



Memoirs of an ex-centric Guy Le Blanc

Today, in 2015, I find myself at the age of 70 with the feeling of having succeeded in life, but also that I still have a lot to accomplish in the years to come. Initially, my ambition was to emulate Buffett, Graham, and Fisher who, at a ripe old age, chose to pursue their activities indefinitely. At least I hoped to emulate them in age if not in wisdom...

Although I have stated in the past that I would never retire – having retired for the first time in 1985 at the age of 40 (much too early!) to devote myself to my family and my life's passion, the stock market – I have to admit today that “all good things must come to an end”, a saying that my mother has often repeated to me over the years.

But over the 30 years that followed, from 1985 to 2015, I believe I accomplished many things, always driven by my passion to succeed on the stock market and the desire to share this passion with others.

However, what I am most proud of, and undoubtedly what will remain my greatest professional success, is the creation of the COTE 100 System. It served as a basis for my journey, it inspired the name of my company and above all, it continues to be actively used by my successors.

Undoubtedly, the COTE 100 System has been the key element in the stock market success of COTE 100 and there is every reason to believe that it will continue to be so. The COTE 100 System is not a “black box” in the traditional sense, but it nevertheless represents the reconstitution of the thinking and teachings of the great investors of the 20th century. Designed in 1987, the year of the crash, it was improved in 2000 thanks to Philippe who will surely improve it further in the future, supported by the COTE 100 team.

The COTE 100 System was also the keystone of the COTE 100 Financial Bulletin which will complete its 27th year of existence in 2015 and which, with a compound annual return of 12.3%, has provided irrefutable proof of the value of the COTE 100 System. For the record, I would add that in 1988 I was aiming for a compound annual return of 15%, aware that we must always aim higher to hope to achieve our goal one day. However, it is not the 12.3% that matters most, but rather the consistency of performance over a period of 27 years.

In 1995, I wrote the first version of “*La Bourse ou la Vie*” (*The Stock Market or Life*) which is currently in its fifth edition, a bestseller in its category. In my humble opinion, this book should be read by any self-respecting investor, experienced or new. I talk about my successes as well as my mistakes and my failures. My biggest dream would be that it would one day appear in the school curriculum or serve as a reference for studies in finance. We have the right to dream, don't we, while knowing very well that no one is a prophet in his own country. It will be up to Philippe to create the 6th edition. Such is life... *La Bourse ou la Vie!*

In 2011, I did it again, this time publishing the financial novel “*Les Règles du Jeu*” (*The Rules of the Game*). I wanted to somehow show the other side of the coin, that of the entrepreneur and the business manager, by revealing the essential conditions for making a company a stock market success. However, I must admit that if I had to start my career again, it would be as a business leader rather than as a manager. But, I would apply exactly the same principles that have defined my life as a manager.

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Five Little Tips

In closing, I would like to leave you, as a legacy, with **five little tips** that seem essential to me to succeed on the stock market.

1) Let time work for you

For me who will turn 70 this year, this could mean a horizon of 20 years and even more if I consider my estate. For the younger ones, that might mean 50 years and more. Be invested full-time, not part-time. To paraphrase Archimedes who said "Give me a lever and I will lift the world", I would say "Give me time and I will build a fortune".

2) Diversify, but not too much

Ten to 20 stocks should be enough. For my portfolio, I prefer closer to 10 than 20. Stick to stocks that you know and, above all, that you understand well. On the stock market, simplicity tastes much better.

3) Know early on that price and value are two entirely separate concepts

If you do your homework carefully and have a good idea of the value of a good, you will avoid many mistakes.

4) Profits and profit growth are the absolute foundation for success on the stock market

Those who are not convinced of this, both investors and business leaders, will one day be defeated.

5) Be ex-centric

I have often been said to be a contrarian and I never denied it, on the contrary... Only one thing really annoyed me: there was no equivalent of this word in French, other than the "contrary spirit", which didn't actually illustrate the much broader meaning of the English term.

This being said, I would like to suggest another term, "*ex-centric*", not in the sense of eccentric which refers to "someone strange, original, extravagant", but rather as an EX-CENTRIC, or someone who is away from the centre, from the crowd, someone who thinks for himself.

It is not because people, the media and public opinion think the same way that they are necessarily right. It is good to remember this both in the context of the stock market and everyday life. All things considered, I would like to be remembered as a perpetual ex-centric. ■



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