cited above: [Interview with David Kim a.k.a. Scuttleblurb](#).

I highly recommend studying David Kim’s website if you are writing (or planning to write) your own blog. The success of scuttleblurb.com is an excellent case study of how to build a

blog that stands out from the rest of the crowd. In his "[scuttleblurb business update \(2019\)](#)", Kim reveals much of the magic sauce that allowed him to build his website into a veritable income earner.

In this business update, he also describes how he built his business by using Twitter: *"I estimate that more than 70% of my subscribers have come from Twitter word-of-mouth."*

Which is something that piqued my interest! As it happens, I've spent a lot of time looking at Twitter over the past couple of weeks. How does the social network fare as an investment, and how can its unique ability to build audiences turn into a goldmine for Twitter shareholders?

[My latest in-depth research report reveals it all](#). It's hot off the press (sent to my Members today), and offers some very surprising (non-consensus!) findings.

# #15: BEHIND THE BALANCE SHEET

If you work in Britain's finance industry, you are almost guaranteed to have come across Stephen "Steve" Clapham already.



Steve is the go-to expert whenever the British media need someone to speak about financial fraud and aggressive accounting. You could have seen him in the *Financial Times*, the *BBC*, or the *Sunday Times*, as well as in more specialised publications, such as *Investor's Chronicle*.

Outside of the UK, he is lesser-known.

It's about time that changes!

Steve's website and blog, *Behind the Balance Sheet*, is a high-quality resource. Anyone who wants to learn how to pick winning stocks should take a look at it.

## Who is Steve Clapham?

Originally trained as an accountant, Steve's employers comprised equity research firms and hedge

funds. He was Head of Research at a USD 2bn hedge fund, and has racked up over a quarter century working in this field.

In 2018, Steve set up his own project, [Behind the Balance Sheet](#).

His service includes a blog, but it goes well beyond that.

### Why Behind the Balance Sheet is worth checking out

#### 1. The importance of balance sheets

There is a reason why Steve picked “Behind the Balance Sheet” as the name for his website. To him, the balance sheet is the most informative of all financial statements, and yet gets too little attention from the investment community.

Put another way, understanding balance sheets helps you gain an edge over other investors.

Steve is very good at breaking down the subject into bite-sized pieces that novice and intermediate investors can understand and put to use. E.g., he loves explaining which three factors are the biggest red flags for potential accounting fraud – and anyone could check them quite easily. In Steve’s view, some of the highest-profile corporate frauds of recent times could have been spotted by spending just five minutes looking at the respective companies’ balance sheets.

On his blog, Steve often cites concrete examples. E.g., I was amused to read that **Alibaba** (ISIN US01609W1027) has USD 49bn of intangibles on its balance sheet, including things like non-compete agreements. Is it all hot air? As Steve puts it: *“I have never seen this on any other balance sheet.”*

One day, when the world looks back on the current excesses in the financial sector, Steve will probably say: *“All the clues were there!”*

Following Behind the Balance Sheet will help you become more aware of these risks and improve your ability to stay clear of risky investments.

For more about Steve’s philosophy and work, check out [this excellent November 2020 interview published by GlobalCapital](#).

#### 2. Stock picking training for both private and institutional investors

As a follower of Undervalued-Shares.com, your likely key objective is to get better at picking stocks. Since 1990, just 1% of stocks in the world have produced almost all of the gains. Stock picking is a more important skill than ever before.

Steve offers training courses for both private and institutional investors which follow the motto:

*“How to make money in the stock market, **at reduced risk.**”*

For [institutional investors](#), Steve's course about forensic accounting is a good fit. Steve also offers training for employees of government regulators and central banks to help them improve corporate oversight in their respective countries.

[Private investors](#) can pick from the following five courses:

- *Analyst Academy: Everything you need to know to become a competent investor*
- *How to Read a Balance Sheet (and the other statements): What you need to know to understand company accounts*
- *How to Pick Winning Stocks: All you need to know about finding great stock ideas, verifying them and implementing them*
- *How to Value Companies: A comprehensive and practical guide to company valuation*
- *Debenhams Case Study: How investors could have identified multiple warning signals from Debenhams' accounts*

There are also more advanced courses on offer:

- *Forensic Accounting – Pandemic Edition: Assessing cash flow, working capital unwind, and projecting end '20 balance sheets and '21 profits*
- *Advanced Valuation Techniques – Enterprise Value Calculation: Everything you need to know about calculating Enterprise Value based valuations*

Everyone has different training needs, and I haven't done any of these courses myself (yet).

However, I would put the potential value of such educational, in-depth courses higher than anything you can purchase for areas such as day trading or flipping real estate – where many courses are outright scams.

