

You Won't Believe How Much My Favorite Investing Book Costs

An interesting article came across my desk late last year. It was from Abe Books, an online used book retailer that sources books from shops across the country. The article was a list of the most expensive books sold by Abe Books up to that point in 2021.

There were many fine old books on the list, but one immediately caught my attention—a 1934 first edition of Graham and Dodd's *Security Analysis*.

The description of the book from Abe Books read:

The Bible for stock market investors and the most important finance book of the 20th century. A 1934 first edition, first printing. Graham taught at Columbia University and suffered in the 1929 crash. He prepared a systematic study of investment principles and agreed to lecture on the subject. Fellow tutor Dodd took notes and this book resulted from their teamwork. The book preaches the importance of making decisions based on hard facts. The first edition appeared both in black cloth and maroon cloth.

I have written many times about my own experience with Graham and Dodd's *Security Analysis*, and its impact on my career in investing. I wrote back in 2007:

As I write to you today, the single investment book on my desk is the same book that was on my desk when I began in the investment business at Clayton Securities in 1963. Graham, Dodd & Cottles' Security Analysis is as treasured as it was since its first edition in 1934. Like high fidelity, the guts of investing have really not changed so much through the

decades. Compound interest, value, and patience are still the key. Ben Graham was fond of saying, "One of the most persuasive tests of high quality is an uninterrupted record of dividend payments for the last 20 years or more." In his Intelligent Investor, Graham followed up with, "Indeed, the defensive investor might be justified in limiting purchases to those meeting this test." Nothing has changed.

So what is the value of a book that can impact you and your investments for a lifetime? For one Abe Books shopper, a first edition first printing copy of Graham and Dodd's *Security Analysis* was worth \$29,000. It may seem like a lot for a book, but is probably a small price for the wisdom inside.