

Buffett's Stock Picking Unveiled: Graham's Final Fund

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Abstract

In this paper, we unlock the method that Warren Buffet apparently used for stock picking. It is based on the same math that unlocks the physics of the universe. We use this system to pick a few stocks as a shadow portfolio. Note: Buffet never saw a market crash. In 2008, he wasn't invested in dot com stocks because he didn't understand their businesses. At least a recession is pending now.

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1. INTRODUCTION

I figured out, using the AT Math solution, how to pick stocks the Buffet way. Buffet doubled his portfolio every 3 years. He is an investor, not a speculator. That means he holds stock for the long term.

I could have kept this valuable information for myself, but I thought that the volatility of the stock market causes a lot of human misery from job loss and bankruptcies. Therefore, anyone who studies and understands this method can do well in the stock market for as long as the potential remains. It will eventually be bled away as everyone will be using it. Good!

One thing to note: the investor should hold 70.7% Stocks in a Bull Market and 70.7% Bonds in a bear market. When you hold bonds, you should be buying stocks at a discount. Gold and Gold Stocks are a hedge against inflation. Buying DJIA is good when American industry is booming. S & P Composite Index is pretty good as well in a bull market. I prefer to pick individual stock (5-10 of them) to try to outperform the market. In this paper, we provide picks that should be tracked for a year and then count the winners to losers. Establish Blue Chip stocks are the best investment so that they don't go to zero in a crash which happens every 6.25 years. There is a major crash every 70 years.

The goal is not to be greedy but to share. We are all in it together. If you don't believe that you'll be

a big loser on Judgement Day. The love of money is the root of all evil. Don't work to store up treasures for yourself on Earth where moth and rust destroy. Instead work to store up treasures for yourself in Heaven where neither rust nor moth can destroy. Every life is a break even aro sum experiment to see who is smart enough to get the key. I got the key. Warren Buffet and Bill Gates didn't. They give their money away at the end anyway. What does it profit a man to gain the whole world and lose his soul? You education is the stock buying should begin by reading the Bible. Most smart people miss that. I didn't.

Up by 50% (1/2) Buyers
 Back by 33.3 (1/3) Sellers
 $1/2+1/3=1/6$ Holders=Investors
 $3/5=0.6$
 Historic P/E Ratio for the NYSE = 25.32
 Cusack P/E = 15.9
 $25.32-15.9]/15.9=0.5924 \approx 0.6$
 $1/6=1.6666 \approx 1.67$
 $=1-SF$
 $1/F=1/t=E$
 $t=-SF$
 $t^2=1+t$
 $t^2-t-1=0$ GMP (Fair Coin Equation)
 $t^2=1/6$ Investors
 $t=1/\sqrt{6}=0.408$
 $0.408^2-0.408-1=-1.241$
 $\$M=\ln t=M=E$

$t=eM=e19.8\%$ Warren Buffett's return =19.8%
 $=1.2189 \times 19.8\% = 24135$
 $1.241 = \text{Principal} + 0.241$
 $24.1 \times 3 = 72.3 = 72 \text{ rule}$
 Buffett doubled his money every 3 years for 10 cycles (70 years)
 $y=y'$
 $24.1 - 15.9 = 4.3 = 1/23.2558 = 1/\ln 3.145 = 1/\ln$
 $t=1/M=c^2=t$
 $t=c^2=(s/t)^2$
 $t^3=s^2$
 $s=t$
 $t=1$
 $M=\ln t = \ln 1 = 0$
 $2008 + 6.25 = 2015.25$
 $2015.25 + 6.25 = 2021.5$
 $2025.5 - 2021.5 = 4 \text{ years}$
 $4/6.25 \approx 4/2\pi = 2/\pi = 1/90^\circ$
 $\sin t = \cos(t+90)$
 Stock to Bond
 $7 \text{ cycles} \times 90 = 63 = 1/15.9 - 1/(P/E)$
 $7\pi = 22$
 $22/7 = \pi = t$

July 16th 2025.
 Inflation 2.7%

Allocate capital as follows:

20% Gold (Physical Gold takt requires storage in a safety deposit box

26.6% Stocks PE <16 Buy when -5% off high, Inflation 2.2%-2.5%, Purchase 9 month after a Crash Hold for <6.25 years: Payout Dividend 1.4%

13.3% Bonds (Tax free coupon 10 year maturity)

13.3% Gold Stocks (lowest PE ratio)
 13.3% NASDAQ Stocks (Buy Index)
 13.3% Real Estate Land on city outskirts, Fix er up Houses in center city center.

Cash 12 months expenses.

Buy portfolio when 6.25 year leads to crash. Buy 9 months after crash. Inflation at 2.5% Next buy period for the beginning of a Bull market is < 2028

As of today, P/E

Amazon 36.4

Wal-Mart 41

Costco 56.03

Bombardier 41.7

Loblaw's 30.9 \$222.00 Off high by 5.9%

Jean Coutu Pharmacy – delisted

Imasco (Shoppers, Tobacco)

Bridgemarq (Royal LePage) P/E =Unlisted

\$15.31 CAN Future AVOID STOCK: financial woes

Eloradogold 13.68

EXIT real Estate P/E not listed. \$23M loss

Popey's Louisiana Kitchen P/E=At loss M\$=79.00

George Weston (Shoppers, Loblaws, Superstores) P/E=30.71 M\$=266.85

Here in bold are the stocks to track:

Tim Hortons 22 M\$=\$73 CAN BUY @ \$31.66
Re/Max P/E=18.24 M\$=\$8.21 BUY @ \$26.66
Rogers 16.5 M\$\$46.05 BUY @46.05
Canadian Tire P/E=12.44 M\$=191.14 BUY @ \$180.00
Lowe's 14.38 \$216.8 40% off high BUY
Drdgold 14.91Div1.9% M\$ \$13.69 BUY
AngloGold Ashanti 18.49 Div 3.99% M\$=47.12 BUY @ \$49.39
Debley Construction, Saint John Gold \$1930.60/ ou BUY @ \$1,900
NASDAQ Composite Index \$20730.79 BUY a@ \$19,794.20
S & P Index \$6263.70
DJIA Index \$44,254.78
Bonds US Treasury 10 yr YTM=4.467

Really considering that Trump is bent on destroying Canada's economy, no investment in Canada or the USA is warranted. About the only reasonable investment is gold and gold stocks. The industry in the USA (DJIA) may roar. Or we may be at the cusp of a worldwide Depression thanks to Trump. The USA has lost its tourism business. That is trillions of dollars out of the US economy. US Treasury Bonds are no longer safe. And the Canadian economy is completely dependent upon the USA as its main trading partner. Canada will have to trade with ICE (India, China, and Europe.). Best to take a wait and see approach. Is a Trump Great Depression around the next corner? Losses in tourism are 29 B/ 23.5T=1.234=1/81=0.012345657 1/7 is the economic multiplier. And there are job losses in other industries as well. Trump is like a bull in a china shop! You can't turn the world economy on a dime. It is like a big cruise ship. Its takes time to overcome the momentum. We'll be lucky if we don't see the 2025 Trump Great Depression.