### 3. Intellectual research around current affairs, and some fun

I like it when bloggers do research about cases that are not immediately geared towards making money, but which are an intellectual exercise and tie in with current events.

E.g., Steve tried to analyse [the value of Donald Trump's golf course in Scotland](#).

[Sign up to Steve's monthly-ish newsletter](#) to keep abreast of his writing, and you'll learn quite some interesting facts such as *“the 261 large US companies which were loss makers in 2019 are up 65% in 2020 ON AVERAGE”* (as did I when I read the latest issue).

The fact that Steve's newsletter only arrives ever so often makes me enjoy it even more.

#### 4. The “club”: exclusive content and networking

Quite similar to myself, Steve prefers to attract a smaller but higher-quality audience.

His “club”, [a website where you can register and interact with Steve and other readers](#), is free to join and currently has 400+ members.

Steve is very selective in sharing new content with this network - which is of higher value to me. I have just joined myself and will now check back every week or two. Just today, I found a copy on there of the 2021 edition of Steen Jakobsen’s “*Outrageous Annual Predictions*”, which I had wanted to read but so far couldn’t find anywhere else (if you are interested in the free PDF, you can download it from the “Club Café”).

The club’s main feature is a “library”, where Steve has assembled around 1,500 articles that can help you improve your investment skills or simply find out more about a subject. The library welcomes submissions from members and could turn into a powerful resource over the coming years.

(Before you ask, I have a long-term plan to create something similar for my readers. But I am SO busy with other plans and products for my website that it’s unlikely to happen before 2022 at the earliest.)

#### Get to know Steve through his new book

Steve has just published a book: [“The Smart Money Method – How to pick stocks like a hedge fund pro”](#).

For just GBP 19.99 (around USD 27), you can get to know his approach and decide if his other products are worth pursuing.

(Just for the avoidance of doubt, I have no affiliate marketing agreement with Steve and even paid for my copy of his book.)

# #16: BANKLESS

Never before since the Second World War has there been such widespread worry about the value of money (or more precisely, the value of money potentially being impaired). There is a growing debate about the structural weaknesses inherent to so-called fiat currency, and how blockchain technology, decentralised banking and cryptocurrencies could radically change not just the financial industry but the entire monetary system.



**W**hat is it all about, why should you care, and what's the best way to learn more about it?

This blog review gives a few starting points to help you answer these questions.

## The growing debate about the future of money

Until a few years ago, using the term “fiat currency” would have made people perceive you as a conspiracy theory nutcase.

How things have changed.

Suddenly, everyone seems to use fiat currency to describe the fragility of our monetary system. The term has entered the common language.

Fiat currency describes money that is backed by nothing more than a promise issued by a government, mostly through a government-owned central bank. The Latin term *fiat* indicates that it is money issued by order of the government, instead of money based on the scarcity value of a monetary precious metal such as gold. It's "paper money" as we know it, and it's the kind of money that central banks are currently printing by the trillions.

Of all the dollars in existence, 18% were printed in 2020 alone. A similar situation applies to the euro. Central bankers and politicians currently seem to live by the motto "*A trillion here, a trillion there, what difference does it make?*"

Thanks to Zimbabwe and Venezuela, everyone knows what it leads to if ever more money is printed. Politicians and central bankers claim that it's all different now because they are experts and know what they are doing. You know, Modern Monetary Theory (MMT) and all that jazz. Who trusts them, though? If they were trustworthy, responsible experts, why did their own systems allow them to run up record levels of debt in the first place? True experts would have delivered fiscal responsibility, instead of the orgy of debt that the world has experienced over the past 40 years. It's no surprise that investors and savers are starting to get worried about the long-term value of their savings.

Some even say the current stock market rally is the first sign of investors fleeing from fiat currency. If you believe there'll be a financial reset of some kind, what would you rather own – dollar notes or overpriced Microsoft stock? After a financial reset, Microsoft should still be around as a profitable company. The stock may be overvalued now, but as a shareholder of Microsoft, you are almost guaranteed not to end up as poor as a church mouse if the financial system is reset. Divesting fiat currency and buying productive or scarce assets at high prices are anything but irrational if you are worried about such scenarios.

