



# STOCK MARKET *BOOK*

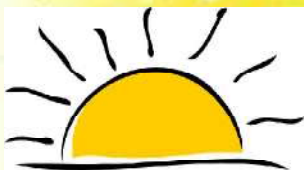
**Our Motto**  
**MONEY MUST GROW**



THE GOAL  
ISN'T MORE  
MONEY. THE  
GOAL IS  
LIVING LIFE  
ON YOUR  
TERMS.



**Are You Ready  
To Learn & Earn?**



**CA Aaditya Jain**

*With Sunrise You Rise*

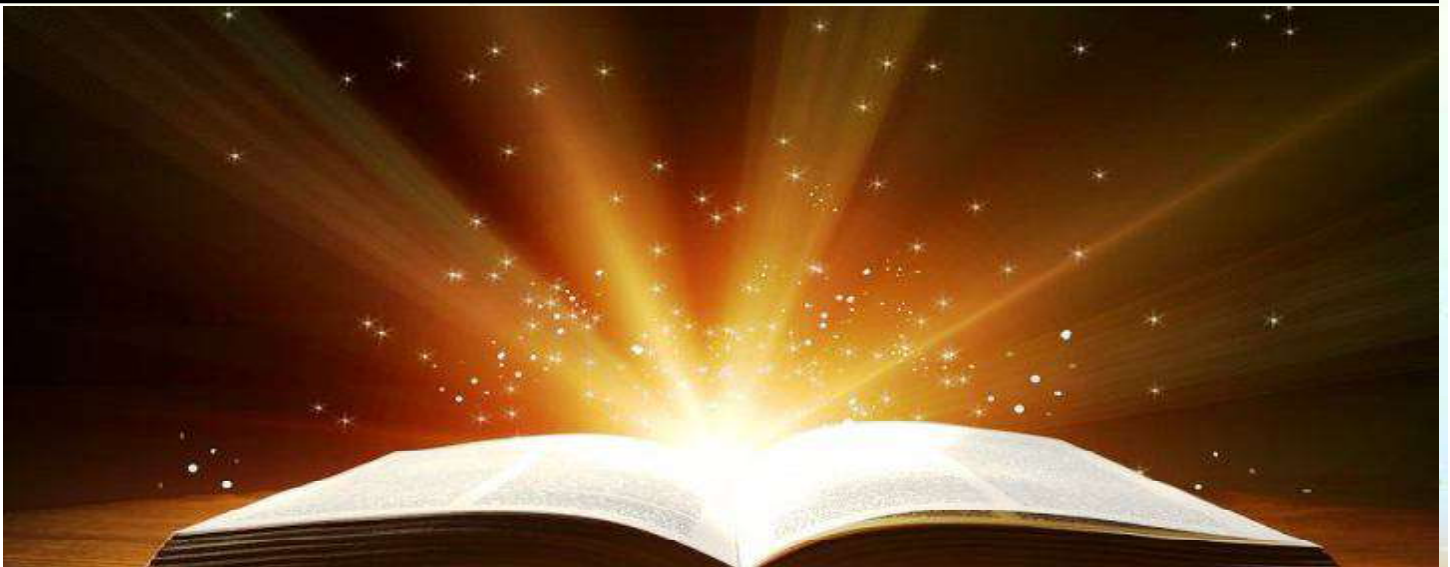


CA, MBA (FINANCE), CFA, NCFM, B.COM, M.COM  
AWARDED AS NSE CERTIFIED MARKET PROFESSIONAL  
MASTER OF FINANCIAL ANALYSIS

**THINK BIG,  
DREAM BIG,  
BELIEVE BIG,  
AND THE  
RESULTS WILL  
BE BIG.**

**MONEY  
IS THE MOTIVATION**

**My Body Wants More Sleep,  
But My Pockets Want More Money**



...on your "MARK"...get set...**GO!**





# 100 OUT OF 100 MARKS



## NSE's CERTIFICATION IN FINANCIAL MARKETS (NCFM) Equity Derivatives: A Beginner's Module



This is to certify that Mr. SAHIL AGGARWAL, Registration Number NCFM-00001177684, has successfully completed the Equity Derivatives: A Beginner's Module of the NCFM. The details of the test taken by him are as follows:

