

Not Financial Advice

101



Michael Burry, M.D.

Content

Buckle up.

1. What's investing?
2. Why invest?
3. Why pick stocks
4. How do you pick stocks?
 - The thesis
 - The workflow & tools
5. Q&A

What's investing?

What's investing?

A yacht appreciates, right?

“Investing is the act of allocating resources, usually money, with the expectation of generating an income or profit while accounting for risk.”

Investing can involve various asset classes



Equity
(stocks)



Debt (e.g.
via bonds)



Real estate



FIAT
currency



Crypto
currency



Art

...

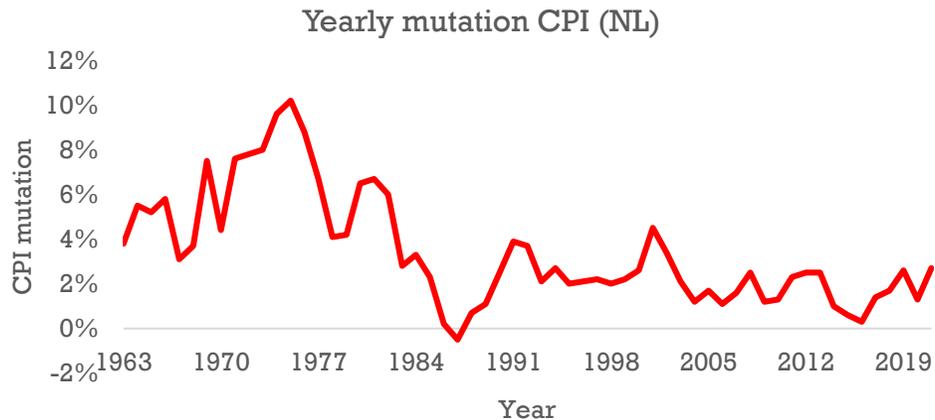
Why invest?

The simplest investment rationale

Investing allows you to hedge inflation and even gain purchasing power.

Inflation

Causes your purchasing power to decrease over time.

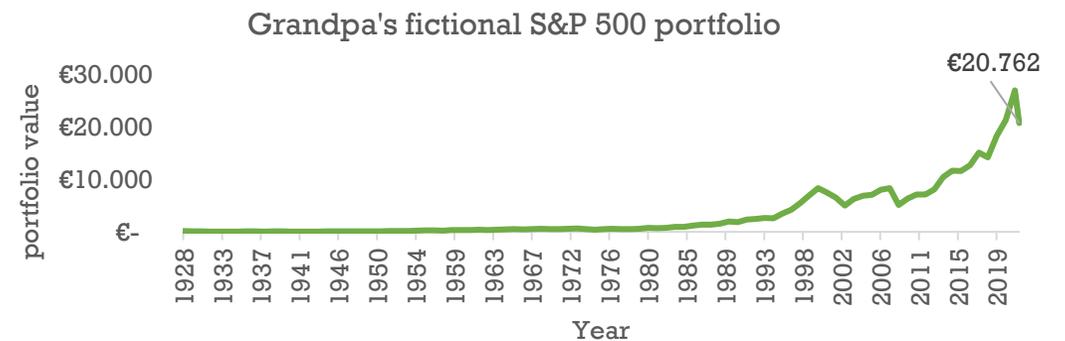
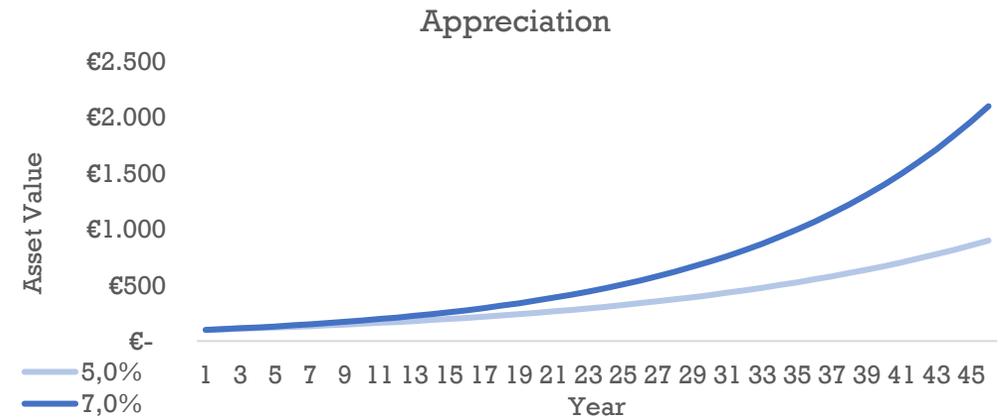


