(This copy is an AI-assisted translation of the original transcript in Chinese)

E01 The Gap Between You and Warren Buffett

February 12, 2025

The quotes from investment masters all seem correct, but somehow useless?

Is having a few million considered rich? How do you get rich if you don't have a few million?

A 40-fold return in 20 years—Einstein called this the eighth wonder of the world?

Have you ever thought that high growth might be wrong?

Are there fewer people on the fastest path to investing?

What is the most important ability in investing? Insider information? Tracking hot trends? Financial statement analysis?

You are only one step away from Buffett -- ??

Timeline

00:17 Why this podcast exists, what topics it covers, and who it is for

03:38 Self-introduction

06:08 Wealth does not equal having money; there are three types of assets, and the best way to get rich is to acquire stocks of good companies

11:05 It is very hard to get rich just by working a job; much of what is called investing is actually consumption or speculation

14:14 Value investing is based on compounding

15:20 Can getting rich happen faster?

17:14 Duan Yongping's "reasonable minimum growth rate"; growth does not equal value

24:45 Get rich only once, or multiple times?

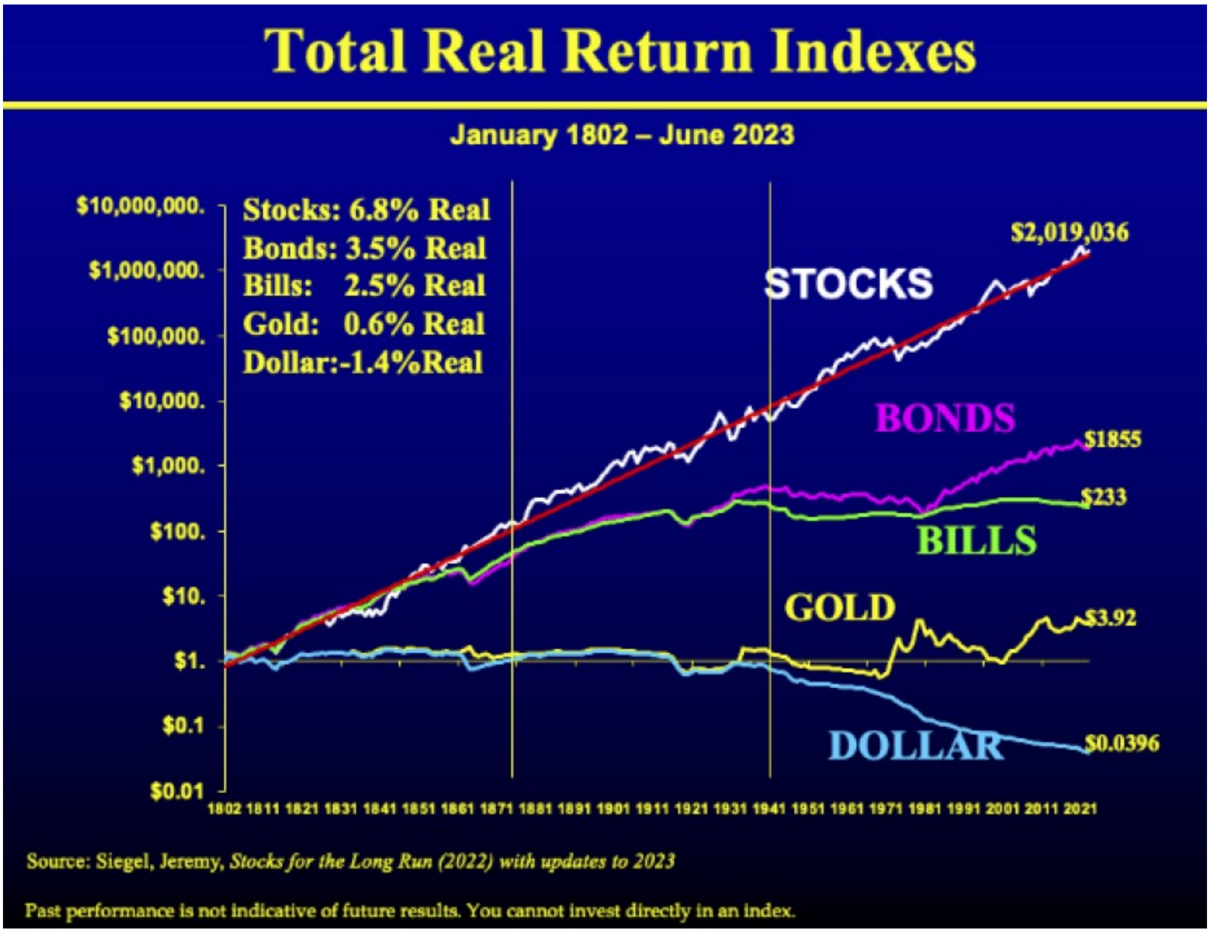
27:20 Munger's "Take the high road, it's less crowded"