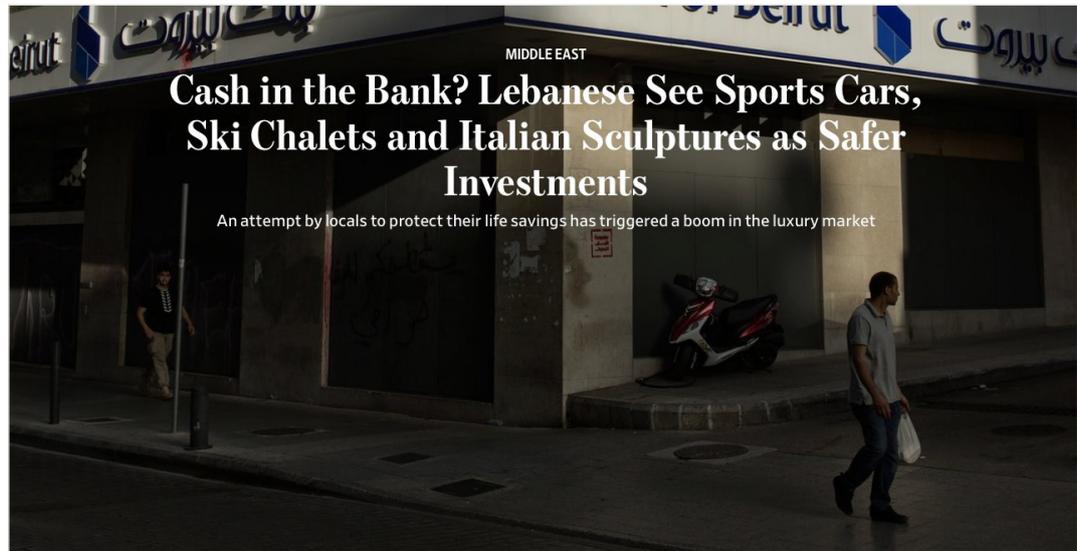
This question has severe ramifications on stock market valuations. If liquidity is used to purchase real assets out of fear, then the valuation of the real assets you purchase matters a lot less than during normal times.

Another alternative is, of course, to leave the current financial system altogether.

In the past, this meant buying physical gold and silver, the world's most well-established monetary metals.

Today, there is another potential alternative.

Cryptocurrencies, blockchain and decentralised finance are terms to describe one and the same phenomenon. It's about freeing your finances from the tight grip of central banks, governments, and the large corporations that are in cahoots with them – and instead, join a new financial system that is controlled by its community and which governments cannot manipulate.



## Cash in the Bank? Lebanese See Sports Cars, Ski Chalets and Italian Sculptures as Safer Investments

An attempt by locals to protect their life savings has triggered a boom in the luxury market

A branch of Bank of Beirut has had steel plating welded onto its exterior to protect it from protesters angered by Lebanon's economic crisis. JACOB RUSSELL FOR THE WALL STREET JOURNAL

SHARE



By [Dion Nissenbaum](#) and [Nazih Osseiran](#)  
June 2, 2020 5:42 am ET

PRINT TEXT

10

BEIRUT—Lebanon's currency is in free fall. Prices are skyrocketing. Local banks are barricading themselves behind steel walls after activists torched their branches across the country.

In a desperate attempt to preserve their life savings amid the [country's financial crisis](#), many well-off Lebanese are now sinking money into Land Rovers, ski chalets and expensive artworks, triggering an unlikely boom at the very top end of the luxury market.

At Beirut's Opera Gallery, sales are up 40% this year. Beirut couple Samer and Vicky Hriky recently spent almost \$200,000 on a sculpture by Italian artist Amedeo Modigliani.

To read about a classic “melt-up boom”, look no further than this [June 2020 article from the Wall Street Journal](#).

That, in essence, is the premise of the growing “DeFi” movement, decentralised finance.

If you are as confused about decentralised finance as I am but eager to catch up, then today's featured blog will be for you.

### A one-stop shop for education and investment inspiration

Whenever I use the term “blog” for the websites that I feature in my monthly “Blogs to watch”, I do so in the broadest of ways.

[Bankless](#) is a blog, but it's also a course and a community.

It was set up on Substack, the popular platform form for content creators and newsletter writers.

I like it for the following reasons.

### 1. New concepts easily explained

When was the last time someone advised you to “regain your financial sovereignty by leaving behind the world of central banks”?

In the “open money system”, no one requires banks anymore. They'll become as outdated as going to a travel agency to book a flight. Whether it's paying, saving, borrowing, lending, or investing – in the world of decentralised finance, you probably won't need an old-fashioned bank.

How exactly that could work, is something I have recently been eager to learn more about. Not the least as it's totally outside my comfort zone.

To get a flavour how Bankless explains such subjects, you should read their free article “[DeFi will do to banks what the Internet did to newspapers](#)”.

Not that this would be the only article on the website, but it's one that I thought perfectly illustrates why it's worthwhile to follow the subject.

### 2. Top-notch presentation

If or when I beef up the educational content on Undervalued-Shares.com, I'll use Bankless as one of my benchmarks.

The website's multiple authors are doing an outstanding job presenting their content. Their use of language, the visuals added to it, and the overall structure are exceptional. You can also choose between audio learning and reading.

You can check it all out by watching [this nine-minute video](#).

