

Value & Vision

Buffett's Playbook + Modern Strategies

Designed to teach investing principles, valuation & practical worksheets

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Introduction: Why Philosophy Matters

Investing is a discipline — winners use principles not predictions.

This book combines Buffett's rules with modern tools: index funds, diversification, DCA.

You'll receive worksheets, DCF templates, and a 90-day action plan.

Chapter 1: Buffett's 10 Core Principles

Never lose money

Focus on capital preservation. Every decision should minimize permanent loss of capital.

Circle of competence

Invest only within businesses you understand.

Buy businesses, not tickers

Treat stocks as fractional ownership of real companies.

Durable moats

Look for brand, network effects, switching costs, and scale advantages.

Management quality

Invest in trustworthy, shareholder-aligned leaders.

Patience

Long-term holding turns compounding into a powerful force.

Avoid leverage

Prefer strong balance sheets and avoid speculative debt.

Margin of safety

Buy below intrinsic value to protect against errors.

Be contrarian

Buy when others panic, be cautious when others are greedy.

Keep costs low

Fees and taxes erode long-term returns; consider index funds.

Chapter 2: Valuation Fundamentals

Valuation Basics

Earnings power & Free Cash Flow (FCF) are the most important measures. Discounted Cash Flow (DCF) estimates intrinsic value by discounting future FCF.

Simple DCF Walkthrough

- Project FCF for 5 years.
- Choose a discount rate (e.g., 8–12%).
- Calculate present value of projected FCF and terminal value.
- Compare intrinsic value to market price and apply margin of safety.

Chapter 3: Modern Strategies

Index Funds & Low Costs

- Low-cost index funds outperform most active managers after fees.
- Recommended for the Core portion of your portfolio.

Diversification & MPT

- Diversify across asset classes to lower volatility.
- Modern Portfolio Theory guides efficient allocation.

DCA vs Lump-Sum

- Lump-sum tends to outperform historically, but DCA helps with behavior.
- Choose based on temperament and market conditions.

Factor & Dividend Strategies

- Factor investing (value, quality) can complement Buffett-style picks.
- Dividend growth stocks provide steady compounding cash returns.

Chapter 6: Worksheets & Checklists

Valuation Checklist

- Consistent revenue growth
- Free cash flow positive 5+ years
- ROIC > 10%
- Low debt-to-equity
- High insider ownership
- Durable moat present

Moat Checklist

- Brand strength
- Switching costs
- Network effects
- Economies of scale
- Regulatory/structural barriers

90-Day Action Plan

- Weeks 1–4: Define your circle of competence + research 5 companies
- Weeks 5–8: Practice DCF on 5 companies; refine watchlist
- Weeks 9–12: Build portfolio allocation; set up auto-investments

Chapter 7: FAQ

Q: Do I need to pick stocks? No — index funds are fine for most people.

Q: How to learn DCF? Start with templates & 5 practice companies.

Q: Minimum starting capital? Fractional shares and ETFs allow starting small.

Final Word

Buffett's principles emphasize patience, discipline, and rationality. Invest in yourself and in long-term thinking.

Closing Quote

"The best investment you can make is in yourself." — Warren Buffett

Notes

Use this space for personal notes, watchlist companies, or action items.