Year	0	10	20	30	45
Inflation scenario 1 (2.4%)	€ 100,00	€ 78,43	€ 61,52	€ 48,25	€ 33,52
Inflation scenario 2 (4.0%)	€ 100,00	€ 66,48	€ 44,20	€ 29,39	€ 15,93
Inflation scenario 3 (7.0%)	€ 100,00	€ 48,40	€ 23,42	€ 11,34	€ 3,82

BUT...

Investing

allows you to counteract the effects of inflation and even make money (allegedly).



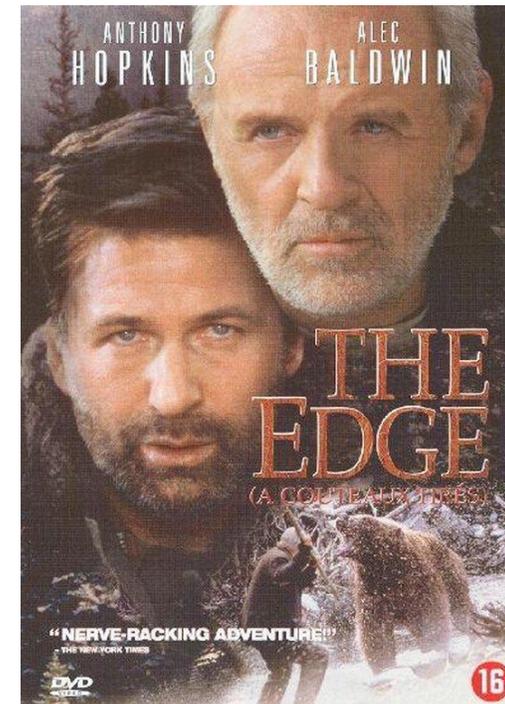
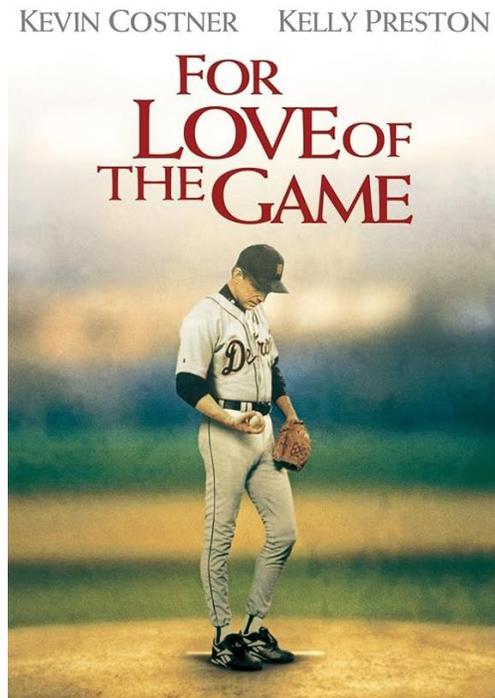
... is what a financial advisor would tell you



Why pick stocks?

The stockpickers affliction

Grow a pair.



**How do you pick
stocks?**

The thesis

Why the **** are you buying it?

The thesis is your rationale on why an investment will provide outsized returns, based on research and analysis.

For example:

Long Axalta (AXTA) – Price Target: \$60 by 2020 (20% IRR)

Axalta is a \$6.5B global leader in automotive coatings — a small cost for customers but mission-critical, giving it pricing power and strong customer stickiness.

Why I like it:

- **Pricing Power** – Rework in auto repair is expensive, so customers don't switch easily. Axalta can raise prices consistently, driving GDP+ revenue growth.
- **Volume Tailwinds** – It's a top supplier to large MSOs (auto repair chains), which are consolidating fast. As they grow, Axalta gains share — I estimate this adds 50–150 bps of annual volume growth.
- **Cost Upside** – Management guides to \$125M in cost savings. I think that's low. Based on peer margins and former employee insight, I see at least \$150M in cuts — a clear margin lever and my variant view.

