



# Wealth & Wisdom For Generation Z

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Making Money – Simple but never easy

24

365

13,000

18.92%

# Money Math

- Suppose you had Rs 10,000 in a savings account and the interest was 6% per year. After 5 years how much would you have in the account if you left the money to grow.
- A) More than Rs 10,300
- B) Exactly Rs 10,300
- C) Less than Rs 10,300
- D) Do not know

# Money Math II

- Imagine that interest rate on your savings account was 6 percent per year and inflation was at 12 percent per year. After one year, how much would you be able to buy with the money on this account.
- A) More than Today
- B) Exactly the same
- C) Less than today
- D) Do not know

# Money Math III

- Is this statement True or False? “Buying as single company’s stock usually provides a safer return than a stock mutual fund.”
- A) True
- B) False
- C) Do not know

Which of the following acronyms can you identify?

- EPS
- PE
- CAGR
- ETF
- BS

# Distinguish between the following

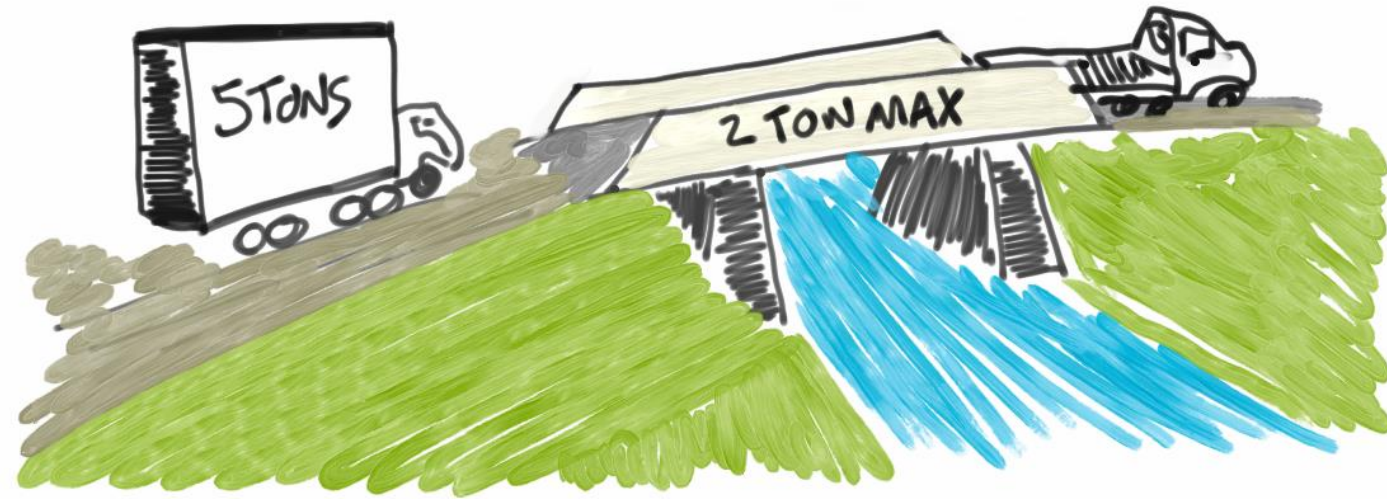
- NSE and NYSE
- Dow Jones and Sensex
- Buffett and Beyonce
- Unicorn and Rhinoceros
- Margin of Safety and Marriage of Convenience

