***What I learnt from the movie “Moneyball”***

The movie dealt with how Mr. Billy built a competitive baseball team of not-so experienced players and with less budget on the hand. He uses an unusual approach to build the team which was the statistical approach. He used advanced analytics to reshape the baseball team. He relied more on data-driven methods analyzed by Mr. Peter rather than subjective observations.

They picked up the undervalued players who were not in much demand which could be related to picking up undervalued stocks, at a less price, whose statistics predict them to perform big. Picking up many like these and assembling them could definitely outplay big ones.

Analyzing massive databases of its previous performances and then using the statistical approach which can provide the true potential of the undervalued stock or the player. Data Analytics, for sure, plays a big role in this. Usage of graphs and visualizations also helps us a lot and also reduces the effort.

Finding out the players or the stocks using algorithms and statistics that predict their performance and their future success, the ones who might not be valued by other people but can excel in quantifiable ways.

*Market Efficiency:* Identifying the undervalued ones by statistical ways who can lead to profit or success as a team.

*Risk Management:* The movie also taught us that sometimes-taking risks can lead to a big platform. Trying out the undervalued ones and investing on them definitely seems risky but learning how to manage them as a whole is also a trading strategy. Mr. Billy was dealing in a risk-heavy environment focusing on players with high efficiency in critical areas.

*Portfolio Management:* Just as the investors build portfolio investing in the stocks, Mr. Peter build a baseball team by investing in the players, diversifying the risks and focusing on the overall efficiency rather than individual performances.

**Meme:**

**The ‘Budget’ Problem**

Billy Beane looking at his small budget and a pile of expensive baseball players.

**Text**:  
*"Trying to build the perfect baseball team with a limited budget…"*  
**Caption**: "IIT Kanpur trying to organize a sports fest with a budget smaller than the academic fees”

On the whole picking up many undervalued stocks using statistical approaches, past performances and predicting their future success and managing them as a portfolio may tend to out-perform many big stocks that requires more investment. Though this may seem risky but that’s where the fun lies.