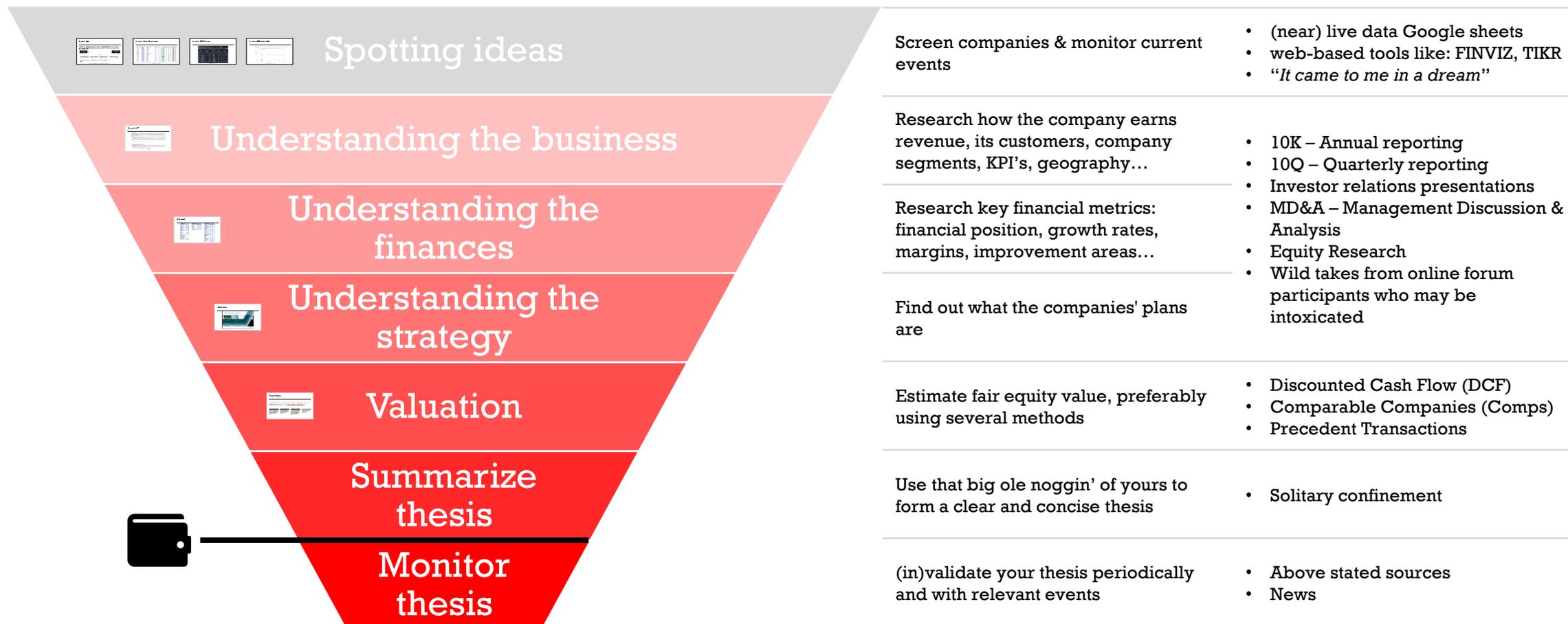
I value the stock at \$60 using discounted cashflow- and comparables analysis, offering a 20% IRR from today's \$28 price.

The workflow and resources

How winners play.

Workflow

Resources



Ideas for ideas

Everybody else is wrong.

Opportunities arise from discrepancies between the markets estimated value, and your own estimated value. Discrepancies can be driven by many different rationales, forming the heart of your investment thesis.



Growth Stocks: Companies expected to grow faster than average, often reinvesting profits instead of paying dividends.

Defensive Stocks: Companies that stay steady in bad times because people always need their products (like food or utilities).

Value Stocks: Established companies trading for less than their perceived worth, often due to temporary issues.

Turnaround Stocks: Struggling companies that might bounce back if they fix problems or change strategy.

Dividend Stocks: Companies that regularly share profits with investors through cash payments (dividends).

Speculative Stocks: Young or volatile companies with high potential rewards but also a real chance of loss.

Cyclical Stocks: Businesses whose performance rises and falls with the economy (like travel or luxury goods).