# 3 Concepts to understand

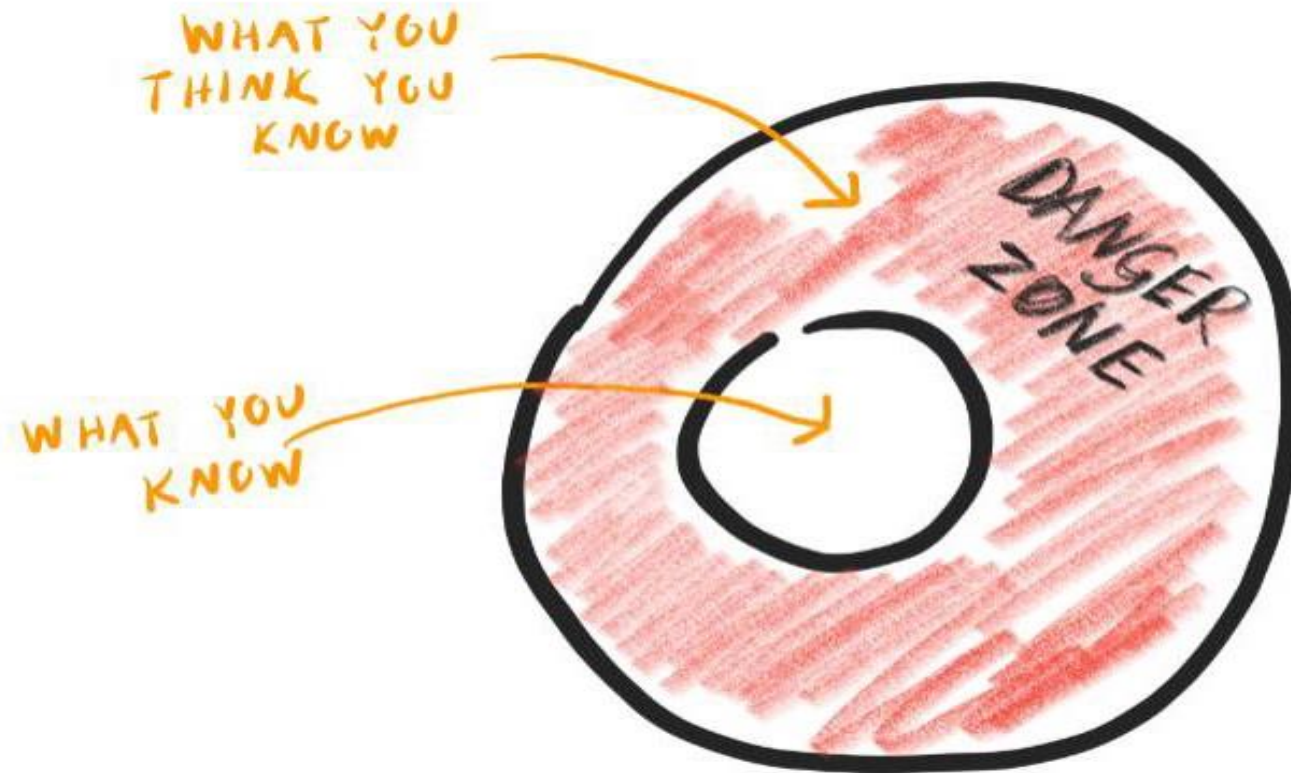
- Margin of Safety
- Circle of Competence
- Compounding



