

10 January 2019

La Verità

THE CHAT

“Discounts on health stocks”

Chat with Angelo Meda

Head of Equity at Banor SIM

How can we find value in the markets right now?

“The best way is the long-standing method used by investment gurus like Warren Buffet. Conducting in-depth analyses of companies that the market most under-values. That’s how investors can ensure they have a safety margin, in the knowledge that their investment will appreciate in the medium term because in all probability its value will grow.

Where can I find value?

“We’re finding more value in Europe than in Wall Street, where the indices are trading at an average 10-12 price/earnings ratio, compared with 16-18 in the United States. From a sectoral perspective, we’ve a preference for the oil and gas sector, which has lost out with the fall in the oil price but offers interesting dividends; automotive, where we feel that fears over the future of electric cars have over-penalised share prices; and pharmaceuticals, for a return to earnings growth through special operations”.