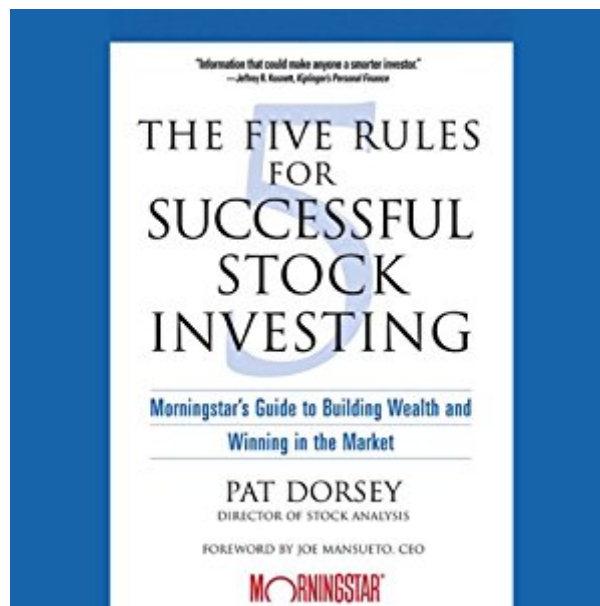


The book was found

The Five Rules For Successful Stock Investing: Morningstar's Guide To Building Wealth And Winning In The Market



Synopsis

Over the years, people from around the world have turned to Morningstar for strong, independent, and reliable advice. The Five Rules for Successful Stock Investing provides the kind of savvy financial guidance only a company like Morningstar could offer. Based on the philosophy that "investing should be fun, but not a game," this comprehensive guide will put even the most cautious investors back on the right track by helping them pick the right stocks, find great companies, and understand the driving forces behind different industries - without paying too much for their investments. Written by Morningstar's Director of Stock Analysis, Pat Dorsey, The Five Rules for Successful Stock Investing includes unparalleled stock research and investment strategies covering a wide range of stock-related topics. Investors will profit from such tips as: How to dig into a financial statement and find hidden gold . . . and deception How to find great companies that will create shareholder wealth How to analyze every corner of the market, from banks to health care Informative and highly accessible, The Five Rules for Successful Stock Investing should be required reading for anyone looking for the right investment opportunities in today's ever-changing market.

Book Information

Audible Audio Edition

Listening Length: 11 hours and 52 minutes

Program Type: Audiobook

Version: Unabridged

Publisher: Audible Studios

Audible.com Release Date: August 1, 2012

Whispersync for Voice: Ready

Language: English

ASIN: B008ROFPW4

Best Sellers Rank: #201 in Books > Business & Money > Investing > Stocks #212 in Books > Audible Audiobooks > Business & Investing > Personal Finance & Investing #425 in Books > Business & Money > Investing > Introduction

Customer Reviews

"The Five Rules for Successful Stock Investing" is a guide to value investing by Morningstar's Director of Stock Analysis Pat Dorsey and the folks at Morningstar, Inc. The book's goal is to educate investors in how to "find wonderful businesses and purchase them at reasonable prices." Its title is a little misleading in that the "Five Rules" are a small part of this book. The five principles

to which the title refers are: 1. Do your homework, 2. Find companies with strong competitive advantages (or economic moats), 3. Have a margin of safety, 4. Hold for the long term, 5. Know when to sell. Those are vague principles, but most of this book is dedicated to telling you just what homework you need to do and exactly how to do it. Pat Dorsey and Morningstar are advocates of long-term investing who are skeptical of trading and portfolio churning, so this book's intended audience is value investors. No technical analysis here. This is all fundamental analysis, but traders may find the advice on analyzing company finances useful as well. "The Five Rules for Successful Stock Investing" has 2 parts: Chapters 1-12 are a "how-to" for analyzing companies, their finances, and determining what their stock should be worth. Key points include how to evaluate a company's competitive advantages, what to look for in financial statements, analyzing a company's management, spotting financial chicanery, and how to determine a company's intrinsic value. This is all fairly complex, and there is math involved, but the book takes you through the process, with examples, explaining why and how every step of the way.