### 3. Learn a bit each week

The content provided by Bankless is structured in a way that helps increase your knowledge every week, without overwhelming you.

You can see the structure and timing of their content using [this link to “About us”](#).

## An investment opportunity like the Internet in the 1990s?

For most of us, so-called open finance is akin to the Wild West.

It appears exciting but also dangerous, and no one provides you with a map.

There could be excellent opportunities for investment. Some say that investing in decentralised finance is akin to buying Internet domains in the 1990s. Back then, a student bought porno.com for USD 4,200, sold it a week later for USD 42,000, only to watch it getting [sold again for nearly USD 9m in 2015](#). That was after the owner had already earned USD 10m off the site by redirecting it to other websites. Over 18 years, the owner has made over 400 times his money.

You can strike gold in the Wild West if you are the first to discover a new vein. You can also lose your shirt if you don't know how to navigate the landscape.

Bankless is the best product I have found so far to help you to get your head around decentralised finance. It does require dedication and ongoing reading (or listening) because you get sent an email every day. It's a fairly extensive subject matter and one that evolves and grows with every day that passes. However, provided you have some interest in the subject, the content will quickly suck you into its vortex and make you read up even more than your recommended daily dose.

Parts of the website are for free, and the full course is an affordable USD 12 per month (about EUR 10).

If the dollar or the euro becomes worthless, you better spend them on your education quickly. That way, you will be prepared for what's waiting on the other side. It might help you to one day be rich in cryptoassets, and not have lost your savings through fiat currency.

And in any case, this is a fun, exciting topic to delve into. I am amazed that the Bankless website hasn't been discovered by hundreds of thousands of readers yet. It shows that we are still early into this trend, which makes it so worthwhile to educate yourself.

Porn.com, USD 42,000 and all that – the early bird catches the worm!

## 4. Develop Key Skills

While you learn the key concepts take time to level-up on the key skills so you can do things in the the bankless money system—pay, lend, borrow, earn, trade, and invest.

### Going Bankless:

- 📖 [How to go Bankless](#)
- 📖 [Going Bankless with Maker | Mariano Conti](#)
- 📖 [Going Bankless with Compound | Robert Leshner](#)
- 📖 [Going Bankless with Uniswap | Caleb Sheridan](#)

### Pay & Receive:

- 📖 [How to get a crypto Visa](#) ➡
- 📖 [How to stream magic internet money](#)
- 📖 [How to accept crypto payments](#)
- 📖 [How to bank your business without a bank](#) ➡
- 📖 [How to make instant payments with Loopring Pay](#)

### Lend & Borrow:

- 📖 [How to get a Dai savings account](#) ➡
- 📖 [How to open a loan on Maker](#)
- 📖 [How to margin trade without a brokerage](#)

A sneak preview of the massive content available to paying subscribers.

# #17: VALUE AND OPPORTUNITY

Today's blog is guaranteed to find a lot of interest among my readers. How come?



**B**ecause it's quite similar to Undervalued-Shares.com, but also totally different.

You can use value and opportunity to learn about investing in general, read about exciting investment ideas, and benefit from views that are outside of the mainstream.

And all for free!

Here is why I have long enjoyed reading value and opportunity (even before I relaunched Undervalued-Shares.com in late 2018).

## 1. A mysterious author who beat the Wirecard crooks

No one knows who's behind value and opportunity.

The author goes by the alias “memyselfandi007”.

Much as I generally think readers should know who they are dealing with, I have a deep respect for content creators who need a level of privacy for legitimate reasons.

Back in 2008, myselfandi007 posted a critical review of Wirecard on a German message board.

The company’s aggressive legal department struck back. myselfandi007 got summoned to the headquarters of the German Criminal Police (similar to the FBI), and Wirecard threatened to sue message boards where the author was active. This is not what you expect to happen when you post a stock analysis on a message board, nor is it an experience you’d wish on anyone.

We all know how it ended. Wirecard famously imploded in Germany’s largest corporate fraud in 2020.

myselfandi007 was vindicated, [which they wrote about when Wirecard finally unravelled](#).

Following such an experience, who would not want to reconsider having their name plastered all over the Internet?

Much as myselfandi007’s achievements go much further than this particular story, I simply enjoy following the person who recognised this major fraud years before the now-famous *Financial Times* journalist, Dan McCrum, latched onto it.

Never mind myselfandi007 beating almost the entire mainstream media, the German securities regulator, and senior German politicians.

Clearly, value and opportunity is written by a smart person with the right ethics.

## 2. In-depth stock analysis that is a joy to learn from

If you wanted to check out just ONE article to see if value and opportunity is for you, make it this one: “Biontech SE – ‘one hit wonder’ or game changing biotech platform?”

Biontech is, of course, the famous German biotech company that developed a vaccine against the coronavirus, and its Turkish-heritage founders have become billionaires.

