# The decisions of speculation

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**Abstract**

In this paper, I describe the decisions of speculation.
The paper ends with "The End"

## Introduction

In a previous paper, I've described the intrinsic value $A_i(t)$ of an asset $A(t)$ and standard decision.
In this paper, I describe the **decisions of speculation**.

## Decisions of speculation

**Decisions of speculation** using the intrinsic value of the asset **and** the price of the asset are:

1. If $A_i(t) > A(t) > 0$, the asset $A(t)$ is **undervalued**.
Therefore, buy the asset $A(t)$.

2. If $A(t) > A_i(t) > 0$, the asset $A(t)$ is **overvalued**.
Therefore, sell the asset $A(t)$.

3. If $A(t) = A_i(t) > 0$, the asset $A(t)$ is **saddled**.
Therefore, make a decision using your **risk preference** and the **risk** of the asset $A(t)$.

4. If $A_i(t) = 0$, the asset is still **time-varying**.
Therefore, make a decision using your **time preferences** and
the **time-varying time coefficient** $\delta_A(t)$ of the asset $A(t)$.

5. If $A_i(t) < 0$, the asset is **intrinsically worthless**.
Therefore, sell the asset $A(t)$ to **buyer of last resort**.

## The End