

Intellectual Dishonesty and Two Clients Who Ask THE Question

This article is excerpted from a letter by Alain Robitaille, head of [Le Groupe Robitaille](#) at Desjardins Securities, based in Quebec, Canada.

Our friend Vinh is continuing his journey discovering investments according to the principles of Warren Buffett and Charlie Munger. During one of our recent discussions, he objected to the fact that, in his CFA (Chartered Financial Analyst) training, Buffett was only mentioned in one paragraph out of multiple books. He also read a book recently written by a university professor who explained that markets are efficient (impossible to beat) and that Warren Buffett and others like him are an anomaly. In Vinh's opinion, that is intellectual dishonesty.

At the same meeting, Fanie and I met two young sisters. It made me feel really old to hear these women half my age ask such compelling questions. Regarding Vinh's comments, they asked me how I explain our results if the markets are essentially unbeatable. Like I said to Vinh, I think that it's fortunate for us and our clients that so few people pay attention to the results of our mentors. What I mean is, really understand and apply the principles.

Of course, our main advantage is our temperament that enables us to invest when most people are afraid (think of 2009), but also to stay calm when everyone is getting carried away (like with Bitcoin). But this temperament is greatly helped by the filter through which we see the companies we assess before investing. We don't need a wall full of degrees or a long string of titles on a business card. Short-term analyses and forecasts won't go very far. It's also pointless to try and predict the future or the next market decline (I seriously get that question every single week).

If I may say so myself, I think we do well because we think like investors and follow well-established, simple principles. So simple, in fact, that those who think things should be complicated see our performance as an anomaly.