The article taught me a lot, about:

- The company.
- Its products and technology.
- The stock.

Probably not quite unlike myself, memyselfandi007 writes stock analyses to broaden their horizon:

*“The simple act of writing things down for me is a benefit as such. In order to write down a thought, you need to think at least twice about things, reflect them and for me it is also much easier to memorize something if I have written it down once.”*

These in-depth stock analyses, which the blog features regularly, tend to take up 15-30 minutes of your time. They’re all written in a wonderfully logical and accessible way.

There are two other examples that I would like to point out:

[“Just Eat Takeaway.com – just another roll-up or long term growth opportunity?”](#) analyses a stock that I also featured in [one of my in-depth reports for Undervalued-Shares.com Members](#), so you can even use it to check on my work.

[“Airbnb – ‘Baller IPO’ or desperate Hail Mary \(including a 3.5bn USD accounting time bomb\)?”](#) provides an in-depth, independent review of the world-famous online rental company.

All articles fall under value and opportunity’s motto “Slow Investing, Special Situations & Occasionally Wild Punts”.

### 3. Alert to interesting posts on other blogs

memyselfandi007 is a voracious reader who sometimes sends out links to other recommended articles from other blogs or relatively obscure sources.

I find this selection of articles useful, and it regularly makes me come across publications that I had not previously known about.

You get alerts for these articles if you sign up for the free email list on value and opportunity.

### 4. Consistency and history

Nothing builds as much trust and appreciation as someone who has been at the game consistently for many years.

value and opportunity has no regular publishing schedule, but the oldest article dates back to 2010. Luckily, after originally starting to publish in German, memyselfandi007 later recognised what I keep preaching to all German-language bloggers (with varying success): *“Write in English, or else 98% of the world’s population can’t follow you.”*

Over the last decade (perfectly summed up in [“10 years of value and opportunity: 10 highlights, 10 lessons, and 10 books”](#)), memyselfandi007 has received comments from no lesser

reader than hedge fund billionaire David Einhorn, [issued an early alert to the Globo PLC fraud](#), and landed [the spectacularly successful SAPEC investment](#) thanks to a tip-off from a reader.

There aren't many authors and analysts in this space who have such a long history.

## 5. Ancillary reading materials

Depending on what you are looking for, there is a lot of additional material on value and opportunity:

- [Articles on fundamentals and how to analyse stocks](#).
- [List of recommended books](#).
- [Model portfolios](#) (which beat the benchmarks hands-down over the past ten years).

It makes you feel like you know the author, even though they steadfastly remain anonymous.

## A meeting of fellow bloggers – with you peeking over our shoulders?

For full disclosure, I have long been in personal contact with memyselfandi007. We even planned to meet, to swap notes among colleagues.

Maybe the two of us should have a conversation about subjects that interest both of our readers, and publish a few observations and conclusions afterwards?

Would you be interested in such an approach?

When the world goes back to travelling again, this may just happen. In the meantime, I recommend you familiarise yourself with memyselfandi007's content.

It's entirely for free, making [value and opportunity](#) a blog in the original sense of the word!

# #18: MOSTLY BORROWED IDEAS

12 research reports per year, long-form analysis, and a focus on large-cap stocks – does this concept sound familiar?



The idea behind “MBI Deep Dives”, or “Mostly Borrowed Ideas” as it’s also called, is amazingly similar to the Undervalued-Shares.com concept.

It’s a truly great investment blog and it comes at an entirely reasonable price. “Blogs to watch” is all about featuring the world’s best investment and finance-related blogs, so that others find it easier to locate these publications. Obviously, I am literally sending traffic the way of my competitors. Even if this means occasionally losing one or the other readers to other publications, I’ll keep featuring any website that I believe will be of interest to you. Investment blogs supporting each other will help broaden the reach of the entire sector. I rank this a higher priority than short-term traffic maximisation for my own blog – more about this at the end of this article.

Here are five reasons why I really like Mostly Borrowed Ideas:

### 1. Interesting selection of companies

MBI predominantly features companies that you would have heard about already. Etsy, Uber, Shopify, and Lululemon are the kind of companies you would often come across in your day-to-day life, and they've all been featured on [MBI Deep Dives](#).

Focussing on such well-known companies makes the investment analysis easier to relate to and more relevant to read.

### 2. Detailed financial analysis

Undervalued-Shares.com's occasional weak point is where MBI excels.

I am a big picture person, and I mostly lean on the work of others (such as the innumerable research reports from investment banks that end up on my desk) to drill into balance sheet details.

Abdullah Al-Rezwan, the author of MBI, on the other hand, had majored in finance, followed by an MBA. As if that wasn't enough already to provide him with a solid understanding of finance, he eventually also became a Certified Financial Analyst and a Financial Risk Manager.