Opportunities are rarely neatly categorizable in a mutually exclusive way, but that's okay :)

Screeners - Google Sheets option

Googly eyed.

A2 | fx BRK.B

	A	B	C	D	E	F	G	H	I	J	K	L	M	
	Ticker	Research	Marketcap	Name	Industry	Price	30 day chart	Pe	EPS	Earnings Yie	High52	Low52	Shares	Beta
2	BRK.B		\$1,063,672,364,550.00	Berkshire Hathaway Inc Class B		\$493.48		0.0	56289.41	11406.6%	542.07	403.82	1,342,837,000.00	0.85
3	LNC		\$5,659,825,730.00	Lincoln National Corp		\$33.15		4.7	7.04	21.2%	39.85	27.58	170,734,000.00	1.40
4	WU		\$2,829,296,706.00	Western Union Co		\$8.56		3.2	2.69	31.4%	13.12	8.36	330,525,000.00	0.68
5	OGN		\$2,586,562,150.00	Organon & Co		\$9.95		3.4	2.89	29.0%	23.1	8.01	259,956,000.00	0.56
6	PVH		\$3,076,199,029.00	PVH Corp		\$63.99		9.0	7.09	11.1%	114.51	59.28	48,073,000.00	1.89
7	AES		\$7,453,831,906.00	AES Corp		\$10.47		5.8	1.81	17.3%	20.3	9.46	711,923,000.00	0.96
8	SYF		\$24,643,733,366.00	Synchrony Financial		\$64.74		8.9	7.28	11.2%	70.93	40.55	380,651,000.00	1.44
9	F		\$42,668,358,219.00	Ford Motor Co		\$10.73		8.6	1.25	11.6%	14.85	8.44	3,905,697,000.00	1.48
10	PHM		\$21,143,054,350.00	Pultgroup Inc		\$105.49		7.4	14.18	13.4%	149.47	88.07	200,427,000.00	1.29
11	UAL		\$25,808,049,433.00	United Airlines Holdings Inc		\$79.02		7.2	10.98	13.9%	116	37.02	326,601,000.00	1.45
12	VALE		\$229,401,367,395.00	Vale SA		\$9.21		6.9	1.34	14.5%	12.05	8.06	4,539,008,000.00	0.69
13	ASO		\$2,945,540,573.00	Academy Sports and Outdoors Inc		\$44.31		8.2	5.42	12.2%	64.61	33.34	66,476,000.00	1.29
14	DVN		\$20,771,930,785.00	Devon Energy Corp		\$32.35		7.4	4.39	13.6%	49.35	25.89	642,100,000.00	1.03
15	HPE		\$23,816,701,749.00	Hewlett Packard Enterprise Co		\$18.15		18.0	1.01	5.6%	24.66	11.97	1,312,216,000.00	1.31
16	GM		\$47,110,295,400.00	General Motors Co		\$49.00		7.1	6.94	14.2%	61.24	38.96	961,435,000.00	1.34
17	LEN		\$29,301,045,634.00	Lennar Corp Class A		\$111.69		8.1	13.73	12.3%	193.8	98.42	232,184,000.00	1.35
18	LEN		\$29,301,045,634.00	Lennar Corp Class A		\$111.69		8.1	13.73	12.3%	193.8	98.42	232,184,000.00	1.35
19	BBWI		\$6,075,371,713.00	Bath & Body Works Inc		\$28.71		7.6	3.76	13.1%	42.37	24.94	211,612,000.00	1.72
20	DAL		\$32,360,356,532.00	Delta Air Lines Inc		\$49.56		8.8	5.64	11.4%	69.98	34.74	652,953,000.00	1.51
21	DAL		\$32,360,356,532.00	Delta Air Lines Inc		\$49.56		8.8	5.64	11.4%	69.98	34.74	652,953,000.00	1.51
22	CMCSA		\$131,463,679,211.00	Comcast Corp		\$35.21		8.6	4.07	11.6%	45.31	31.44	3,724,260,000.00	0.94
23	DFS		\$381,655,372.00	DFS Furniture PLC		\$163.00		55.9	0.03	0.0%	170.5	107	234,144,420.00	
24	HAL		\$17,864,876,212.00	Halliburton Co		\$20.78		8.7	2.39	11.5%	37.08	18.72	859,715,000.00	1.13
25	APA		\$6,560,164,028.00	APA Corp (US)		\$18.18		6.6	2.77	15.2%	33.41	13.58	360,845,000.00	1.25
26	AAL		\$7,498,654,775.00	American Airlines Group Inc		\$11.37		14.8	0.77	6.8%	19.1	8.5	659,512,000.00	1.39
27	MO		\$100,915,459,152.00	Altria Group Inc		\$59.91		10.0	5.97	10.0%	61.26	45.17	1,684,452,000.00	0.60
28	APTV		\$14,903,645,215.00	Aptiv PLC		\$68.45		11.3	6.04	8.8%	80.95	47.19	217,730,000.00	1.47
29	DHI		\$39,819,913,418.00	DR Horton Inc		\$129.63		9.8	13.21	10.2%	199.85	110.44	307,181,000.00	1.37
30	DHI		\$39,819,913,418.00	DR Horton Inc		\$129.63		9.8	13.21	10.2%	199.85	110.44	307,181,000.00	1.37
31	CNC		\$26,895,436,365.00	Centene Corp		\$54.05		8.1	6.72	12.4%	80.59	52.93	497,603,000.00	0.45
32	ZION		\$7,391,821,394.00	Zions Bancorporation NA		\$50.09		9.7	5.15	10.3%	63.22	39.32	147,571,000.00	0.88
33	EMXC		\$10,712,508,648.00	Diamondback Energy Inc		\$120.35		9.5	12.34	11.7%	214.5	114	282,168,000.00	1.05

