

There are *gurus* and there are *finance gurus*. Most people approach the markets like a maze or a puzzle expecting to be confused and overwhelmed losing their way in the many alleyways and avenues in the investing world. There are some who are more enlightened when it comes to navigating finance with fresh approaches and successful strategies that serve as guides for others. We've put together what we consider to be some of the best investment quotes from these experts!

There's no better way to start than from an inspirational financial quote from Warren Buffet

Mr. Warren Buffett Quotes -

*"The less prudence with which others conduct their affairs, the greater the prudence with which we should conduct our own affairs."*

-Warren Buffett

Prices reflect the irrationality of the market, especially when market participants are being illogical, irresponsible and imprudent in general. Such times demand the highest levels of vigilance, rationality, and prudence on the part of an investor. Else, the investor would end up participating in the irrational euphoria of a bubble and suffer eventually.

*"When everyone believes something is risky, their unwillingness to buy usually reduces the price to the point where it's not risky. When everyone believes something embodies no risk, they usually bid it up to the point where it's enormously risky."*

- Howard Marks

Value investing requires a kind of contrarian mindset. Prices get bid up or down according to the direction dictated by the general consensus. For example, when a certain stock is particularly favored, chances are that the stock price will rise to where it exceeds a rational purchase point or vice versa when a stock price reaches rock bottom creating a scenario where huge profits can be made. Value investors who can read between the lines of stock market hype can find opportunities to save their capital from loss or make enormous profits.

*There are two concepts we can hold to with confidence: - Rule No. 1: Most things will prove*

*to be cyclical. – Rule No. 2: Some of the greatest opportunities for gain and loss come when other people forget Rule No. 1.*

-Howard Marks

Rule No. 1 is fairly straightforward. Most markets and businesses are cyclical. They rise and fall, grow and decline. It serves well to remember this. Rule No. 2 stems from the first as when people forget the cyclical nature of businesses; it creates excellent investment opportunities for the informed investor as people often extrapolate trends leading to unrealistic prices. Investing at the right time of a cycle can result in enormous profits.

*“In the short run, the market is a voting machine but in the long run, it is a weighing machine.”*

- Benjamin Graham

It is meaningless to look at the stock prices every-day and weigh one's net-worth. This is because stock prices can behave irrationally in the short run and might give a completely incorrect estimate of one's net-worth. The only thing the stock market can be used for in the short run is to vote on whether to buy or sell – something every market participant is votes on daily. It is only in the long run that stock prices are more likely to represent reality and hence net-worth can be weighed using the price quotes.

*“The stock investor is neither right nor wrong because others agreed or disagreed with him; he is right because his facts and analysis are right.”*

— Benjamin Graham; *The Intelligent Investor*

This wise investment quote is as straightforward as they come but probably one of the easiest to overlook due to behavioral biases. Stock prices ultimately go up because companies perform and the profits go up. They do not go up sustainably because of people's speculation. Facts and analysis ensure that any uncertainties that an investor may have are satisfied leading to lower risk and good profit margins.

*“Bull markets go to people's heads. If you're a duck on a pond, and it's rising due to a*

*downpour, you start going up in the world. But you think it's you, not the pond."*

- Charlie Munger

People mistake bull markets for intelligence and think that their financial astuteness has made them rich. However, on most occasions, it's just the tide that has led to wealth creation for investors. It may take a bear market for them to learn the truth.

*"It's waiting that helps you as an investor, and a lot of people just can't stand to wait. If you didn't get the deferred-gratification gene, you've got to work very hard to overcome that"*

- Charlie Munger

Investing is giving up a dollar today to have more than a dollar tomorrow in real terms. Patience is a trait vital to investing success. Rushing a deal for a quick profit is not the best strategy in the long run.

Reading these inspirational investment quotes makes one realize that a lot of them can be extrapolated to situations in real life as well. Maybe these simple ideas are meant to go a little bit deeper than the stock market. Think about it!