

When it comes to trading, Richard believes that good trading ideas are based on observations of market behaviour.

"I believe markets behave in certain ways and by observing these market behaviour people should find a way of trading the markets. I believe good trading ideas are based on observations, not on reams and reams of data," Richard said

In his book, Richard set out an ambitious task for himself to come up with 100 trading and investment strategies that worked for him over the years.

"I believe there is a gap in the market for good investment books with real and applicable strategies. In my book, I tried to focus on my mistakes and how I learned from them so that people would realize the challenges of investing and dealing with the markets," Richard said.

Here's a snapshot of Richard's thoughts on the various aspects of trading, investment and the financial markets in general.

## On Markets

"It is possible that markets are inefficient when they are deliberately fed misleading information, as happened in Enron and Worldcom, but hopefully that type of malpractice is on the decline," Richard said.

## On Risk

"The idea is to be comfortable with the total risk level. It is vital that you could withstand that loss, because a disaster may happen. Choose the size of position so that the potential losses are manageable. No market is too risky if the position is not too big."

## On Big ideas

"To be able to make big money, you need to be looking for big ideas. You need to be able to see trends in the markets. Do not get into trading or investing thinking that you would make money. If you have to get into it you need to have a good understanding of market behaviour and trends."

## On Small companies

Having backed and invested his own money in over 52 start-up companies, there is no doubt that Richard sees something profitable in small companies. He believes that with all the attention and analysis being made on big companies and blue chip stocks, it is with the small companies where the most mis-pricing will happen. And this means better chances of finding undervalued companies.

Though quick to admit that small companies may have a higher failure rate compared to their giant counterparts, Richard believes that small companies offer the best risk-reward particularly if combined with diversification.

As an 'angel investor' to start up companies, Richard had invested in various ventures including several technology companies, diamond mine, private member's club, sporting goods retailer and corporate advisory business. So far, he had 26 wins and 26 losses in his venture capital investment.