30:14 Investing relies on common sense, but common sense is the hardest knowledge to acquire

35:35 The biggest gap between you/me and Buffett

Note

Returns of various asset classes over more than 200 years in the US; the real return of stocks is far higher than other categories



Introduction: Why Does This Podcast Exist?

Hello everyone, I'm Patrick, and welcome to *Slow is fast*—a podcast about wealth, value investing, and business world analysis. Today is the first episode of this podcast, and I'll start by talking about why it exists. Before the Chinese New Year, a colleague of mine told me he hoped I would start a program about investing, promising to be the first to follow it. My immediate reaction was that value investing concepts are not actually complicated. Moreover, there are already plenty of books on value investing in the market, whether by Warren Buffett, Charlie Munger, Duan Yongping, or Li Lu, and they also have numerous statements, speeches, and articles. Wouldn't I just be picking up what others have already said? I learned everything from them and don't have any exceptionally profound insights of my own, so I never knew where to begin.

Later, I slowly realized that while there are indeed many of their quotes or stories available, these are either highly distilled summaries of their entire value investing thought systems or unrepeatable, unique opportunities. For ordinary people like us, the first reaction to these things is, "That all sounds correct." But when applied to our own investing or wealth management, it seems completely useless. Therefore, what people actually want is likely a more grounded, more actionable analysis and advice regarding these highly condensed thoughts. Consequently, I felt I could do some related "translation" work in this area. Thus, the main content of this podcast is the translation and interpretation of the philosophies of value investing masters.

I hope to explain these concepts in language that is as easy to understand as possible. Additionally, I want to discuss and analyze certain companies, their businesses, cultures, and so on. This stems mainly from my own curiosity about various businesses, and I want to explore with you all how to run a good business, or how we can excel at our side hustles if we have one. Of course, another thought is to use this platform to meet more like-minded friends, so we can walk the broad path of investing and slowly get rich together.

So, these are the three main areas this podcast aims to cover. Who is this podcast for? I think it is for those who want to get rich slowly, rather than those seeking overnight wealth or "wealth codes"; it is also for those who are curious about the business world. Why are some companies so successful? Why do some succeed and then rapidly fall? Why do some businesses seem forever unable to succeed? Finally, it is suitable for those who want their investment performance to beat the index. If you are not that interested in investing and business, and don't want to expend energy researching, we should just invest directly in index funds.

Before getting into the main topic, let me introduce myself. I am someone who has always been full of curiosity about business; you could say that during my 15-year career, I have continuously tried to understand the secrets within it. After graduating from university, I first spent seven years in investment banking. Investment banking is essentially an intermediary, helping companies go public or undergo M&A, dealing with massive projects worth hundreds of millions of dollars. However, during those seven years, my feeling was that even though I spent every day doing valuation analysis for companies, arguing why a company was worth investing in, and conversing with CFOs and even CEOs, it felt like I was mostly just theorizing on paper. My understanding of business and commerce remained superficial.

So afterward, I joined a major internet company, trying to get my hands dirty operating businesses, and stayed there for over six years. Naturally, this experience brought me closer to how enterprises operate in reality. Therefore, I gained a firsthand, realistic understanding of how a company develops a business, how the primary business leader achieves KPIs, and how top management sets company and talent strategies.

After six and a half years at the internet giant, I chose to step out and start my own business with a few partners, creating a VC-funded startup. Our startup journey lasted over three years and ultimately ended in failure. However, from it, I learned extremely important underlying business logic that I hadn't learned in over a decade of being an employee. For many things, you never truly know the 'why' unless you do them yourself. So, that is a rough overview of my background; going from intermediary to actual industry to my own startup, I have formed my own understanding of business and commerce. Investing is a huge personal interest of mine, and aside from that, I also enjoy reading, playing tennis, and recording podcasts.

