

**Faber, Meb – The Best Investment Writing, vol. 1**

Harriman House, 2017, [Finance] Grade ★★★★★

In a world overflowing with material, the trick is no longer obtaining information but to select what is relevant and screen out what is not. As the CIO of Cambria Investment Management and author of several best selling investment books Meb Faber is perfectly positioned to help out with this task in the investment arena. Faber has taken on himself to select what he thinks to be a collection of the best writings from high quality investment thinkers.

As many collections of short stories these are loosely arranged under broad headlines. Some contributions – unknowingly - argue against each other, for example with regards to the efficacy of the CAPE-ratio. By this they provide the reader with the pros and cons of the topic. Some of the writings are better than the others but the scale is rather from good to excellent. Some of the writings are shorter than others and some are simpler than others but none is too advanced for the lay reader. This has no bearing on the importance of the texts. What is said in a simple way is often the most essential.

Presenting a number of authors in a format like this gives the reader a splendid chance of finding new favorite writers that he or she could follow more closely online. Still, given that authors with quite different vantage points write the texts, not all of them will fit all readers. For me the writings on personal finance that conclude the book feels a bit misplaced since the target audiences for most of the preceding texts are probably professional investors.

Which are my favorites? The introductory text where Jason Zweig draws investment lessons from his antiques hunting as a youth is superbly written. Jason Hsu and John West touch on the partiality for complex solutions in finance - which is one of my pet topics. Wesley Gray

discusses the well-known but underappreciated problem of randomness in investment track-records in a very punchy text called *Even God Would Get Fired as an Active Investor*.

Dave Nadig presented some genuinely new scary insights for me discussing the discrepancy in liquidity of bond ETFs and the underlying securities. It will be crowded by the exit door when the fire alarm rings for that market! The best text in my opinion is Todd Tresidder's *Five "Must Ask" Due Diligence Questions Before Making Any Investment*. What is really presented is the framework for building a strong personal investment process.

The book would have benefited from one more editing session. Copying and pasting digital material sent in can prove troublesome as fonts etc. have a tendency to change. Just a pair of examples; in one text two paragraphs are included twice and in another a missing hyphen brings the percentages of 80-90% up to a staggering figure of 8090%. The pictures are in black and white although printing them in their original color often would have improved the understanding of their message greatly. That the text is sometimes bordering on microscopic doesn't help. It is obviously a publishing budget issue but still.

Whether you like the format with a collection of short texts is rather personal. I do like it and I always have with the books from Michael Mauboussin and James Montier as personal favorites. It is very effortless to continue to read one text after another. Naturally some readers will find the overall impression of such a book somewhat too fragmented.

I very much enjoyed the reading. So, this is volume 1? Where can I sign up for a subscription?

Mats Larsson, September 27, 2017