

Key Takeaways from Warren Buffett and Charlie Munger at 2021 Berkshire Hathaway Annual Shareholder Meeting

1/ There is so much to learn from Warren and Charlie, but it's good to remember that their approach is just one of many possible approaches. It's not the only one.

2/ We can learn a lot about patience, rationality, and timeless principles:

- only buy what you understand
- a stock is part ownership of a business
- the market is best viewed as a manic-depressive person
- the importance of a margin of safety

3/ They admitted that the world is changing profoundly and that it's extremely difficult (if not impossible) to predict how it will look like in 30 years. Of the world's 20 largest companies by market cap in 1989, none (!) of them are on the same list in 2021. It's humbling.

4/ Berkshire's circle of competence doesn't include technology, software, or innovation. So stop listening to their opinions on these topics. They even admitted that the business models of modern tech and software companies are superior. They just can't do much about it.

5/ Berkshire Hathaway is a snowball that will keep getting bigger and bigger. Not super fast, but steadily. They aren't doomed. They will slowly learn and adapt like they've always done.

6/ For people who want to save & invest passively, Warren Buffett recommends buying a broadly diversified index fund (like the S&P 500). He's not recommending that anyone buys Berkshire. Only people who understand it, and believe in it, should buy it.

7/ It's impressive how sharp Warren and Charlie are at ages 90 and 97. And they still keep going. (Although their successors are slowly taking over.) If I could be as sharp and happy at that age, I'd consider myself very lucky.

8/ Their long-term performance remains one of the best in history. The market value of Berkshire Hathaway grew 2,810,526% since 1965. That's a 28,000 bagger. That's a pretty damn decent performance.

Full Recording of 2021 Berkshire Hathaway Annual Meeting:

[*This list has originally been published as a Twitter thread on May 2, 2021.*](#)