

*Investment Philosophy*

## «Bottom-up» instead of «Top-down»

You may wonder why we do not pay much attention to business cycle analysis, why we do not recommend a top-down approach that is widely followed by institutional investors, banks, and the scientific world. In our opinion, it doesn't work well. People who worry too much about the business cycle are usually not able to grab wonderful bargains when the market is giving them away. We prefer to acquire excellent businesses when the outlook is perceived to be clouded instead of buying mediocre businesses during periods of euphoria. The true investor has his best opportunities in uncertain times. One pays a high price for a cheery consensus (remember the Dotcom-Bubble, Japan in the 1990ies, the Gold-Boom in the early 1980ies!).