Test Date	Test Centre	Marks Obtained (%)	Remarks
January 13, 2015	Delhi	100.0	Pass

Date: January 14, 2015

Place: Mumbai

Valid upto: January 13, 2020

Authorised Signatory



## NSE's CERTIFICATION IN FINANCIAL MARKETS (NCFM) Currency Derivatives: A Beginner's Module



This is to certify that Ms. NEHA JAIN, Registration Number NCFM-00001164059, has successfully completed the Currency Derivatives: A Beginner's Module of the NCFM. The details of the test taken by her are as follows:

Test Date	Test Centre	Marks Obtained (%)	Remarks
July 31, 2014	Delhi	100.0	Pass

Date: July 31, 2014

Place: Mumbai

Valid upto: July 31, 2019

Authorised Signatory



## NSE's CERTIFICATION IN FINANCIAL MARKETS (NCFM) Equity Derivatives: A Beginner's Module



This is to certify that Mr. VINAY GUPTA, Registration Number NCFM-00001175477, has successfully completed the Equity Derivatives: A Beginner's Module of the NCFM. The details of the test taken by him are as follows:

Test Date	Test Centre	Marks Obtained (%)	Remarks
November 20, 2014	Delhi	100.0	Pass

Date: November 20, 2014

Place: Mumbai

Valid upto: November 20, 2019

Authorised Signatory



## NSE's CERTIFICATION IN FINANCIAL MARKETS (NCFM) Mutual Funds: A Beginners' Module



This is to certify that Mr. AKSHAY GOYAL, Registration Number NCFM-00001199573, has successfully completed the Mutual Funds: A Beginners' Module of the NCFM. The details of the test taken by him are as follows:

Test Date	Test Centre	Marks Obtained (%)	Remarks
May 22, 2015	Delhi	100.0	Pass

Date: May 22, 2015

Place: Mumbai

Valid upto: May 22, 2020

Authorised Signatory



## NSE's CERTIFICATION IN FINANCIAL MARKETS (NCFM) Equity Derivatives: A Beginner's Module



This is to certify that Mr. SHUBHAM GOYAL, Registration Number NCFM-00001149562, has successfully completed the Equity Derivatives: A Beginner's Module of the NCFM. The details of the test taken by him are as follows:

Test Date	Test Centre	Marks Obtained (%)	Remarks
May 15, 2015	Delhi	100.0	Pass

Date: May 15, 2015

Place: Mumbai

Valid upto: May 15, 2020

Authorised Signatory



This is to certify that Ms. MANSI TALWAR, Registration Number NCFM-00001194163, has successfully completed the Equity Derivatives: A Beginner's Module of the NCFM. The details of the test taken by her are as follows:

Test Date	Test Centre	Marks Obtained (%)	Remarks
July 14, 2015	Delhi	100.0	Pass

Date: July 14, 2015

Authorised Signatory



# LEARN TO EARN

## Investment Banking As A Career

**A Rs 86-lakh starting salary!**

source:<http://www.rediff.com/money/2006/mar/13iim.htm>



### Top companies people want to work for

1. Goldman Sachs
2. JPMorgan
3. BlackRock
4. HSBC
5. BNP Paribas
6. Deutsche Bank
7. McKinsey
8. UBS
9. Barclays
10. Citigroup
11. Blackstone Capital Partners
12. Accenture
13. Credit Suisse
14. Bloomberg
15. Morgan Stanley
16. ANZ
17. Bank of America
18. Deloitte
19. Macquarie
20. Ernst & Young

