

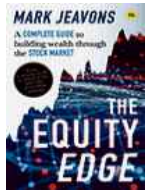
## Book of the week

### The Equity Edge

A Complete Guide to Building Wealth through the Stock Market

By Mark Jeavons

Harriman House, £24.99



Most books on investing teach their readers certain key principles, which readers can then apply in the hope of improving the returns they get from their portfolio. *The Equity Edge*, by respected investment adviser Mark Jeavons, takes a more direct approach, outlining for investors the specific steps they should take to find shares that can outperform the market.

As the author says at the start of the second chapter, the average investor is just not going to have time to look in detail at every listed company. Instead, he encourages the reader to use stock-screening tools to cut the number of potential investments down, providing a long list of criteria, which can be used in conjunction with a data service such as Stockopedia, to come up with a shortlist of companies.

Jeavons then spends the remaining chapters examining each of these criteria in more depth, explaining why they are important. Chapter seven, for example, looks at the key metrics that will help you decide whether a company is likely to remain solvent.

Much of the book concentrates on quantitative metrics such as these, the hard numbers of the investment game, but Jeavons recognises that the more subjective aspects



*“This is an excellent book that I would highly recommend. It fills a gap left by the current crop of investment guides”*

of investment also matter. He considers such topics as competitive advantage and economic moats. He gives some useful bigger-picture advice on portfolio construction, offering some guidance on the level of diversification that you should aim for, for example, as well as on how to use stop-losses effectively. He also has some useful advice on how to schedule enough time to keep track of your investments, a subject that no other guide has to my knowledge addressed.

One stumbling block is that Jeavons provides so many different criteria for evaluating shares that there are very few remaining at the end of the screening process that satisfy all his requirements. It would have been better if he had been more explicit about

which criteria he considered to be the most important, and which less so. The book would also have benefited from some studies to back up the idea that these criteria have an impact on investment returns, or even some real-life examples of investments he had made, rather than the fictional examples he relies on.

Still, despite these minor flaws, *The Equity Edge* is an excellent book, which I would highly recommend. It fills a gap left by the current crop of investment guides. Even investors looking for more general advice will benefit from the tips on how to prune down the universe of investible shares to harvest only those most likely to be successful.

Reviewed by  
Matthew Partridge

## The Rules of Contagion

Why Things Spread – and Why They Stop

By Adam Kucharski

Wellcome Collection, £16.99



With the world currently in the grip of the coronavirus pandemic, the publication of *The Rules of Contagion* by

Adam Kucharski is particularly timely. The book isn't directly about Covid-19, but explains how epidemics work, telling the story of how scientists, mathematicians and doctors gradually came to understand how diseases are transmitted. The central character in this story is the 19th-century British Army doctor Ronald Ross, who won a Nobel prize for his work on malaria and came up with much of the mathematical groundwork for concepts such as herd immunity and transmission rate that are still used today.

The book is not just about medicine though. It shows how the science of contagion can help explain social and economic changes too, such as stockmarket bubbles and financial crises, and how people's interactions with each other influence their behaviours and opinions, an area that has caught the attention of policy makers around the world.

The science of contagion is still in its infancy, though, as shown by the huge amount of uncertainty around how the current crisis will turn out. Those who think that every problem can be solved with better maths or technology are simply naive, argues Kucharski, and ignore the ethical dimensions. His book is an entertaining, readable guide to a fascinating area of science.

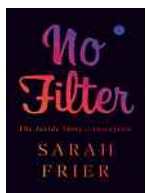
## Book in the news... how a little-known photo app conquered the world

### No Filter

The inside story of how Instagram transformed business, celebrity and our culture

By Sarah Frier

Simon & Schuster (£20)



In 2012, Facebook acquired a “little-known” photography app called Instagram, founded by Kevin Systrom, for \$1bn, says Hannah Murphy in the *Financial Times*. The “seemingly ad-hoc acquisition” has since proved to be one of Facebook boss Mark Zuckerberg’s “most prudent business decisions”. Instagram has since “garnered more than one billion users” and become a “modern cultural phenomenon”. *No Filter* takes a look behind the scenes of the tech

firm’s early days and follows the drama that ensues when the perfectionist culture of Instagram clashes with Zuckerberg’s “growth-at-all-costs” mentality.

It is a “deeply researched” and “highly entertaining” book, says Tom Knowles in *The Times*, packed with anecdotes and insider accounts that show how the relationship between Systrom and Zuckerberg “steadily broke down”. Zuckerberg became “increasingly jealous and bitter” about his acquired app’s success and got so angry that he began to restrict how many staff members Instagram was allowed and switched off tools that would boost its growth. Instagram continues to thrive, making \$20bn in revenue in 2019 alone, and Zuckerberg had the “last laugh” in the battle – Systrom quit the firm in 2018.

The battle between Zuckerberg and Systrom is a “classic story of brother turning against brother”, says Laurence Dodds in *The Daily Telegraph*. But the book is at its most fun when it changes focus to look at the “unlikely alliance” between the “awkward nerds” of Instagram and the “real magicians” of showbiz – Systrom took to “swanning around awards shows”, the Kardashians learn how to “milk his invention”, and Taylor Swift, Justin Bieber and Madonna all play a cameo. Instagram has changed our world, turning “pets into superstars, cafes into film sets, and demanded perfection from food, holidays and human faces” – with some tragic consequences. It has transformed lives, cities and industries. For better or worse? The jury is still out, but this “intriguing” book raises unsettling questions.