Have been meaning to put in a good word for this book for a long time. It's a gem. I've read an embarrassingly large number of introductions to investing in equities and this is probably the best. Other books purport to tell you how to identify hot stocks; Dorsey shows how to value companies. This isn't just a matter of understanding PE ratios and other traditional metrics, which most books explain more or less adequately. Instead, it means analyzing balance sheets and cash flow and income statements. _Five Rules_ provides as reader-friendly an introduction to assessing a company's financial statements as I've come across, with plenty of real-world examples. The object in the end is to determine the present value of a company's future cash flows, and Dorsey's explanation of a simplified version of Fisher's and William's discounted cash flow model is lucid and lively. Clorox is the company evaluated in this chapter, and en route there are instructive comparisons of HP and Dell, Best Buy and Circuit City, and, finally, AMD and Biomet. Chapter 8, Avoiding Financial Fakery, is particularly helpful. Obviously, having read this book and nothing else, you're not going to be able to spot something fishy in the footnotes to Microsoft's income statement that has escaped the attention of all the analysts. But for someone without a background in accounting, _Five Rules_ is a godsend. Dorsey then conducts a very informative tour d'horizon of 13 industries. It should go without saying that before you invest in a company, you'd want to find out something about the economics of its industry, so you can compare apples with apples. The chapter on health care is especially good, but I found them all excellent.

[Download to continue reading...](#)

The Five Rules for Successful Stock Investing: Morningstar's Guide to Building Wealth and Winning in the Market
Stock Market: Beginner's Guide to Stock Trading: Everything a Beginner Should Know About the Stock Market and Stock Trading (Stock Market, Stock Trading, Stocks)
Stock Investing: The Revolutionary Stock Investing Strategies For Beginners - The Complete Guide To Get Started With Stock Investing And To Maximize Your ... Trading, Investing, Investing Basics)
Index Funds: Index Funds Investing Guide To Wealth Building Through Index Funds Investing With Index Funds Investing Strategies For Building Wealth Including ... Guide To Wealth Building With Index Funds)
Stock Trading: The Definitive Beginner's Guide - Make Money Trading The Stock Market Like A Pro (Stock Trading, Stock Trading For Beginners, Stock Trading Strategies, Investing Basics)
Smart Investor: Warren Buffett Way: How to know the stock market has bottomed? (Market Crash, Intelligent Investor, Stock Market, Financial Freedom, Stock Valuation, Wealth Creation Book 1)
Penny Stocks: Complete Beginners Guide To Building Riches Through The Stock Market (Penny Stock Mastery, Penny Stock 101)
Index Funds: Building Your Road To Riches With Index Fund Investing (Investing, Bond Investing, Penny Stocks, Stock Trading)
Demographics and the Stock Market Crash of 2015 - 2016: Baby Boomer Retirement and How to Survive the Stock Market Crash and The Coming Economic Depression (WDS: World Demographics Series)
Investing Habits: A Beginner's Guide to Growing Stock Market Wealth You Can Be a Stock Market Genius: Uncover the Secret Hiding Places of Stock Market Profits You Can Be a Stock Market Genius: Uncover the Secret Hiding Places of Stock Market P
Investing: Stocks, Options, Gold & Silver - Your Path to Wealth in a Bull or Bear Stock Market (Financial Crisis, Forex, Passive Income, Mutual Funds, Day Trading, Dividends, Penny Stocks)
Stock Market Investing for Beginners: Essentials to Start Investing Successfully How To Make Profits Trading in Commodities: A Study Of The Commodity Market, With Charts And Rules For Successful Trading And Investing
Forex: The Simple Strategy on Trading Currency Successfully - Step by Step Guide on Building Wealth Trading on the Foreign Exchange Market (Forex Trading, Options Trading, Investing)
Morningstar Guide to Mutual Funds: Five-Star Strategies for Success Diversify Your Mutual Fund Portfolio : Morningstar Mutual Fund Investing Workbook, Level 2
A Kid's Guide to Stock Market Investing (Robbie Readers) (Money Matters: A Kid's Guide to Money)
Stock Market Wizards: Interviews with America's Top Stock Traders