**Finance concepts and lessons learned**

**Movie Title: Moneyball**

Key aspects that we can take away from this movie are: decision making, risk management,

data analytics and value investing.

Similar to Oakland A’s sometimes companies have to work with limited budget to compete

with other giants in the market and to do that they need to work out a strategy to be resourceful.

The flm uses sabermetrics to evaluate undervalued players in a very similar way we use diferent fnancial statistics such as PE ratio to evaluate undervalued stocks.

The team took a chance with overlooked player based on data and stats similarly risk management in investments involve balancing the rewards against the risks that comes along with it.

**A scene in the movie where Billy Beane buys Ricardo Rincon:**

Ricardo is an undervalued player whose contribution exceeds his perceived market value. Billy recognizes the risks with betting on Ricardo and he makes sure this by ensuring that the



cost fits the A’s budget.

Billy’s negotiations with other teams to acquire Ricardo shreds light on how timing and



tactics can help you acquire right asset.

**Lessons learned from this scene:**

This scene helps us understand about value investing where a investor invests in undervalued assets on the basis of future possibilities and metrics.



 Sometimes in fnance an investor instead of investing in a blue chip stock they invest in less popular stock that can bring them steady results exactly like what Billy did by buying

Rincon.

The above scene is very similar to opportunity cost in fnance where we choose the



investment which can return the highest yield in a limited cost.

**CONCLUSION:** The movie overall teaches us to think outside the box , make decisions based on statistics and data and how to come up diferent innovative strategies to overcome fnancial challenges.