Check out [this article explaining his research approach](#).

If you are looking for a website that is a bit more technical on the financial analysis side, MBI may be for you.

### 3. A genuinely curious mind as author

As the 30-year old author puts it, he is a generalist who enjoys understanding and connecting the dots.

He picks the targets of his analysis purely on the basis of what he is curious about. As he puts it, of the 12 companies he features each year, only two or three will likely be great investments – some might not be worth buying at all.

Make no mistake about it, MBI is not a tip sheet that aims to give you 12 investable, highly-promising ideas per year. It's about exploring, learning, and showing the process of solid investment analysis. Its author simply takes you along on his journey and he lets you see the world through his eyes.

This means he will not appeal to the typical tip sheet audience, but to other curious minds who appreciate intellectual exploration.

#### 4. And a likable author as well!

I have never met the author of MBI, nor have I even emailed with him ahead of this article.

Nevertheless, he seems like a really nice chap:

- Driven and self-motivated (as us bloggers are).
- Self-deprecating.
- Seemingly leading a quasi-nomadic life and living off his blog.

[Check out his CV](#) or [his Twitter feed](#).

#### 5. A website with enviable clarity (and timeless gems)

At times, I question whether Undervalued-Shares.com is as neatly arranged as it could be. As I accumulate ever more content, this question regularly comes to my mind.

When it comes to locating content, MBI is a model case of brevity and neatness. If you want to sift through the miscellaneous content that the author has produced outside of doing deep dives on companies, simply [visit this section and scroll past the Twitter threads](#). Towards the bottom, there are a lot of timeless gems you can learn from.

Mental note to self, I will revisit how to better arrange and present the content on Undervalued-Shares.com. (Suggestions are always welcome.)

#### Not for free – but great value

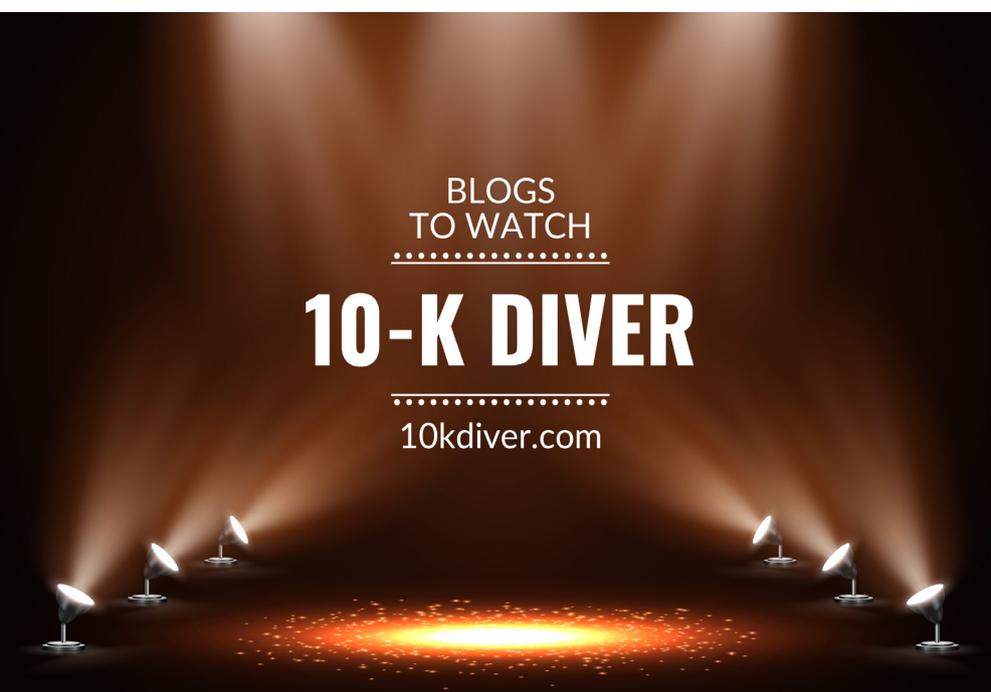
At USD 10 per month, MBI Deep Dives is a tad more expensive than Undervalued-Shares.com. Then again, which investment website isn't?

I view my payments to blogs as a worthwhile investment for the wider good. We do need more independent thinkers and writers, and the sources that offer such writing are drying up.

As of late, the long-standing gradual decline of mainstream media has accelerated – and the reason isn't difficult to locate. **The mainstream media sector has been bleeding talent.** Websites like Substack (which MBI Deep Dives is based on) allow journalists and anyone else to build an audience and make a living out of writing. A growing number of journalists has recognised that they don't need a conventional employer anymore. The truly outstanding writers can gain much more control over their work AND make more money if they set up their own shop.