Quotes are not sourced from all markets and may be delayed by up to 20 minutes. Information is provided 'as is' and solely for informational purposes, not for trading purposes or advice. [Disclaimer](#)

Hit my line for the template :)

Screeners - FINVIZ option

See the vision.

The screenshot displays the Finviz website's semiconductor screener interface. The page is titled "Semiconductors" and features a search bar at the top. The navigation menu includes Home, News, Screener, Maps, Groups, Portfolio, Insider, Futures, Forex, Crypto, Backtests, and Pricing. The current date and time are Wed JUN 25 2025 4:48 AM ET. The interface includes various filters and sorting options, such as "My Presets", "Order by", "Signal", and "Filters". The main content area shows a list of 20 stocks, with columns for No., Ticker, Company, Sector, Industry, Country, Market Cap, P/E, Price, Change, and Volume. The list includes companies like Agilent Technologies Inc, Alcoa Corp, and Goldman Sachs Physical Gold ETF.

No.	Ticker	Company	Sector	Industry	Country	Market Cap	P/E	Price	Change	Volume
1	A	Agilent Technologies Inc	Healthcare	Diagnostics & Research	USA	33.42B	29.01	117.64	1.30%	1,945,271
2	AA	Alcoa Corp	Basic Materials	Aluminum	USA	7.46B	8.52	28.80	0.31%	5,249,050
3	AAA	Alternative Access First Priority CLO Bond ETF	Financial	Exchange Traded Fund	USA	-	-	25.04	0.09%	13,712
4	AAAU	Goldman Sachs Physical Gold ETF	Financial	Exchange Traded Fund	USA	-	-	32.83	-1.56%	4,262,786
5	AACB	Artius II Acquisition Inc	Financial	Shell Companies	USA	297.82M	-	10.13	-0.49%	92
6	AACG	ATA Creativity Global ADR	Consumer Defensive	Education & Training Services	China	24.90M	-	0.78	-0.12%	10,643
7	AACI	Armada Acquisition Corp II	Financial	Shell Companies	USA	-	-	10.04	-	358,460
8	AACIU	Armada Acquisition Corp. II	Financial	Shell Companies	USA	241.72M	-	10.19	0.39%	61,256
9	AACT	Ares Acquisition Corporation II	Financial	Shell Companies	USA	699.01M	31.27	11.30	0.09%	274,305
10	AADR	AdvisorShares Dorsey Wright ADR ETF	Financial	Exchange Traded Fund	USA	-	-	77.99	2.77%	5,231
11	AAL	American Airlines Group Inc	Industrials	Airlines	USA	7.50B	13.13	11.37	4.31%	65,028,792
12	AAM	AA Mission Acquisition Corp	Financial	Shell Companies	USA	548.09M	49.55	10.42	0.10%	9,217
13	AAME	Atlantic American Corp	Financial	Insurance - Life	USA	43.04M	-	2.11	1.69%	23,813
14	AAMI	Acadian Asset Management Inc	Financial	Asset Management	USA	1.18B	13.75	33.05	2.13%	139,414
15	AOI	Applied Optoelectronics Inc	Technology	Communication Equipment	USA	1.31B	-	23.29	3.19%	5,190,840
16	AAON	AAON Inc	Industrials	Building Products & Equipment	USA	5.96B	38.48	73.25	1.12%	1,268,518
17	AAP	Advance Auto Parts Inc	Consumer Cyclical	Auto Parts	USA	2.89B	-	48.26	-7.07%	6,014,654
18	AAPB	GraniteShares 2x Long AAPL Daily ETF	Financial	Exchange Traded Fund	USA	-	-	19.26	-1.08%	314,503
19	AAPD	Direxion Daily AAPL Bear 1X Shares	Financial	Exchange Traded Fund	USA	-	-	17.94	-0.06%	1,462,749
20	AAPG	Ascentage Pharma Group International ADR	Healthcare	Biotechnology	China	3.44B	-	39.70	6.86%	25,552