Redefining Wealth: Wealth Does Not Equal Having Money

Alright, let's get into the main topic of this episode. First, it is necessary to define what wealth is, as this is extremely critical. Wealth does not equal having money; the amount of deposits in your bank account does not represent how much wealth you have. Wealth is ultimately used for consumption; it represents a kind of purchasing power. Therefore, a person's wealth is the ratio of their own purchasing power to the purchasing power of the entire society; it is actually a relative concept. Whether 1 million is considered rich depends on how much of society's output that 1 million can buy relative to its proportion of the whole society. The way to preserve and increase wealth is actually to place it in investable assets to retain and appreciate its value. There are three main types of assets in the market:

The first type is interest-bearing monetary assets: meaning our bank deposits or interest-paying bonds. The biggest problem with this type of asset is that it is constantly suffering the erosion of inflation. For example, if we put our deposits in the bank now, the interest might be less than 1%. And as long as society is developing, money will become less and less valuable. The faster society develops, the same 10,000 yuan will definitely buy less and less ten years from now. Moreover, inflation is a completely uncontrollable factor; although the government can make some macroeconomic adjustments, generally speaking, as long as society develops, inflation is completely unavoidable. So the biggest problem with this first type of asset is that it has no way to combat the ever-present inflation.

The second type is non-interest-bearing assets that society has reached a consensus on: typical examples are gold or Bitcoin. This type of asset also has certain problems; they usually do not have much practical use value, so their price depends entirely on the short-term result of the whole society voting by following the herd. Generally speaking, during market panic or economic depression, these assets are considered safe-haven assets by societal consensus, and their prices will rise. Therefore, investing in this type of asset actually lacks strong certainty.

The third type is cash-flow-generating assets: for example, land, real estate, and stocks. Because they are constantly satisfying people's rigid demands (like the need for housing or producing various products people need), they possess the ability to generate intrinsic cash flow. Therefore, their value is actually rising continuously as their internal strength grows.

So it is actually very simple: if you want to increase your wealth, meaning increasing your proportion of purchasing power in the whole society, the best method is to acquire some high-quality assets. Historical data shows, and value investing masters also tell us, that within the third category of assets, the best type of asset is the stock of good companies. History proves that compared to land or real estate, its long-term return rate is higher. A statistical chart shows that the returns of the S&P 500 index over the past one or two hundred years far exceed those of gold, land, and many other assets.

An important lesson we learned over these years is about real estate. We once thought this asset would only rise and never fall, but today we also see its limitations. In fact, real estate and land have repeatedly proven throughout history that their limitations in maintaining the proportion of the wealthy class are also significant. For example, in the early agricultural societies of Europe, many so-called wealthy people were feudal nobles who owned large amounts of land and castles. But these nobles gradually declined precisely because their assets were solidified in land and real estate. Very early on, the cost of maintaining these lands and properties was very low because they had large numbers of servants and farmers farming for them for free. Later, as labor costs in society gradually rose, the expenses of maintaining these castles and lands also slowly increased. Therefore, as the total wealth of society increased and labor costs rose, their proportion of wealth declined, leading inevitably to their downfall.

Asset Allocation and the Consumption Trap for Employees

If we want to get rich, finding the stock of good companies is highly critical. Of course, if you can find something else, say you particularly understand commercial real estate or something, and can find certainty there and discover your own core competitiveness to gain sustained returns, allocating to that type of asset is also fine. Most of us initially acquire wealth by working a job. But if we just purely work and cannot acquire assets, our fixed salaries will only slowly depreciate. Therefore, as employees, the most important thing is that, alongside working, we must very wisely allocate our salaries between consumption and investment.

We must clearly recognize that many things are actually just consumption, and absolutely not investments. Those expensive watches and bags you buy have very limited investment value; at most, they count as consumption. Of course, some might argue that certain out-of-print bags have collectible value, etc.; I think unless you have extremely strong appraisal skills and can find a highly liquid market to cash them out, we will treat that as a separate case.

But for most people, many things are actually depreciating consumption, and cannot be considered your assets. Just like many people today, the vast majority of their wealth is locked up in their own homes. But if this is your primary residence, it's very hard to sell it because you have kids and family, so in terms of profit and loss, it can really only be considered a cumbersome form of consumption. Because you have no way to freely liquidate it for cash flow recovery. Many people say, "My assets are 5 million, and this primary residence accounts for 3 million of it." You might be severely overestimating your true wealth; your primary residence should be viewed more as a consumer good, rather than an appreciating asset.

