

I happened to be in the United States for the second time post covid this month. My last visit was in September/October 2022 and was for a short period of 5 days, on the East Coast. This visit in early May was a good 11 days, one of my longest work visits in years. The itinerary of Mumbai – New York – Omaha – San Francisco – Mumbai meant that it was a full circle of the earth, something like “Around the world in 11 days.” It was interesting and I am sharing a few observations and anecdotes of this visit with you. Hope you find them useful:

New York:

I was in the Big Apple for a short period of three days occupied with work meetings with allocators, peer fund managers, and friends. My travel to New York from Mumbai was very comfortable. The airplane that Air India uses for this non-stop flight is quite old, but that is made good by the very courteous crew and excellent in-flight service and dining. However, it took an hour of taxiing to find a spot after landing and another 75 minutes to clear immigration. How irritating and inefficient this is, is only realized when one lands back in Mumbai and clears immigration in all of two minutes.

The city of New York seemed to be coming to some kind of its normal buzz with more tourists around and relatively more people seen going to work, unlike when I was here in October. Inflation was clearly visible with everything from a bottle of water to restaurant bills and Uber/taxi charges were up almost 50% from pre-covid levels.

While value retail sales reportedly have seen a slowdown, high-end sales seem to be holding well. Hotel rates were not cheap at all and had high occupancies. Intercontinental Barclays where I was staying was full and there was a queue outside of Tiffany’s of eager customers. However, my son Ujjwal, who was with me made a funny comment and said that New Yorkers love to stand in a queue for anything and everything. However, getting reservations in good restaurants was not very easy.

Commercial real estate is witnessing never seen before pressure, with the willingness to work from the office still very low. The city is quite empty on Thursdays and Fridays as most work three days a week from the office and the rest from the comfort of their homes. Interactions with experts in real estate suggest that there is more stress coming from real estate, particularly office commercial space, a combination of both lower tenancy and high-interest rates.

Interactions with Uber drivers do not indicate any major stress, though there is some reduction in the number of passengers. However, they seem to be making as much as earlier or slightly more as fares seem to have gone up quite a bit. Restaurants and retail shops are still facing a shortage of labour as people have not yet fully reconciled to living their pre-covid life of travelling into the city and working hard for a living.

Meetings with allocators and fund managers unanimously indicated increasing interest in India and Indian equities. Over the last few years, one does not have to sell the Indian growth story as most are already aware of the same. It is now a question of valuations, when to buy and what to buy.

Another interesting highlight was the increasing awareness of stocks outside of the NIFTY50 or the large caps. Across the board, the feeling was that India is an alpha market and investing in stocks other than the obvious names is what will generate returns in India.

And yes, finally New York has a good city airport in LaGuardia. Flyers love this renovated airport and the water fountain that adorns it. Yes, the water fountain is good but a prominent city like New York deserves airports that are much better and more efficient than they have now.

Omaha:

A visit to witness the Oracle of Omaha, Warren Buffet, and Charlie Munger’s annual shareholder interaction is every investor’s dream. Finally, this year I also got an opportunity to tick this bucket list of mine and witness the Annual meeting of Berkshire Hathaway.

Omaha is a very quaint and quiet city, and I am sure that except for these 3-4 days in May, the city is permanently on a standstill mode. Buffet-Munger are legends and have created billions for their shareholders. However, it is only because of them that the city of Omaha is what it is. Almost 30,000 admirers descend on the city the first weekend of every May, giving the economy of the city a major stimulus. The hotel rooms that normally cost \$120 a night go for \$500-600 a night these three days, restaurants are full and Uber drivers are busy the entire day tending to this huge congregation.

The energy levels and enthusiasm are very high, and every attendee is looking forward to interacting with as many fellow attendees as possible. There are quite a few who have been attending this annual meeting for many years and it seems that it is now more of a ritual for them, as also catching up with friends. There are many like me, curious and first timers, who have come to witness the greatest show on the investment front and see and hear in person the Greatest of All Time investors.