<https://finviz.com/screener.ashx>

Screener - TIKR option (paid)

All right hot shot.

MY GLOBAL SCREEN

SCREEN SETTINGS DELETE SCREEN ADD SCREEN

Find Stocks that match all conditions below:

Country IS ONE OF NLD USA GBR AUS CAN NOR CHE AUT FRA DNK DEU POL BEL CZE FIN ISL IRL ISR LIE LUX SVK SWE ✓

Total Revenues To % ✓

Last Market Cap MM USD ✓

Forward P/E x ✓

Net Income Margin % % ✓

Ticker	Company Name	Country	Total Revenues CAGR (2019 to 2024)	Last Market Capitalization	Mean Forward P/E NTM	Net Income Margin % LTM
REPX	Riley Exploration Permian, Inc.	USA	33.10%	\$588MM	5.48x	23.92%
MKP	MCAN Mortgage Corporation	CAN	11.63%	\$554MM	9.51x	56.11%
PLYM	Plymouth Industrial REIT, Inc.	USA	20.74%	\$764MM	(20.58x)	76.99%
EVO	Evolution AB (publ)	SWE	43.35%	\$15.30B	12.11x	55.05%
OTF	Blue Owl Technology Finance Corp.	USA	52.22%	\$7.35B	13.28x	44.12%
AKTIA	Aktia Pankki Oyj	FIN	16.49%	\$816MM	8.53x	23.95%
MPE	M.P. Evans Group PLC	GBR	24.21%	\$762MM	8.97x	24.90%
MLG	MLP Group S.A.	POL	21.61%	\$557MM	3.49x	99.94%
PEBO	Peoples Bancorp Inc.	USA	22.91%	\$1.05B	9.32x	19.95%

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Omg reading???

The 10k trenches.

How We Make Money

We have built world-class advertising technologies for advertisers, agencies, and publishers to power their digital marketing businesses. Our advertising solutions help millions of companies grow their businesses through our wide range of products across devices and formats, and we aim to ensure positive user experiences by serving the right ads at the right time and by building deep partnerships with brands and agencies. AI has been foundational to our advertising business for more than a decade. Products like Demand Gen, Performance Max, and Product Studio use the full power of our AI to help advertisers find untapped and incremental conversion opportunities.

Google Services generates revenues primarily by delivering both performance and brand advertising that appears on Google Search & other properties, YouTube, and Google Network partners' properties ("Google Network properties"). We continue to invest in both performance and brand advertising and seek to improve the measurability of advertising so advertisers understand the effectiveness of their campaigns.

- **Performance advertising** creates and delivers relevant ads that users will click on leading to direct engagement with advertisers. Performance advertising lets our advertisers connect with users while driving measurable results. Our ads tools allow performance advertisers to create simple text-based ads.
- **Brand advertising** helps enhance users' awareness of and affinity for advertisers' products and services, through videos, text, images, and other interactive ads that run across various devices. We help brand advertisers deliver digital videos and other types of ads to specific audiences for their brand-building marketing campaigns.