# #19: 10-K DIVER

My ongoing series about the world's most useful investment blogs has always taken a liberal approach to the format others choose to publish. Today, I am featuring someone who publishes his work in the form of Twitter threads!



These threads tend to be so long that the author of 10-K Diver always advises his readers to get a cup of coffee before starting to read them. What I do with my in-depth reports, this gentleman does for Twitter threads. They are really long!

10-K Diver already has over 100,000 followers on Twitter, and its author has become a bit of a legend. I don't even have a Twitter account, but you don't actually need one in order to read Twitter postings.

Here is why I recommend you check 10-K Diver out.

## 1. Core concepts explained for five-year olds

We know little about the author of 10-K Diver because to this day, he

prefers to stay anonymous. What we do know is that he has gone through the Indian education system where he loved cracking complex subjects in areas such as math and physics.

Following his experience as a student, he concluded what he now calls the most important lesson of his life:

*"If you want to learn a subject really well, there's no shortcut. You can't 'skim through' stuff. You have to spend quality time and focused effort. You have to drill deep down to the fundamental concepts in that area and keep thinking about and exploring them until you feel confident in your understanding."*

He also believes in the Feynman method, which basically says you should explain things as if you were speaking to a five-year old. The Feynman method is in the spirit of Albert Einstein's famous saying: *"If you cannot explain it simply, you don't understand it well enough."*

10-K Diver breaks concepts into bite-sized portions and posts them on Twitter. There is usually one thread published every week, consisting of around 30 tweets on average.

You can see a few examples here:

[How much money you need to retire](#)

[The Rule of 72](#)

[Standard Deviation, Mean Absolute Deviation, and Fat Tails](#)

Crucially, 10-K Diver only picks subjects that make up so-called "core concepts" behind finance and investing. These are concepts that don't change with time, or only very slowly. Concepts such as cash flow or returns on invested capital don't ever change, and they provide the foundation for a good education about finance and investing.

In terms of his approach to investing itself, 10-K Diver likes Terry Smith's 3-step method:

Step 1: Find wonderful businesses.

Step 2: Buy them at reasonable prices, and

Step 3: Do nothing.

By now, you can probably see why I spotted a bit of a kindred spirit in him (even though I have no clue who he is).

## 2. Humour

As you can see from the examples above, some of the threads do drill into fairly complex subjects. All the better that 10-K Diver throws the odd bit of humour in there.

E.g., his thread about Lifestyle Creep was written *“to answer <sup>\*the\*</sup> most important question in all of personal finance: should you get that daily latte or not?”*

It’s a question that I myself wonder about each time I spend a few weeks in a place like London or New York, where I always end up spending a fortune on coffee shops.

Finally, I know the answer!

## 3. No commercial product (yet)

By breaking down difficult concepts that a lot of people are interested in, 10-K Diver provides a lot of value. He doesn’t charge for it, though. There is no commercial product behind the website, at least not yet.

10-K Diver uses writing to put his own thoughts into order and to identify gaps in his own understanding. Everyone else simply gets taken along for the ride.

[In the only interview I found with him](#), he alluded that one day, he will want to monetise his following somehow. Courses seem like an obvious route.

For now, though, it’s entirely for free. (Thanks!)

## 4. Pushing the boundaries of content formats

I am a big believer that anyone who is capable of producing interesting content is being offered an incredible opportunity. The Internet is still young, and there remains a nearly infinite number of niches that no one is covering yet. It’s a tremendous business opportunity for the 2020s.

As part of that, content creators should experiment not just with content, but also with different content formats. Would anyone have expected Twitter to become a popular channel for explaining complex subjects? I mean, you are limited to 280 characters after all!

10-K Diver didn’t let conventions get in the way, and he popularised a concept that few would have expected to work. Even better, his chosen format has now become his signature feature. It’s what you remember him for, and why I chose to write an article about him.

If you are a fellow blogger or content creator of some kind – as I know quite a few of my readers are – let this approach inspire and guide you. Just throw the rule book out the window.

It's something I once wrote about on my personal website, too ("[My top 10 rules for building a blog](#)").

### Give it a go

None of us should ever stop making an active effort to learn new stuff. With 10-K Diver's Twitter threads, you get to know important concepts in a playful, easy manner. What's your excuse not to use them?

You can find 10-K Diver on [Twitter](#) (obviously) as well as on [his own website which lists all previous Twitter threads](#). Besides weekly threads, 10-K Diver also posts other content, but only quite selectively.

Before you check him out, though, get yourself a cup of coffee!

# #20: YET ANOTHER VALUE BLOG

When I pick my “blogs to watch”, I evaluate them not just on the basis of their investment analysis. It’s very important for me to have a feeling for the person behind them.



