

Title: Book Club - Why Stocks Go Up and Down - Chapters 16 - 17 Discussion

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Happy Saturday, friends! It's time for our weekly discussion on Why Stocks Go Up and Down by William Pike & Patrick Gregory. Over the last week if you're following the discussion schedule you will have finished part 3. These chapters are:

* CHAPTER 16: CASH FLOW Cash flow is not the same as earnings. Understanding the difference will help investors interpret financial statements, and therefore improve their ability to identify both attractive stocks and companies that may be headed for trouble. Looking at a company's sources and uses of cash flow can reveal a very different picture than just looking at earnings.

* CHAPTER 17: INVENTORY ACCOUNTING—IMPACT ON COMPANY EARNINGS The cost of a company's inventory is not as easily determined as one might guess. The LIFO or FIFO assumptions that a company makes in costing its inventory will impact its earnings in the current year and in the future. We will see when inventory write downs may indicate trouble and when they may present a buying opportunity.

For next week, be sure to read chapters 18 & 19 to finish Part 4 - Why Stocks Go Up (and Down) and our first book club book!

Here are the links to the previous discussions:

* [Chapters 1-3](https://www.reddit.com/r/ratioatblessons/comments/p4afa3/book_club_why_stocks_go_up_and_down_chapters_13/?utm_source=share&utm_medium=web2x&context=3)

* [Chapters 4-6](https://www.reddit.com/r/ratioatblessons/comments/p8u90d/book_club_why_stocks_go_up_and_down_chapters_46/?utm_source=share&utm_medium=web2x&context=3)

* [Chapters 7-9](https://www.reddit.com/r/ratioatblessons/comments/pdaxnn/book_club_why_stocks_go_up_and_down_chapters_79/?utm_source=share&utm_medium=web2x&context=3)

* [Chapters 10-13](https://www.reddit.com/r/ratioatblessons/comments/pht20h/book_club_why_stocks_go_up_and_down_chapters_1013/?utm_source=share&utm_medium=web2x&context=3)

* [Chapters 14-15](https://www.reddit.com/r/ratioatblessons/comments/pmk6zb/book_club_why_stocks_go_up_and_down_chapters_14/?utm_source=share&utm_medium=web2x&context=3)

Discussion Schedule

Discussion threads will be posted every Saturday based on the schedule below. Prompts will be provided to kick start our weekend discussions!

Discussion Date | **Part** | **Chapters**

|:-|:-|:-|

|August 14^(th)|Part 1|Chapters 1-3|

|August 21^(st)|Part 1|Chapters 4-6|

|August 28^(th)|Part 2|Chapters 7-9|

|September 4^(th)|Part 2|Chapters 10-13|

|September 11^(th)|Part 3|Chapters 14-15|

|September 18^(th)|Part 3|Chapters 16-17|

|September 25^(th)|Part 4|Chapters 18-19|

On September 25^(th) voting will begin on selections for the next book which will be announced October 2^(nd) along with a new schedule of discussions beginning October 9^(th).

Book Club Recommendations

Have a book you've been wanting to read or one that you've already read and really enjoyed? Let's read it together! Please put any recommendations for future book club books as a reply to the comment below.