When we invest, we are actually delaying our consumption, putting a portion of our money into excellent assets in exchange for future purchasing power. We must firmly realize that wealth does not equal having money, but rather possessing good assets—assets that can continuously generate positive cash flow. This is the absolute core element that allows our wealth to grow slowly.

What is True Investing?

Next, we must define what investing is: are you truly investing, or are you speculating? Simply put, if a resource allocation decision is made to find the best asset, then that decision is an investment decision; otherwise, it is speculation. Regarding the word "investment" (投资) in Chinese, the language is profound, but I tend to think that the "资"

(zi) in investing actually refers to "good assets" (好的资产). To invest well, we must deeply realize that we are buying assets, not a gambling opportunity that might skyrocket tenfold but could also cost you everything. So if you want to get rich slowly, you must clearly distinguish when you are investing and when you are speculating.

If we don't participate in speculation and only invest, how do we get rich slowly? It's actually very simple: just quietly wait for compounding to take effect. Compounding is exponential growth. Most of us lack a direct, firsthand physical sense of compounding, because it takes a very long time to show obvious, explosive results. If your investment return can reach an annualized 20%, guess how many times your assets will multiply in 20 years? The answer is nearly 40 times! This means if you put in 100,000, in 20 years you will have 4 million; if you put in 1 million, in 20 years you will have 40 million. The entire foundation of value investing is built upon compounding. Einstein called compounding the eighth wonder of the world; the reason it's called a wonder is precisely because it's absolutely not something people can strongly sense intuitively. But the entire root of value investing is built on compounding; it will continuously multiply your wealth exponentially.

Someone might ask: "Can it be a little faster? 20% a year still sounds too slow; can we get higher returns?" If there were a certain path to getting rich quickly or even overnight, who wouldn't want to take it? The problem is, it simply doesn't exist in reality. What does an annualized return of 20% mean? Buffett's Berkshire Hathaway went from a failing textile mill in its early days to the trillion-dollar behemoth company it is today, yet its average annualized return over decades is only around 20%. And this return rate was achieved only with massive insurance float funds and unique corporate-level leverage. So for ordinary people, achieving an annualized return of 20% over 20 years is actually incredibly difficult.

The Cost of Blindly Pursuing Growth

The problem is, our entire society is constantly urging us: "Faster, higher growth!" The whole society is madly obsessed with short-term, aggressive growth. These public companies, their annual, semi-annual, and quarterly reports, are all forced repeatedly to respond to the market's expectations for growth rates. "You grew this much last year, why did you only grow a little bit this year?" Therefore, pursuing high growth is the most core curse in our modern business society. This was also true when I was at the internet giant; almost all KPIs pointed singularly towards growth. However, we seem to have been completely kidnapped by growth.

Mr. Duan Yongping once said that when he was managing BBK, and including OPPO and vivo now, what they internally pursued was often a reasonable "minimum growth rate." This sounds highly counterintuitive, right? His explanation is that we do not blindly pursue high growth rates; we only seek the most reasonable minimum growth rate within a stable, healthy, and safe range. Why? Because blindly pursuing scale growth will bring catastrophic disaster. Continuous rapid growth can mask almost all lurking crises within an enterprise. Your product quality issues, your service quality flaws, the loopholes in your internal corporate governance, and the restlessness of employees' mindsets might all seem like non-issues under the cover of high growth. As long as overall revenue and GMV are continuously expanding, everything seems fine. Until one day this high growth stops, and when the brakes are hit, all the latent problems will explode simultaneously in an instant.

Buffett put it perfectly: "Only when the tide goes out do you discover who's been swimming naked." And Mr. Duan Yongping has also said, if you are driving a car yourself, you would absolutely not say I only seek the maximum acceleration of flooring the gas pedal. Because you know that if the cost is your life, you would never blindly pursue it. Therefore, although a "reasonable minimum growth rate" sounds out of step with the mainstream modern fast-paced pursuit of surging growth and is politically incorrect, this restraint is actually the underlying secret for an enterprise to endure.

