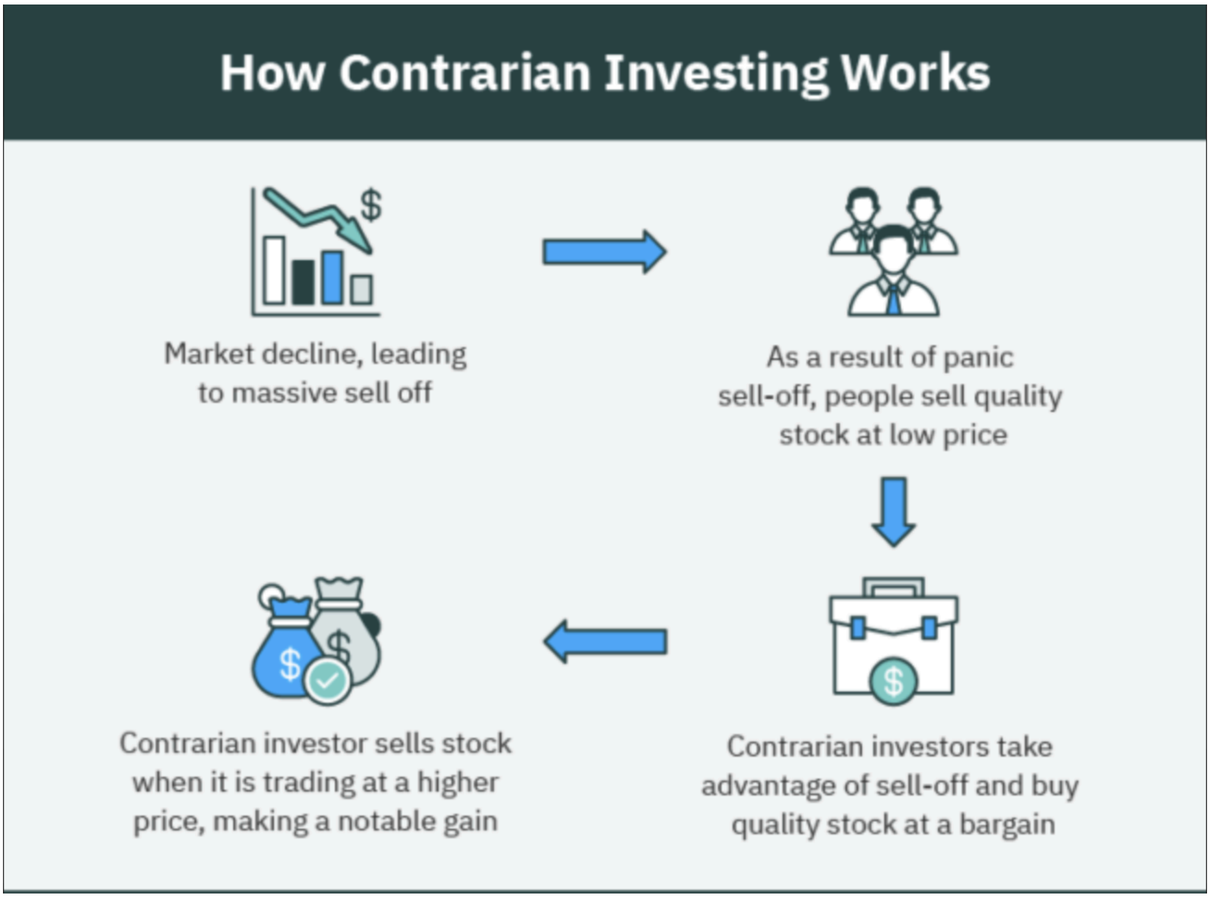
What sets us apart?



Contrarian investing is a strategy that involves going against the prevailing market trends or popular opinions. The idea is based on the belief that many investors tend to follow the crowd, which can lead to overvaluations during market booms and undervaluations during market downturns. Here are the key principles:

1. **Market Psychology**: Investors often let emotions drive their decisions. When a stock is popular, it might be overhyped, and when it's out of favour, it may be undervalued. Contrarians seek to capitalize on these emotional extremes.
2. **Value Opportunities**: By identifying stocks that are out of favour but have solid fundamentals, contrarian investors look for opportunities to buy low when others are selling. This can lead to significant gains when the market corrects itself.
3. **Long-Term Perspective**: Contrarian investing typically requires patience. The market may take time to recognize the true value of an undervalued stock.

Margin of Safety

Margin of safety is a principle often associated with value investing, popularized by Benjamin Graham. It refers to the practice of investing with a cushion to protect against errors in judgement or unforeseen market events. Here's how it works:

1. **Valuation**: Investors assess the intrinsic value of a stock (what they believe it's truly worth) and compare it to its current market price. The difference creates a margin of safety.
2. **Risk Reduction**: By buying stocks at a price significantly lower than their intrinsic value, investors minimize the risk of loss. Even if the company underperforms, the investor has a buffer against significant declines.
3. **Informed Decisions**: A focus on margin of safety encourages thorough analysis and due diligence, ensuring that investments are made based on solid fundamentals rather than market hype.

In summary, contrarian investing leverages market inefficiencies created by emotional behavior, while the margin of safety provides a cushion against potential risks, making for a thoughtful and calculated investment approach.