

## 2. Active vs Passive investing

Whenever an investor departs from such a passive approach, for example striving to achieve better-than-market returns through insight or skill, she becomes an **active investor**.

# 3. The “edge” of an Active Investor

“To be an active investor, you must believe in inefficiency to get opportunities, and in efficiency for those opportunities to turn into returns”<sup>[1]</sup>

“Who Is On the Other Side?”,  
Michael J. Mauboussin (Director of Research, Blue Mountain Capital Management), 2019

[1] source: <https://www.bluemountaincapital.com/wp-content/uploads/2019/02/Who-Is-On-the-Other-Side.pdf>