We can also give an example from Berkshire's insurance business. Some people might know that besides Buffett being great at stock investing, the reason Berkshire has achieved what it has today is also largely due to his investments in insurance companies and his exquisite use of insurance float. Starting from Buffett's early investment in a company called National Indemnity, Berkshire has now become one of the top insurance giants in the world in terms of underwriting scale.

From Buffett's shareholder letters over the years, it is clear that his philosophy on operating insurance is extremely simple: when underwriting insurance can make money, we write a few more policies and do more business; when policy rates are too low to be profitable, we do less or even none at all. His calm philosophy on operating insurance is completely different from the vast majority of other ordinary insurance companies. Once the vast majority of insurance companies go public, analysts stare at your premium scale all day long, checking what percentage your premiums grew this year. Often, when certain policy rates are visibly so low they are destined to lose money, because competitors are frantically underwriting, traditional management cannot accept a decline in premium scale and cannot explain it to the capital markets, so they force themselves to expand revenue even knowing it will lose money. Such irrational behavior is everywhere in today's business world.

But when Buffett operates his insurance business, he shows us: an enterprise can actually actively choose not to grow. Buffett even set a rigid mechanism to ensure that employees do not blindly underwrite garbage policies when they are unprofitable—his insurance companies absolutely do not lay off employees during business downturns. This is to ensure that employees do not, under the pressure of unemployment, develop the panic of "if I don't underwrite and have no performance this year, will the boss lay me off?" Buffett tells his employees, if you make a correct choice and find that underwriting truly isn't profitable, you should sit there quietly and do nothing, and I will absolutely not fire you. So, when developing his insurance business, Buffett likewise follows a so-called reasonable minimum growth rate. Of course, an enterprise having no growth at all is also unacceptable, because running a business is like rowing upstream; not advancing means retreating. Without a moderate growth space, excellent employees will lose motivation for promotion and incentives, so growth is needed, but it must be growth within a reasonable and healthy range.

Additionally, in stock investing, we also have a deep-rooted misconception, blindly equating "growth" with "value." People think an enterprise with high growth must be a good stock, and its stock value will continuously rise. The market even simplistically categorizes stocks into "growth stocks" and "value stocks." Growth stocks refer to those with highly attractive growth and massive growth potential; value stocks refer to those that don't grow much but have very cheap valuations.

In reality, growth is only one factor determining a company's value; it can bring value creation, but it can also completely bring value destruction. Buffett gives an extremely simple core evaluation standard: if $1 of capital invested can bring an increase in the company's intrinsic value exceeding $1, then this growth is beneficial and creates value; otherwise, this growth is useless and should be avoided by all means. This is the best interpretation of the relationship between growth and value. There are a massive number of enterprises in the commercial world that, in pursuit of superficial scale growth, invest $1 of capital but ultimately only gain 50 cents or even 20 cents in value return. Even though the revenue on the books of such companies seems to be growing continuously, this growth is actually continuously destroying the intrinsic value of the entire company, acting as a negative force.

Munger also once gave a very good example; he said a friend of his in the early days ran an asset-heavy construction machinery business. That person complained to Munger: "Look at my company, the profits on the books seem to be growing every year, but apart from seeing an ever-increasing pile of depreciating scrap metal machinery in the company's backyard every year, I never seem to see any real cash to take home." This is a typical type of asset-heavy mature enterprise; the book profits it earns every year must be reinvested as capital expenditures into the infrastructure renewal of expensive equipment and factories. It indeed looks like it's continuously growing on the books, but in reality, every $1 it invests simply cannot bring back more than $1 of free cash flow. For this type of company, growth has absolutely no value. The original Berkshire Hathaway textile mill, where Buffett paid the most expensive tuition in his investing history, is typical of this asset-heavy quagmire; he watched helplessly as every $1 invested slowly turned into 50 cents, or even a total loss. Therefore, this lesson gave him an extremely profound understanding of the essence of growth and value.

Combating Restlessness: Slow is Fast

So, can investing be a little faster? No. If there were a safe and certain shortcut, everyone would have swarmed it long ago, right? So we should peacefully walk the right path; if it's slower, so be it, as "slow is fast." Only by maintaining a steady, reasonable, and healthy excellent growth rate can we achieve massive wealth growth through long-term compounding. You don't need to get rich several times, right? In the real world, chasing the thrill of surging gains seems very addictive; when you say you want to be slower, it feels like you are fighting the restlessness of the whole world. That is why Buffett and Munger emphasize that in life, "you only want to get rich once." There are too many tragic cases in the market of churning multiple times and finally losing everything. For example, in the famous book *Reminiscences of a Stock Operator*, the protagonist Jesse Livermore experienced multiple ups and downs in his life; after repeatedly making huge money by luck and then rapidly losing it all, making comebacks again and again in a life of extreme highs and lows, he ultimately shot himself having lost everything.

