

## Key Takeaways From “The Greatest Trade Ever” by Gregory Zuckerman

- A salesman’s job starts when the customer says no
- Watch the downside ; the upside will take care of itself
- The surest path to genuine wealth seemed to be investing for himself
- Never give up . Never give up
- big upside yet limited downside
- How much can we lose on this trade ?
- I figured I’d always make money , so that was unimportant to me
- Americans had been pulled by two opposing impulses — an instinctive distaste of debt and a love affair with the notion of owning a home .
- The second vice is lying ; the first is running in debt .
- One of the tricks in the credit - card business is that people have an inherent guilt with spending
- What you want is to have people feel good about their purchases
- AS HOME PRICES SURGED , banks and mortgage - finance companies , enjoying historic growth and eager for new profits , felt comfortable dropping their standards , lending more money on easier terms to higher - risk borrowers . If they ran into problems , a refinancing could always lower their mortgage rate , lenders figured
- Liar loans ” were based on stated income , not stuffy pay stubs or bank statements , while “ ninja ” loans were for those with no income , no job , and no assets
- did not forecast a significant decline because we had never had a significant decline in prices .
- Wall Street firms set up investment structures to buy thousands of home mortgages or other kinds of debt ; the regular payments on these loans provided revenue to these vehicles . The firms then sold interests in this pool of cash payments to investors , creating an investment for every taste .
- Some noticed Paulson becoming more deliberate and gaining more control over his emotions and temper .
- If I can stay alive longer , I can compound my wealth longer

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Taken directly out of the book

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- I get attached to things and I look for good value
- The amount of appreciation relative to what people were earning was startling
- I kept saying , ‘ This isn’t sustainable , ’ but no one seemed to listen
- Part of the reason Paulson had grown concerned about real estate was that the Federal Reserve finally had begun to raise interest rates , which eventually would push borrowing rates higher , taking away the economy’s punch bowl
- Watch the lenders , not the borrowers — borrowers will always be willing to take a great deal for themselves . It’s up to the lenders to show restraint . When they lose it , watch out
- were gobbled up , thanks to cheap debt financing from generous lenders and investors
- Betting against a bubble is dangerous , but it’s one of the most rewarding things , it’s truly a pleasure

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