

## **Philequity Corner (August 3, 2015)**

**By Valentino Sy**

### **An Open Secret**

We held our investor briefing last Saturday, August 1, 2015. This coincided with the launching of “Opportunity of a Lifetime”, a book on investments authored by Philequity’s fund manager, Mr. Wilson Sy. Meralco Theater was filled-up despite the traffic jam caused by the heavy downpour. The initial order of books was quickly sold-out. Finance Secretary Cesar Purisima and Securities and Exchange Commission (SEC) Chair Teresita Herbosa graced the book launch as keynote speakers. In the book launch, revelations were made about how Philequity Corner articles are crafted. We also gave a behind-the-scenes look at how the book was formed.

### **Revealing an Open Secret**

It is known that Wilson is responsible for the continued success of Philequity Fund. But not many people know that Wilson is also the driving force behind Philequity Corner. Below is an excerpt from “An Open Secret”, which is a prelude that I wrote for the book.

*“The simple actuality is that although I agreed to lend my name and face for authorship of the weekly Monday column, the true spirit behind the existence and continuing success of Philequity Corner lies with another person. He is no other than Wilson Sy, previous chairman of the Philippine Stock Exchange and Philequity’s fund manager since its inception in 1994. Wilson is the person who determines which topics the column should address, conceptualizes the investment themes, provides the financial theses, crafts the title and subheadings of each article, and then makes the call on the column’s conclusions. This authorship arrangement has long been an open secret within the family and the social circles we circulate in, and also within the organization and the financial industry itself. But now that the newspaper column has blossomed into a book, it is time the general public be made aware of this open secret as well.”*

Wilson is deeply immersed in investments. He lives, breathes and dreams about stocks all day long. This is someone who installed a couple of computer terminal screens in his toilet at home, aside from spending the whole day looking at quadruple trading and Bloomberg monitors in his office. Wilson reads a ton of research reports throughout the day and night in order to understand why global markets behave the way they do and find ways to profit from them.

### **Team Effort**

Wilson is a perfectionist not only with the way he manages investments but also with how he crafts Philequity Corner articles. He wants the articles to come out in a specific way and properly capture his thoughts and ideas. While I help him draft and finetune the articles, it is not just us who do the work for Philequity Corner. Members of Philequity’s research team spend countless hours researching on the topics and drafting the articles. Below is another excerpt from the prelude that I wrote for the book.

*“The perfectionist that Wilson is, he insists on rewriting and revising all these articles—sometimes up to 10 times and through the wee hours of the morning. Woe to the team member then who has to be assigned the bulk of that weekend’s work—for he has to sacrifice his Fridays (when the financial markets not only in Asia close but in Europe and the US as well), his Saturdays (when the body of Wilson’s investment thoughts have to be expounded on) and*

*Sundays too (when the bulk of these last minute revisions and rewritings have to be incorporated). But no one complains really—how can you when you see the head of the company working harder than everyone else? Why raise a fuss—while the research team members and I only take turns preparing the drafts of the articles on a monthly or bimonthly basis, Wilson reviews and revises the articles to death week after week, at times browbeating people just to make sure that the essence of the messages he wishes to impart is clearly defined.”*

### **Music, sports and investments**

As some of you may have noticed by now, the articles sometimes talk about sporting events and music. Though these are clearly some of Wilson’s favorite past times, these are not just random musings about his interests. He has always found a way to relate these to the stock market.

*“The fact that Wilson is from Ateneo while I graduated from La Salle also wreaks havoc at times on the color of the articles. Why should the column celebrate blue victories in ladies volleyball, UAAP basketball five-peats and what-have-yous—even to the extent of parroting in print all those fabilioh chants and songs? True blasphemy if you ask me. I could understand when the column correlates everyday joys, like a Manny Pacquiao victory or a national basketball team qualification win in the FIBA championships, to how the PSE Index behaves. I could tolerate Wilson’s uncanny knack for correlating seemingly irrelevant everyday events to the financial markets, even ending the articles with lyrics of his favorite ’60s and ’70s era songs. But to equate Ateneo’s basketball triumphs as examples of successful investments is simply too much.”*

Since Wilson is deeply immersed in stocks, he has developed this unique ability of being able to connect music and sports to investments. This is proof of his genius and his mastery of the multi-faceted nature of investments. He spends hours studying and analyzing different parts of the puzzle, such as fundamentals, technicals, macroeconomics, politics, human behavior, history, etc. But more importantly, Wilson is able to synthesize all these to form a better understanding of how markets will move and how we can profit from them.

### **Birth of Philequity Corner**

Philequity Corner was born when Mr. Kevin Belmonte of *The Philippine Star* requested Wilson to write a weekly column on investments. Wilson initially hesitated but members of the family, our closest friends and business associates provided words of encouragement. He eventually agreed but he asked me and the directors of Philequity to contribute in writing the articles. Though writing a weekly column entails hard work and sacrifice, Wilson thought that this would give him an opportunity to reach ordinary people who rarely give a thought to investing their money. Below is a quote from the book’s preface, written by Wilson himself.

*“It was my hope that the column will teach or prod them to invest... 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 knowhow. I wanted people to gain insights on how to make proper asset class allocations and how to invest in equities and currencies.”*

### **All for investor education**

The book talks about Philequity's experiences, whether these were successes or failures, so that readers can formulate their own investment strategies. It also expounds on the proper skills and values needed for successful trading and investing. As Wilson 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.'"*

Below is an excerpt from the foreword written by Mr. Washington Scypip.

*"Of my personal advocacies, basic education has always been a primary foundation. But basic education per se should not be an end in itself. 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. I also take comfort in knowing that the person behind the Fund shares the same core values I espouse—a continuing hunger for education, commitment to hard work, and integrity in business above all."*

### **Thank you to our investors and readers**

We would like to thank you, the investors of Philequity and readers of Philequity Corner. Your continued support and loyalty is the reason why we keep doing this. We would also like to thank our investors who attended last Saturday's book launch. Our apologies to people who had to wait in line for more than two hours to get their books signed by Wilson. We apologize if some of you failed to get copies of the book when supplies ran out. We also apologize to people who ordered multiple copies but were not able to get their books because we asked them to give way to those who were buying single copies. Additional copies have been ordered and will be available to our investors at the same cost price for a limited period. However, the books will be sold at retail prices at selected outlets of Fully Booked and National Bookstore this week. As previously announced, all proceeds of book sales will be donated 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](http://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](mailto:ask@philequity.net).*