# Margin of Safety – The three most important words in investing



# Circle of Competence



**A heart that's broke is a heart that's been loved. –  
“Supermarket Flowers”**



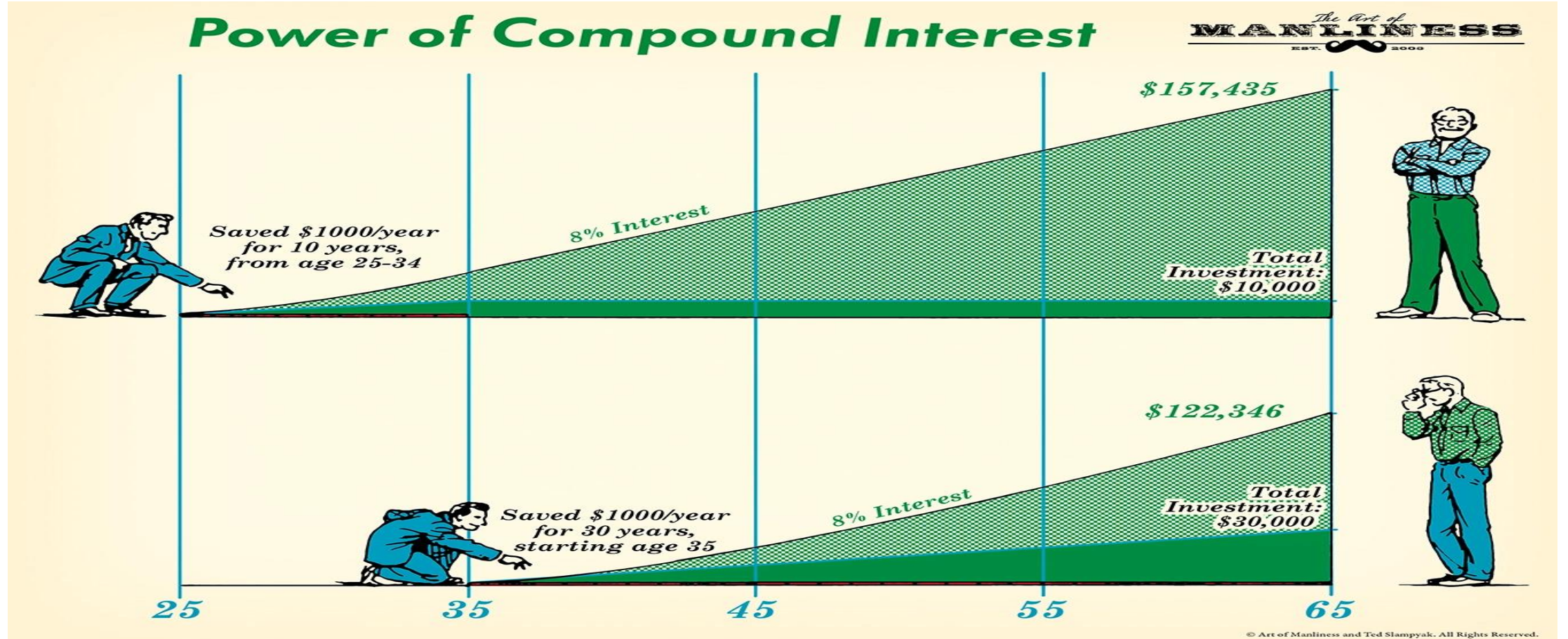
# The Eighth wonder of the World



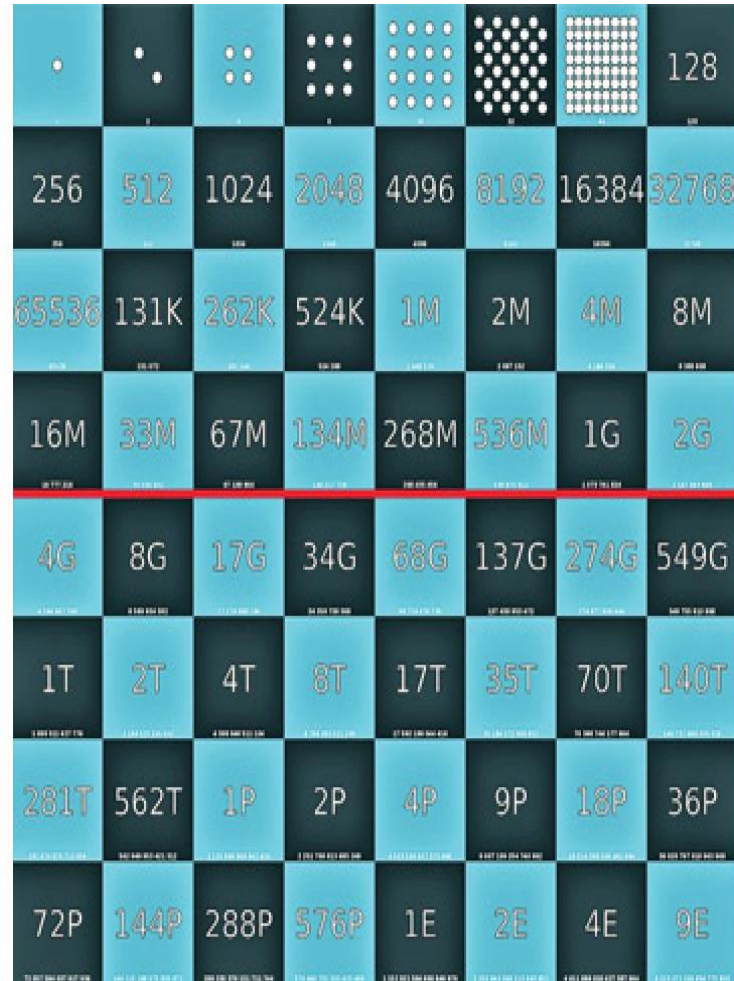
**"Son, you're old enough now for The Talk: everything you need to know about compound interest."**

"Son, you're old enough now for The Talk: everything you need to know about compound interest"

# Compounding – Start Early



# Compounding – Invest Wisely



Expenses know how to Compound Forever

Income Doesn't because we keep breaking its compounding

That is the problem to solve for an investor

AND

Remember in your early years invest in

**APPRECIATING ASSETS  
NOT  
DEPRECIATING ASSETS.**

# From Charles Darwin to Charlie Munger - Evolve

- **“I constantly see people rise in life who are not the smartest, sometimes not even the most diligent, but they are learning machines. They go to bed every night a little wiser than they were when they got up and boy does that help, particularly when you have a long run ahead of you.”** – Charlie Munger

“In my whole life, I have known no wise people (over a broad subject matter area) who didn’t read all the time – none, zero.” – Charlie Munger

- One up on Wall Street, Peter Lynch
- American Capitalist, Roger Lowenstein
- Poor Charlies Almanack, Edited by Peter Kaufmann
- The Millionaire Next Door, Thomas Stanley
- I will teach you to be Rich, Ramit Sethi
- Papers - Wall Street Journal, Financial Times (UK)
- Web sites – [www.longform.org](http://www.longform.org) , [www.thebrowser.com](http://www.thebrowser.com)





**Thank  
you!**



Ramesh S. Damani