

Philequity Corner (July 20, 2015)

By Valentino Sy

Opportunity of a Lifetime – The Book

The market has been very volatile in the last few weeks. The Greek drama has again taken center stage while the sudden and sharp drop of Chinese stocks has caused investor anxiety around the globe. In times like this, we believe it is apt to look back at past historical events and revisit basic investment strategies to guide one's decision-making.

It is thus timely that we will soon launch a book entitled "Opportunity of a Lifetime" authored by our fund manager, Mr. Wilson Sy. The book will be launched on August 1, 2015.

Navigating through bulls and bears

The book narrates how Philequity navigated through the various bull and bear markets over the past decade. It contains blow-by-blow accounts and detailed descriptions of actual events that moved the stock market. Aside from these, it recounts our insights and analysis as we explained how certain momentous events affected the stock market and other asset classes. More importantly, the book details actual calls and predictions that we made based on our analysis during those times.

Ten chapters of investment knowledge

The book is organized into ten different chapters, each describing a specific historical event or expounding on a specific investment theme. Passages and quotes from past Philequity Corner articles were carefully chosen to encapsulate various investment lessons. These are timeless investment strategies which have proven to be useful then and remain to be useful now. We thus believe that the lessons contained in this book can be used as guideposts to navigate through present-day market conditions.

Reading through the rhymes

Mark Twain once said, "History does not repeat itself, but it does rhyme." We believe that this holds especially true for the events that affect the stock market. In the book "Opportunity of a Lifetime", we show that historical events may be used as templates for analyzing present-day situations and as references for predicting future ones. More importantly, we explain that looking at historical patterns and rhymes may be used as basis for making sound investment decisions.

Creating your own opportunity of a lifetime

An example of this is how we used the Asian financial crisis as a template for understanding the 2008 US subprime mortgage crisis (*The US can learn from the Asian Financial Crisis, January 21, 2008; US credit crisis and bailouts – Reminiscent of 1997 Asian Financial Crisis, March 17, 2008*). The research that we did during those times formed the basis for our call that the bear market presented a once-in-a-lifetime opportunity (*Opportunity of a Generation, November 11, 2008*). This also helped us accurately predict the bottom of the bear market and the start of the ongoing bull market (*666 on 3-6-9, April 13, 2009*).

We believe that investors can follow a similar process when they look for opportunities in times of crisis and volatility. As Wilson himself said in the book's preface, "Through this book, it is my fervent wish to impart my investment experiences to the common Pinoy – so that they can have their own 'Opportunity of a Lifetime.'"

Demystifying investing

We know that it takes hard work for one to be successful at investing. One has to study different disciplines such as company fundamentals, global and local macroeconomics, politics, sociology and even psychology. This is why we seek to demystify the investing process by explaining and sharing our framework through the Philequity Corner articles and the book that we are launching. As Wilson said in the book's preface, "Although the subject of investments can sometimes be daunting to investors, I was hoping that readers would absorb my thoughts on the markets and improve their own financial know-how. I wanted people to gain insights on how to make proper asset class allocations and how to invest in equities and currencies."

Empowering and educating the Filipino investor

Though professional investing is a highly-specialized field, we believe that investing is something that all Filipinos can learn and practice. And while we share our market calls and stock specific advice from time to time, our articles focus more on explaining the process that we go through in order to come up with our investment calls and decisions. By doing this, we hope that our readers would learn how to invest properly and would be confident in building-up their investment portfolios. As the old adage goes, "Give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime."

Investing is for everyone

In writing Philequity Corner articles and publishing them in *The Philippine Star's* business section, we aim to make investing less cumbersome while also educating the general public. This goes with Philequity Fund's mandate of providing an investment avenue for smaller investors so that they can participate in the ongoing secular bull market in Philippine stocks. The book that we will be launching is a culmination of these efforts. **As Mr. Washington Sycip stated in the book's foreword, "The issue of financial literacy should also be disseminated among the widest possible members of society. This book addresses such an issue and can be used as a valuable reference tool for successful investing in the future."**

Book launch on August 1, 2015

We invite our Philequity investors to attend our shareholders meeting, investors briefing and book launch on August 1, 2015. The affair will start on 3pm, at the Meralco Theatre in Ortigas, Pasig City. On that day, we will be selling the books at cost to Philequity clients and investors. Since Wilson's main advocacy is education, he has decided to donate all proceeds from book sales on the day of the launch and in the future to the Ateneo de Manila University and Xavier School educational trust funds.

Philequity Management is the fund manager of the leading mutual funds in the Philippines. Visit www.philequity.net to learn more about Philequity's managed funds or to view previous articles. For inquiries or to send feedback, please call (02) 689-8080 or email ask@philequity.net.