Contents

Preface ix
Introduction 1

PART I THE PERFECT INVESTMENT 23
Chapter 1 How to Value an Asset 25
Chapter 2 How to Value a Business 43
Chapter 3 How to Evaluate Competitive Advantage and Value Growth 71
Chapter 4 How to Think About a Security’s Intrinsic Value 127
Chapter 5 How to Think About Market Efficiency 145
Chapter 6 How to Think About the Wisdom of Crowds 171
Chapter 7 How to Think About Behavioral Finance 223
Chapter 8 How to Add Value Through Research 267
Chapter 9 How to Assess Risk 299

PART II THE PERFECT PITCH 337
Chapter 10 How to Select a Security 339
Chapter 11 How to Organize the Content of the Message 371
Chapter 12 How to Deliver the Message 395

Acknowledgments 431
Art Acknowledgments 435
About the Authors 439
Index 441