We ordinary people also have many such investment decisions and impulses in daily life where we want to be "a little faster." For example, always holding a gambling mentality of "I'll just bet once, maybe turn a bicycle into a motorcycle," blindly buying P2P lending products, buying various cryptocurrencies and NFTs, speculating on concept coins, or even chasing so-called insider information, feeling it will definitely skyrocket. Often, not only does the bicycle not turn into a motorcycle, but it turns into a complete deficit from shoe speculation; others borrow money to trade stocks and madly leverage up, just to make wealth arrive a bit faster, ultimately ending up with nothing.

There are also people who predict what the stock market will definitely do tomorrow every day, looking at this technical line or that indicator; essentially, these are all driven by inner restlessness, wanting to take a shortcut to get rich fast. Ultimately, they find that sometimes they get lucky and bet right, indeed making quite a bit, but very soon, the money they made by luck will be taken back manifold by the market based on its power. So, wouldn't it be better to just slow down and steadily get rich only once?

Precisely because of the complexity and weaknesses of human nature, "getting rich slowly" is actually an extremely difficult, counter-intuitive, and highly niche pursuit. Yet it is the only true broad path in investing. Munger has a very classic piece of wisdom; he said: "We like to take the high road, because the high road is usually the quietest and least crowded." The broad path of value investing is actually extremely simple: only invest in businesses you truly understand, completely stay away from speculation, and then let time exert the power of compounding. One day, you will become very wealthy. But there are the fewest people on this smooth path; we see the vast majority of people around us engaging in various schemes, searching for opportunities to make quick money, as there are simply too many people who want to get rich overnight. This isn't necessarily entirely driven by human greed; often, the reason people engage in these blind speculations is not because they are so greedy, but because of inner envy and jealousy. Munger says our world is actually driven by envy and jealousy, not greed. Perhaps you subjectively knew originally that getting rich overnight was unlikely, but when you see someone around you whose assets skyrocketed 200% and made big money because they speculated on a certain theme, your inner envy and jealousy will completely destroy your defenses, driving you to also engage in highly irrational herd behavior.

A truly rational person would think: I should only acquire wealth that matches my own cognitive abilities. I was able to make this money because it falls within my circle of competence; I will not try to make money outside my circle of competence, no matter how tempting it is. Because even if I made it by a fluke, my cognition actually doesn't deserve it. Sometimes, we should ask ourselves internally: "Does my cognition truly make me worthy of making this money?" Mr. Duan Yongping's most frequently spoken phrase is that one must do the right things; only making money within the scope of one's cognitive ability is doing the right thing. But in reality, restraining the impulse to make mistakes is very difficult, because we are constantly teased by the magical stories of "others getting rich overnight" on WeChat Moments and Xiaohongshu; can you resist this temptation? This podcast does not intend to persuade anyone that you must take the high road, because many things are determined by a person's innate temperament and are hard to easily change. A person will ultimately become the person they are meant to be; what can be changed will naturally be changed, and what cannot be changed shouldn't be forced.

The Ultimate Skill: The Cultivation of Rationality and Temperament

Alright, if we have mentally accepted the willingness to get rich slowly and only make money within our cognitive scope, how do we make specific investment decisions next?

I think the most important core is to rely on common sense to make judgments. Common sense sounds like extremely simple knowledge, but in reality, common sense is often the rarest and hardest knowledge to acquire in the world. Colin Huang once wrote a view on his personal blog, saying that the various step-by-step education we received in school growing up, due to the lack of esteem for Critical Thinking, taught us many so-called "facts" that are mostly wrong in underlying business common sense.

These passively instilled biases pile up in our brains, requiring us as adults to continuously do the work of Unlearning (forgetting what is known, uninstalling incorrect knowledge). Our brains are like a computer stuffed with vulgar junk software; we need to actively empty and uninstall it to ultimately return to the most rational common sense, which is the First Principles thinking praised by Elon Musk. When facing any vulgar assertion, we must continuously ask: "Is that so? Really? Why?"

