Interviewer: Okay.

Interviewee: Um, and if you're- if you're able to value a business, you know, the shares are just basically, uh, a currency you're trading in. And that's all it is. And so the sh- the amount of shares and the price of the shares is really irrelevant. Um, you know, whether a company has 200 shares outstanding or 2 billion shares outstanding, it doesn't really matter.

Interviewer: So you're looking more at kind of a what—almost reverse engineering that price, seeing if it makes sense based on what you see *[cross talk 00:26]*—

Interviewee: Yeah.

Interviewer: - of the company—

Interviewee: Yeah.

Interviewer: - if the price makes—

Interviewee: Yeah. Basically you ask yourself how much, you know, it- it's real simple. I mean, you just kind of imagine in your mind, "How much am I paying if I was to buy the whole company?" And if the answer to- you could say to yourself, "Well this is a really good price to pay for this company," then you buy the shares. And if you say, "Well if I was buying the whole company at this price it would not be a good deal," you would not buy the shares.

Interviewer: Okay.

Interviewee: Or maybe if you own the company, you'd say, "Wow, this is a really crazy price for this company." On the high side, you know, you'd say, you know, "I'll sell you my shares."

Interviewer: Sure. Sure.

Interviewee: And that- that's where another, uh, one of the main ideas of security analysis comes in, um, is really there's this character that they, you know, k- kindly call "Mr. Market." And he's a guy- he really is—it's kind of a metaphor for the stock market as a whole. But they call him- they refer to him- they personify the market as an individual.

[End of Audio]