**B**loggers are in a pole position to benefit from the secular trend away from corporate media, and a growing number of investment-related bloggers will become widely known and highly appreciated by a discerning, high-value audience.

Case in point, the aptly named Yet Another Value Blog written by Andrew Walker.

Andrew’s posts about individual stocks often enough go viral, and many of you will have come across his work already.

Here are the four reasons why I think you should check out YAVB, if you haven’t already.

## 1. High-quality, extensive analysis of value stocks

The name says it all, doesn’t it?

However, it's not just the long-form analysis that appeals to me. I enjoy following YAVB because I always learn a lot about industries that I am not sufficiently familiar with. For instance, Andrew has a long-standing interest in stocks from music, media and telecom – industries that you are unlikely to have read much about on Undervalued-Shares.com

Check out his extensive coverage of the highly complex transaction involving Bill Ackmann's SPAC, **Pershing Square Tontine Holdings** (ISIN US71531R1095, "PSTH"), and Universal Music Group:

["Breaking down the ridiculously complex \\$PSTH / \\$UMG transaction", 4 June 2021](#)

["Further breaking down and simplifying the \\$PSTH / UMG transaction", 7 June 2021](#)

["Music execs on the music industry investment thesis", 12 June 2021](#)

["Some final pre-deal \\$PSTH / UMG thoughts", 14 June 2021](#)

Andrew is an equity analyst at Rangeley Capital, a boutique fund management firm in Connecticut that was set up by Christopher "Chris" DeMuth jr., well-known himself [through his writing on Seeking Alpha](#). Rangeley Capital focusses on "mispriced securities with a limited fundamental downside and corporate events that unlock shareholder value". You can see why I was attracted to the website in the first place, right?

These in-depth, ongoing reports about specific subjects offer information and analysis that you could not find anywhere else – and a lot of it is for free!

## 2. Involving interesting people

Unlike myself, Andrew is active on social media.

On "YAVP" ("Yet Another Value Podcast", available on [Spotify](#), [iTunes](#), and [YouTube](#)), he regularly interviews guests, mostly about individual stocks. If you are deep into the American investment scene, you'll recognise the name of some of the interviewees.

When Andrew had a question about PSTH/UMG, [he sent a tweet to Bill Ackmann](#).

YAVB is a prime example of how networking to improve and expand blog content is done, and why it delivers value to readers – something I have yet to become better at myself.

## 3. An open, dedicated author

As Andrew puts it on his blog: *"I am hoping I will still be writing this blog decades from now."*

I hope so, too. Andrew lets his readers see the world through his eyes, which is what blogging is all about.

I enjoyed his writing about the alleged death of New York, for which I'd trust a New York-based finance blogger a lot more than any mainstream publication:

[“The ‘Death of New York City’ is Dead”, 24 March 2021](#)

The insights gained through his wife, friends and professional contacts occasionally add nice “anecdota” to YAVB. If you didn't know the plural of this word before, now you do!

Every now and then, Andrew distributes a reading list with interesting articles and links to other websites. I love getting such insights into the source material and personal interests of a blogger. It helps you get to know them better, and makes you come across entirely new sources for information that otherwise you would have never found. Here is an example (scroll to the bottom):

[“Some things and ideas: May 2021”, 1 June 2021](#)

#### 4. Blogging as a business – destined to succeed

During my search for interesting blogs, I divide my finds into two categories:

- Blogs where the author has a serious interest in building a business.
- Blogs which are done “on the side”, i.e. where the author has a primary interest in investments.

Finds from the second category regularly break my heart in terms of wasted potential. Case in point, there are several truly great blogs where the author decided to save money and not create an email list to alert readers about new articles. As a result, they only get a fraction of the readership that they could attract.

Treating a blog as a business and adding at least some paid-for features is better for the reader. A blog with income can invest in serving its readers better, and in that sense may be “cheaper” than a blog that is entirely for free.

YAVB carries a few features that explain the thinking behind building this blog, e.g.:

[“The Yet Another Value ‘Empire’ in 2021: The Blog and Premium Site”, 7 January 2021](#)

The premium part of YAVB has a fairly typical pricing for this kind of service: USD 499 per year (or USD 199 for a one-month trial). This is a very different pricing strategy to my own: I believe that the future of pricing media lies in being either extremely cheap (to make it easy to become a casual follower) or extremely exclusive (to receive bespoke services). However, having followed Andrew's writing for longer than I can remember, I am convinced it'll be worth it for some of you. For everyone else, there is lots of free content on YAVB.

For fellow (or aspiring) bloggers, following YAVB's evolution as a business should be useful. I have always been delighted to see that Andrew thinks about it all as a business that he wants to build for decades (just like myself), rather than something he does haphazardly on the side.

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