

# PACIFIC INVESTMENT MANAGEMENT COMPANY

INVESTMENT

OUTLOOK

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## Mr. Lynch, I Presume

Not everybody wants to write a book, but if not, they should at least go on a book tour, because I've found they're worth their weight in laughs and a hefty dose of self-analysis on the side. New York's Barnes & Noble was the scene of my own comic relief this past May, as I presented the story of *Everything You've Heard About Investing Is Wrong!* to an overflowing crowd of 20 seemingly interested listeners, and then began to sign away a la Stephen King. Signatures are one thing, but I must say I never understood the power of the come-on phrase on the book's cover, "The Peter Lynch of Bonds," until the moment when an elderly lady approached the front of my table with book in hand and declared: "Mr. Lynch, you never should have let that 'Robert' Vinik take Magellan away from you. Those bonds are no good and never will be. The shame, the shame for a fine young man like you - what on earth were they thinking?" Well now, I thought. How do I ease myself out of this one? Does this lady really believe Peter Lynch has a mustache? And didn't she just hear me extolling the virtue of bonds for the past 20 minutes? I quickly decided the answer was "yes" on the first count and "no"

on the second and quickly signed, "Best of luck in the markets - Bill Gross." The more appropriate message would have been, "Best of luck for the rest of your life - I think you'll need it," but there wasn't enough room on the page and I didn't have the heart.

Shortly thereafter, a 30ish-looking broker walked up and after telling me how he'd been following my career on TV and in the press said, "you've been so successful Mr. Gross, why don't you quit?" Semi-stunned by the abruptness of his query, I frivolously shot back - "I don't know; I guess I'm afraid to stop." Up until that point, my personal explanation had always been the daily excitement and the need to play little kids' games in a grown-up world, but upon reflection later on in my hotel room, I had to admit there was something to the "fear" aspect of it, not only for me, but perhaps for some of you as well. I remembered my daily noontime "runs" back in Newport Beach, when halfway through and feeling the urge to stop, I shook it off with the fear that if I did it once, I'd do it again and again, until at last there'd be no running and finally no "me." The fear of a

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