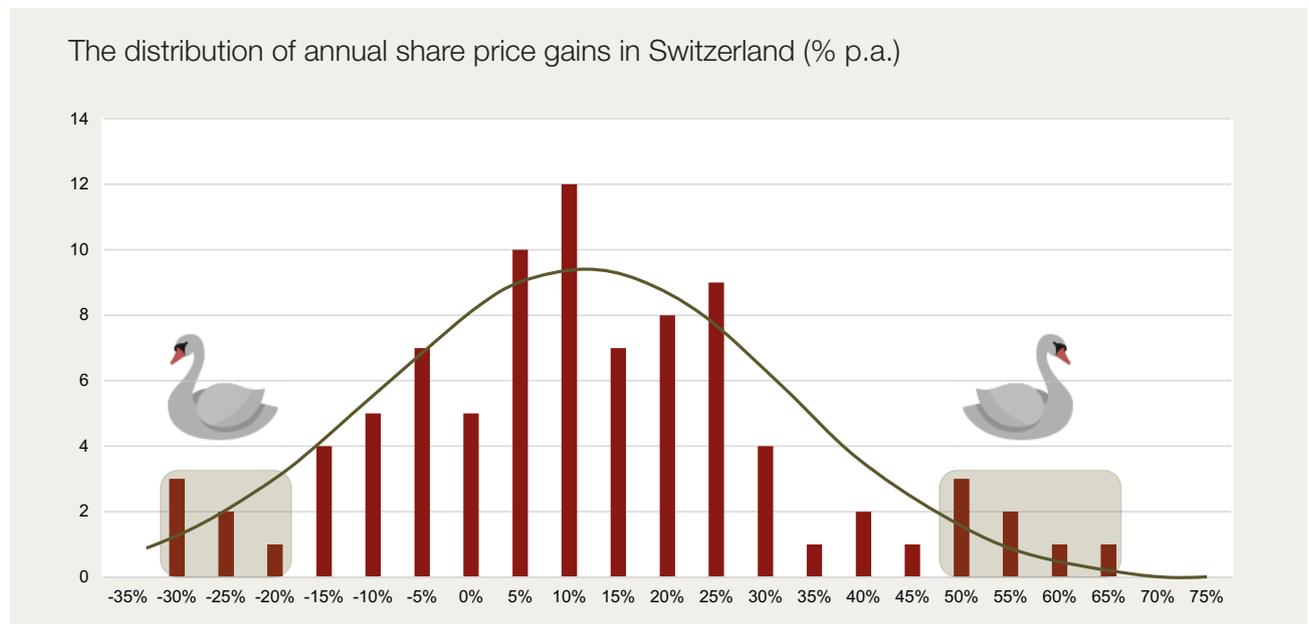


No. 6: Marvelling, a core skill of successful investors

Back in the 1960s, Fama was one of the economists who observed an excessive frequency of unlikely returns on shares (fat-tail distribution). Using the metaphor of the 'black swan', Nicolas Taleb suggests that our world is shaped not only by the unlikely, but also to a significant degree by the unthinkable, the 'impossible'. US Defence Secretary Donald Rumsfeld coined the expression the 'unknown unknown' in 2002. Phenomena such as the 'fat tails' of stock exchanges or even the coronavirus crisis, which can be expected to a certain degree though not forecast for individual situations, are referred to as 'grey swans'.



Astonishingly, the unpredictability of significant events is mostly perceived only as a threat. However, there are positive discrepancies that occur just as frequently as the negative ones, as the distribution of grey swans on the Swiss Exchange shows. The list of significant, accidental discoveries such as penicillin, Teflon or the United States is also just as impressive. It is just that we barely notice the positive grey and black swans.

It is something we are all familiar with: actual tenants and buyers who do not meet the scientifically derived definition of the target markets. Awkward, or grounds for marvel? Marvelling is admiring an expansion of the possible. Marvelling is a neurobiological state of stimulation that helps us investigate and learn the previously unknown. Curiosity also distinguishes us humans from algorithms. More respect for our intellectual boundaries would help us open ourselves up to the unexpected.

If Fleming had not been interested in the barely noticeable blue-green mould that had developed in a forgotten Petri dish over the summer holidays in 1928, he would have simply overlooked the antibacterial effect of penicillin. That is why it is worthwhile to keep an eye out now and then for oddballs. You will marvel at how often you encounter them.