



The Wizard against The Oracle

Welcome to my 50 year journey of beating the markets with a 100% algorithmic approach. No “human intelligence” allowed.

Here are the rules:

1. Every decade you have 5 buying opportunities to buy the top 6 stocks generated by the algorithm, e.g. once every two years. You’re not allowed to buy into the same company twice.
2. If a major crash occurs you are forced to buy into the top 6 stocks by then, bringing down the number of buying opportunities with one.
3. Each stock will stay in the portfolio for at least 10 years, preferably longer.
4. Once a year every stock in the portfolio will be assessed in terms of its margins and its VCE. If both deteriorate rapidly, the stock will be removed. No questions asked.

A more conservative version of it, by the way, you get by replacing “the top 6 stocks” by “Vanguard S&P 500 ETF (VOO)” and skip rule number 4.

Latest developments

21 April 2021

The updated 2021 Top 25 Hyper Value Creators list is available. All HVCs with a too large market cap were replaced with “lower cap” HVCs.

20 April 2021

The 2021 Top 25 Hyper Value Creators is available, but will only be used if a crash happens between now and the moment that the 2022 Top 25 Hyper Value Creators is available.

1 June 2020

From the 2020 Top 25 Hyper Value Creators finally 6 companies were selected by the algorithm and added to “The Wizard Portfolio” as per 1 June 2020:

Date added	Company	Ticker
1 June 2020	Medifast	MED
1 June 2020	Ulta Beauty	ULTA
1 June 2020	XPEL	XPEL
1 June 2020	Domino's Pizza	DPZ
1 June 2020	Nova Measurement	NVM
1 June 2020	Fortinet	FTNT

So here we have the “June 2020 Basket”. Hopefully I will be proven wrong soon. Just try to imagine. An algorithm that outperforms the indices over decades. That would entirely disrupt the investing business.

Cheers!

Peter

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The Value Firm®
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