Like excited first timers, we visited Warren Buffet's house where he was born (no one stays there anymore) as also his current house where he has been staying for decades. A modest house in a modest city is a lesson in disguise that **wealth is not the biggest and most expensive house, but the respect and love that one gets with thousands clamouring to get one glimpse of you for the satisfying work one has done.**

The sale of goods by investee companies of Berkshire Hathaway a day before the Annual Meeting is a must-go. From ice cream to an aeroplane timeshare, one can buy it all here at a substantial discount. Everyone has bags full of stuff bought from here, some for discount and some as souvenirs, with queues in every store. Apart from the fun element, this also showcases the diverse businesses that Buffet-Munger have found interesting to invest.

Finally, the day of the annual meeting is here. My son, Ujjwal and my friend's son, Krish, are up at 4 am and standing in the queue so that all of us get a good seat to see and listen to the duo Buffet-Munger. Finally, gates open at 7 am and we all get a reasonably good seat. The atmosphere is electric and to see thousands of enthusiastic fellow investors is a steroid injection of energy in itself.

The in-person meeting starts at 9 am with Buffet and Munger both at their sharpest and wittiest. Over the next 6-7 hours, they answer 60 questions. Many notes have already been circulated on the key highlights and lessons from their interaction. Topics ranging from AI, commercial real estate, US-China relations, Elon Musk, value investing, US Banking system and right to life lessons. For the most experienced also this can be excellent learning delivered with knowledge, awareness, simplicity, and a lot of humour.

Warren Buffet is almost touching 93 and Charlie Munger is 99. The energy and enthusiasm they exude are magnetic. Just watching and hearing them for one day can easily extend one's professional life by at least ten years. Here are my takeaways from Omaha:

- Being successful in life is not doing too many extraordinary things but doing things consistently well.
- Love for one's work is much greater satisfaction than all the luxuries in the world.
- The best time and place to retire is in one's grave.
- Honesty, simplicity, and modesty will not only make one a likeable person but will also make one super successful.
- There is learning every day. Keep on reading and interacting with people smarter than you.
- Do what you like in the way that you believe works best for you.

Cupertino, Bay Area, San Francisco, California:

The last part of my trip was a visit to the west coast and a stay with my son, Ujjwal at his house in Cupertino, Bay Area and it is a very different world. The three days on the west coast are a mix of moving around in the Bay Area and meetings in San Francisco. There have been good rains this year and the entire region is green and flowering, unlike the last few years where California witnessed constant droughts.

The digital world is here to stay and flourish. Despite recent layoffs and start-up funding holiday, the ecosystem of tech and digital continues to be vibrant. Young techies continue to be energetic and keep working on new ideas and the economy also is pretty decent. Inflation, like was experienced in New York, is clearly visible here too. Uber rates are up massively, and restaurant bills are not cheap. House rents are still very high, though commercial real estate is surely facing massive headwinds. Work from home is now a norm here, though Ujjwal tells me that they (he works for AWS) have started work from the office twice a week and by September it will be all days' work from office.

Meetings with allocators and investors present a similar view as was the case during meetings in New York. Awareness and willingness to invest in India are very high. An interesting comment made during one of the meetings was a **shift in preference from "Dragon to Elephant"**. The move of investing into India at the expense of China seems to be underway and though it might be slow to begin with, it surely seems to be a medium-term visible trend. As far as India is concerned, it is again not whether, but when.

Electric vehicles are everywhere, and Tesla's is seen more than any other car maker including the traditional cars. Ujjwal has a Tesla, and he was explaining the dynamics to me. Each visit to San Francisco and back from Cupertino is \$170-180 and thus 3 visits a month are equal to his monthly instalment on his Tesla. There are no other costs, with charging free at his office or a small sum if charged outside. The technology and performance of these EVs are out of the world and the traditional cars will struggle to match them. Another friend, Arjun Divecha, gave me a ride in his EV – Lucid. An out of the world electric car with the most luxurious interior and acceleration of 0-100 in two seconds. **Seeing is believing and I come back with strong views that in 2-3 years, only electric cars will be sold.** The transition is going to happen much faster than even the most optimistic assumptions. It is said, **"It happens slowly and then all of a sudden"**. **The slowly is past us and all of a sudden is very very near.**

Finally, I am on my way back to Mumbai. The 17-hour non-stop Air India flight is outstanding. A new brand aircraft (reportedly leased from Delta Airlines) and excellent crew and service make the long flight back easier. And of course, **thanks to the most efficient immigration system in the world, the time from landing to exiting the airport is less than 30 minutes.**

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