We have allocated substantial resources to stopping bad advertising practices and protecting users on the web. We focus on creating the best advertising experiences for our users and advertisers in many ways, including filtering out invalid traffic, removing billions of bad ads from our systems every year, and closely monitoring the sites, apps, and videos where ads appear and blocklisting them when necessary to ensure that ads do not fund bad content.

In addition, Google Services increasingly generates revenues from products and services beyond advertising, including:

- **consumer subscriptions**, which primarily include revenues from YouTube services, such as YouTube TV, YouTube Music and Premium, and NFL Sunday Ticket, as well as Google One;
- **platforms**, which primarily include revenues from Google Play sales of apps and in-app purchases; and
- **devices**, which primarily include sales of the Pixel family of devices.

Google Cloud

Through our Google Cloud Platform and Google Workspace offerings, Google Cloud generates revenues primarily from consumption-based fees and subscriptions for infrastructure, platform, applications, and other cloud services. Customers use Google Cloud in multiple ways such as:

- **AI-optimized Infrastructure:** provides open, reliable, and scalable compute, networking, and storage to enable customers to run workloads anywhere — on our Cloud, at the edge, or in their data centers. It can be used to migrate and modernize IT systems and to train and serve various types of AI models.
- **Developer Platform:** provides developers, through the Vertex AI platform, the ability to train, tune, augment, test, and deploy applications using Gemini and other leading generative AI models. We offer widely used first-party, third-party, and open models along with services such as vector search, grounding, and distillation to further improve the cost and quality of models.
- **Cybersecurity:** provides AI powered cybersecurity solutions to help customers analyze, detect, protect, and respond to a broad range of cybersecurity threats, to further strengthen security outcomes, prioritize which threats to investigate, and identify attack paths, as well as accelerate resolution of cybersecurity threats.

AND math?

No thesis survives bad math.

CONSOLIDATED BALANCE SHEETS - USD (\$)		
\$ in Millions	Dec. 31, 2024	Dec. 31, 2023
Current assets:		
Cash and cash equivalents	\$ 23,466	\$ 24,048
Marketable securities	72,191	86,868
Total cash, cash equivalents, and marketable securities	95,657	110,916
Accounts receivable, net	52,340	47,964
Other current assets	15,714	12,650
Total current assets	163,711	171,530
Non-marketable securities	37,982	31,008
Deferred income taxes	17,180	12,169
Property and equipment, net	171,036	134,345
Operating lease assets	13,588	14,091
Goodwill	31,885	29,198
Other non-current assets	14,874	10,051
Total assets	450,256	402,392
Current liabilities:		
Accounts payable	7,987	7,493
Accrued compensation and benefits	15,069	15,140
Accrued expenses and other current liabilities	51,228	46,168
Accrued revenue share	9,802	8,876
Deferred revenue	5,036	4,137
Total current liabilities	89,122	81,814
Long-term debt	10,883	11,870
Income taxes payable, non-current	8,782	8,474
Operating lease liabilities	11,691	12,460
Other long-term liabilities	4,694	4,395
Total liabilities	125,172	119,013
Commitments and Contingencies (Note 10)		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share, 100 shares authorized; no shares issued and outstanding	0	0
Class A, Class B, and Class C stock and additional paid-in capital, \$0.001 par value per share: 300,000 shares authorized (Class A 180,000, Class B 60,000, Class C 60,000); 12,460 (Class A 5,899, Class B 870, Class C 5,691) and 12,211 (Class A 5,835, Class B 861, Class C 5,515) shares issued and outstanding	84,800	76,534
Accumulated other comprehensive income (loss)	(4,800)	(4,402)
Retained earnings	245,084	211,247
Total stockholders' equity	325,084	283,379
Total liabilities and stockholders' equity	\$ 450,256	\$ 402,392

CONSOLIDATED STATEMENTS OF INCOME - USD (\$)			
\$ in Millions	12 Months Ended		
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Income Statement [Abstract]			
Revenues	\$ 350,018	\$ 307,394	\$ 282,836
Costs and expenses:			
Cost of revenues	146,306	133,332	126,203
Research and development	49,326	45,427	39,500
Sales and marketing	27,808	27,917	26,567
General and administrative	14,188	16,425	15,724
Total costs and expenses	237,628	223,101	207,994
Income from operations	112,390	84,293	74,842
Other income (expense), net	7,425	1,424	(3,514)
Income before income taxes	119,815	85,717	71,328
Provision for income taxes	19,697	11,922	11,356
Net income	\$ 100,118	\$ 73,795	\$ 59,972
Basic net income per share (in dollars per share)	\$ 8.13	\$ 5.84	\$ 4.59
Diluted net income per share (in dollars per share)	\$ 8.04	\$ 5.80	\$ 4.56