To give a very specific example: facing Kweichow Moutai, the benchmark of value investing in China, there is a very popular voice in the market now saying: "Young people today don't drink baijiu, they don't drink Moutai; Moutai's future is hopeless." When facing such a massive assertion, you need to use the scalpel of common sense and rationality to continuously ask at least five "whys": First, is it true that young people today don't drink Moutai? If so, why would young people not drinking it *now* have a devastating impact on Moutai's ultimate intrinsic value? If young people don't drink it now, will they still not drink it when they reach middle age and the age requiring business socializing? What kind of young people don't drink it? What weight do this segment of non-drinking young people actually hold in Moutai's core consumer demographic? Through this layer-by-layer stripping of emotion, directly striking the base layer with continuous questioning, until you deduce a logically irrefutable endpoint, only then can you possibly acquire true business common sense. Therefore, in my view, to do value investing well and slowly get rich, Rationality is the most important top-level capability. You must be able to completely return to common sense and the facts themselves, making your own independent judgments, rather than parroting others. You must have enough rationality to know yourself, possessing profound self-awareness, distinguishing between what you truly understand and what you pretend to understand. If you can master this rationality, other technical problems are easy to solve; if you cannot mentally use rationality to restrain temptation, your operations are destined to be blind speculation, and you'd be better off honestly putting your net worth in index funds.

The trait of rationality is actually very difficult to teach and train in reality just by listening to a few lectures. If you cannot restrain the instinct for immediate gratification, cannot accept the cost of "delayed gratification," always feel that multiplying 40 times in 20 years will happen when you are already old and it's meaningless, or are always swayed by the massive profits of those around you over a few days, repeatedly causing internal friction through chasing highs and regret, then it is very hard to invest well.

So, where does the most fundamental, biggest gap between you/me and Buffett lie? Buffett possesses a near-cruel, even somewhat cold-blooded ultimate rationality, along with absolute honesty with himself. He completely uses rationality to make business judgments and will absolutely not let the market's frenzy or panic noise sway his thoughts in the slightest. When making decisions, he always returns only to the most fundamental business models and the facts themselves, and absolutely does not rely on those complex Wall Street trend charts and mathematical models. Furthermore, absolute honesty with oneself is also extremely important. Can you truly implement "don't invest if you don't understand" in practice? When you discover you made a wrong judgment, can you set aside vanity and immediately admit and correct the mistake, no matter how great a price must be paid? Therefore, your core gap with Buffett never lies in those technical methods of how to calculate valuation or read financial statements, but entirely in your Temperament.

In any top-tier industry, when competing to the very end, the core is always a contest of temperament. Just like what is written in a book I really like, *The Inner Game of Tennis*: in highly intense competitive sports like tennis, reaching the peak stage, the technical and tactical levels of the players actually don't have massive gaps. What ultimately decides victory or defeat is often psychological stability under high pressure. The reason Novak Djokovic, as a 37-year-old veteran, is so invincible on the court lies primarily in his big heart and indestructible mindset.

So, we have talked so much today, all about the "Dao" (philosophy) of value investing. Later on, we will certainly also talk about a lot of "tactics" regarding business models and how to select companies. However, if these "tactics" are not built on the solid premise of the underlying "Dao" of temperament, they hold no meaning in practice. Besides learning specific skills, these underlying Daos and temperaments are the true essence that we need to spend massive amounts of time and our lifetime's experience trying to understand and practice.

Alright, let's quickly review the core content we discussed today:

- We redefined what wealth is; wealth does not equal having money. The key is that you must possess high-quality assets capable of continuously generating positive cash flow (especially stocks of good companies) to truly preserve and increase our wealth proportion.
- We defined the essential difference between investing and speculating; the essence of investing lies in patiently utilizing the power of compounding.
- We deconstructed the blind myth of growth, emphasizing that growth absolutely does not equal value. Enterprises must pursue a healthy, reasonable minimum growth rate; slow is fast, walking on the quiet high road.
- Finally, we mentioned that common sense is the hardest wisdom to acquire in the world. In value investing, the most core capability is returning to rationality and common sense, engaging in profound combat with one's own temperament.

That's all for today; we will slowly expand on these later. Let's slowly get rich together on the great path of investing. Okay, bye-bye!