



VALUE

Is (Systematic) Value Investing Dead?

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Value investing is the age-old investment strategy that involves buying securities that appear cheap relative to some fundamental anchor. For equity investors that anchor is typically a measure of intrinsic value linked to financial statement variables. Recently, there has been much written about the death of value investing. While undoubtedly many systematic approaches to value investing have suffered recently, we find the suggestion that value investing is dead to be premature. Both from a theoretical and empirical perspective, expectations of fundamental information have been and continue to be an important driver of security returns. We also address a series of critiques levelled at value investing and find them generally lacking in substance.

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