

# Value Vs. Growth

	Value	Growth
Valuation & P/E Ratios	Lower valuation & lower P/E ratios	Higher valuation & higher P/E ratios
Growth Rate	Lower	Higher
Economic Theme	Old Economy	New Economy
Excitement Level	Ho-Hum Stocks	Concept Stocks
Orientation	Find Bargains - Margin of Safety	Ride the Momentum & Earnings Growth
Pricing	Disappointments already factored into price	Expectations factored into price
Returns	Dividends Plus Appreciation (Dividend can be a significant part of return)	100% Appreciation (Generally no dividends)
Philosophy	Buy \$1.00 for 50 cents	Buy a rapidly growing \$1.00
Valuation Principle	Buy Below Intrinsic Value of Business (Margin of Safety)	Buy Current & Future Growth Prospects (PEG)