CONSOLIDATED STATEMENTS OF CASH FLOWS - USD (\$)			
\$ in Millions	12 Months Ended		
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022
Operating activities			
Net income	\$ 100,118	\$ 73,795	\$ 59,972
Adjustments:			
Depreciation of property and equipment	15,311	11,946	13,475
Stock-based compensation expense	22,785	22,460	19,362
Deferred income taxes	(5,257)	(7,763)	(8,081)
Loss (gain) on debt and equity securities, net	(2,671)	823	5,519
Other	3,419	4,330	3,483
Changes in assets and liabilities, net of effects of acquisitions:			
Accounts receivable, net	(5,891)	(7,833)	(2,317)
Income taxes, net	(2,418)	523	584
Other assets	(1,397)	(2,143)	(5,046)
Accounts payable	359	664	707
Accrued expenses and other liabilities	(1,161)	3,937	3,915
Accrued revenue share	1,059	482	(445)
Deferred revenue	1,043	525	367
Net cash provided by operating activities	125,299	101,746	91,495
Investing activities			
Purchases of property and equipment	(52,535)	(32,251)	(31,485)
Purchases of marketable securities	(86,679)	(77,858)	(78,874)
Maturities and sales of marketable securities	103,428	86,672	97,822
Purchases of non-marketable securities	(5,034)	(3,027)	(2,531)
Maturities and sales of non-marketable securities	882	947	150
Acquisitions, net of cash acquired, and purchases of intangible assets	(2,931)	(495)	(6,969)
Other investing activities	(2,667)	(1,051)	1,589
Net cash used in investing activities	(45,536)	(27,063)	(20,298)
Financing activities			
Net payments related to stock-based award activities	(12,190)	(9,837)	(9,300)
Repurchases of stock	(62,222)	(61,504)	(59,296)
Dividend payments	(7,363)	0	0
Proceeds from issuance of debt, net of costs	13,589	10,790	52,872
Repayments of debt	(12,701)	(11,550)	(54,068)
Proceeds from sale of interest in consolidated entities, net	1,154	8	35
Net cash used in financing activities	(79,733)	(72,093)	(69,757)
Effect of exchange rate changes on cash and cash equivalents	(612)	(421)	(506)
Net increase (decrease) in cash and cash equivalents	(582)	2,169	934
Cash and cash equivalents at beginning of period	24,048	21,879	20,945
Cash and cash equivalents at end of period	\$ 23,466	\$ 24,048	\$ 21,879

Grand strategy

Get with the program.

2024-2027: Towards Full Potential

Grow and transform current business

- Grow with the market
- Transform capabilities
- Optimise business performance

Expand into developing segments

- Coastal resilience and ocean health
- Carbon capture, utilisation & storage (CCUS)

Build recurring revenue with Geo-data as a service

- Data platform access
- Combined hardware & data solutions

Valuing Valuation

Price it.

Business valuation...

Can be understood as *a comprehensive process of determining the economic value of a business or business unit.*

Is critical to *various financial decisions, including mergers and acquisitions, investment analysis, capital budgeting, and financial reporting.*

Is commonly performed by (a combination of) various valuation methods:

Discounted Cash Flow (DCF)

This intrinsic valuation method involves forecasting the company's free cash flows and discounting them back to their present value using the company's weighted average cost of capital (WACC).

Comparable Companies (Comps)

This method involves valuing a company by comparing it to other publicly traded companies with similar operational and financial characteristics.

Precedent Transactions

This method looks at the prices paid for similar companies in past transactions. It provides a relative valuation metric based on historical sale prices and often includes a control premium for acquiring a controlling stake in a business.

Other methods:

- Leveraged Buyout (LBO) Analysis
- Dividend Discount Model (DDM)
- Liquidation Value
- Replacement Cost
- ...

Q&A