

Baid Gautam – The Joys of Compounding: The Passionate Pursuit of Lifelong Learning

Published by Gautam Baid, [Equity Investing] Grade 5

There have been many books written about Warren Buffett & value investing, and many read them and are impressed by the message, not least due to Warren's outstanding performance over time & his charming ways. But many read & listen to it and then forget it. One person has more than read it, he has also immersed himself into it and created his own version of investing. That person is Gautam Baid. For Gautam it's not just about investing, it's a total experience which runs his daily life. Reading "The Joys of Compounding" was surprisingly inspirational to read.

This is a must read, both for the beginner and the professional. My only critique would be that sometimes it's too many quotes, too much of a discussion around the same things. It could be done more efficiently, i.e. in less pages. But, that's also part of the charm, that is how Gautam is. And to some extent that has now influenced me as well. Many times, I want to get to the point too fast. Here you must spend time, to immerse yourself into the art of investing.

Still, for the ones who have read more than a few books on Warren and disciples, I want to highlight a few chapters that I think stand out and will surely re-read many times. Those chapters are 18, 27 and 32.

Chapter 18 is about the idea that the market is efficient most of the time, but not all the time. Great discussion on the difference between risk & uncertainty. Chapter 27 is a real treat, since it's about something not so common to discuss among value investors, how to invest in commodities & cyclicals. He also manages to make an intriguing case for "Techno-Funda" investors, looking at both fundamentals and charts for investable trends. Finally, chapter 32, key chapter of the book. Easy to read & borrow ideas, but everyone needs to develop his or her own conviction. To do that, there is a shortcut, keep a journal and (chapter 26 and update your beliefs chapter 22) learn about yourself.

We are about to come to the end of this book review, but it's not the end of the discussion of the book, it's just the end of the beginning. Tomorrow we will publish our long interview with Gautam, which I hope will inspire you further since they are partly about the chapters above, which I think will clarify his ideas further.

Having read the book once, and multiple chapters over and over again, I can say it has been a true Joy. I now look forward to the compounding, of not just financial returns, but in overall life, and the pursuit of lifelong learning.

Bo Börtemark, July 30, 2019