**PUT THE FUN  
IN MUTUAL FUNDS**

## Mutual Fund Manager As A Career

**A Rs 1 crore plus salary!**

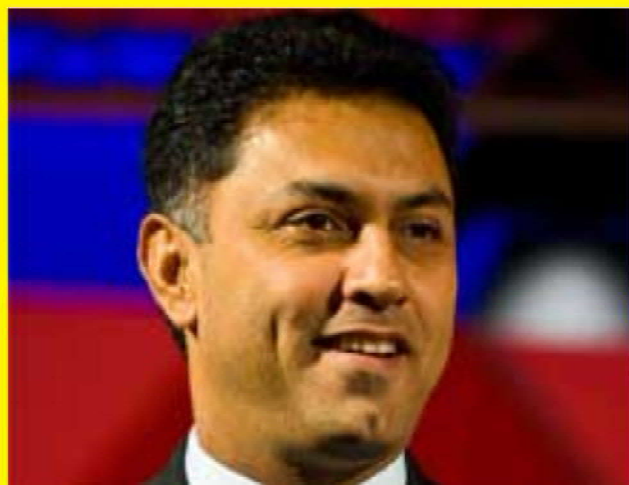
[http://articles.economictimes.indiatimes.com/2012-08-10/news/33137856\\_1\\_fund-managers-l-t-mutual-fund-mid-cap-funds](http://articles.economictimes.indiatimes.com/2012-08-10/news/33137856_1_fund-managers-l-t-mutual-fund-mid-cap-funds)

## Portfolio Manager As A Career

**Want to Make Rs.3 crore a Year\_ Become a Portfolio Manager**

<http://www.consumerismcommentary.com/want-to-make-450k-a-year-become-a-portfolio-manager/>

**ITS TIME TO BECOME INDIA'S BEST INVESTOR  
JOIN US TO LEARN & EARN**



Attending school at night and topping his class, Arora finished his CFA (Chartered Financial Analyst) course in 1995.

**Soft Banks Nikesh Arora Salary Rs 800 Crore p.a - NDTV Profit**

**MANY STUDENTS CLEARED CFA AFTER TAKING  
CA FINAL FINANCE CLASS FROM AADITYA JAIN SIR**

**FIRST LEARN  
THEN REMOVE "L"**



**RAKESH JHUNJHUNWALA  
INDIA'S NO. 1 INVESTOR IS A QUALIFIED  
CHARTERED ACCOUNTANT**

**FROM RS. 5000 TO 5000 CRORES**

**FREE DEMAT ACCOUNT OPENING FACILITY FOR  
STUDENTS JOINING SFM CLASS**





**0 to 1,000 crores**

**You too can do it !!**

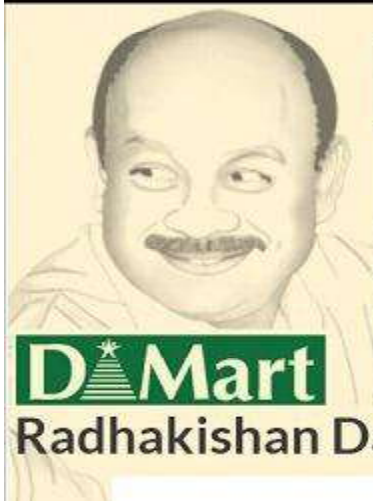
**Raamdeo Agrawal  
(CHARTERED ACCOUNTANT)**

**Wish you a successful  
1,000 crore journey !**

**0 to 1,000 crores – How it happened for me**



# THE SILENT GIANT OF STOCK MARKETS



Radhakishan Damani



Guru of RJ



## Damani's Investments

### VALUE OF LISTED PORTFOLIO

Cost price of listed investments — ₹212cr

Market value on March 31, 2013 — ₹1,731cr

### TOP LISTED HOLDINGS

	COST PRICE (₹ CRORE)
VST Industries	51.7
Sundaram Finance	34.3
Blue Dart Express	32.8
Trent	23.1
Nestle India	21.3
Crisil	9.5
Gillette India	8.2
HDFC Bank	6.8
BPCL	4.8
TV 18 Broadcast	4.6
3M India	3.6
United Breweries	2.5
Agrotech Foods	2.2
United Spirits	0.7
HPCL	0.6

Man with the Midas touch in the stock markets

## New Pecking Order

Rank	Name	Net Worth (\$ B)	Rank	Name	Net Worth (\$ B)
1	Mukesh Ambani	27.7	9	Cyrus Poonawalla	8.9
2	Hinduja Brothers	17.2	10	Uday Kotak	8.7
3	Lakshmi Mittal	16.7	11	Kumar Birla	7.8
4	Dilip Shanghvi	15.1	12	Gautam Adani	6.2
5	Pallonji Mistry	14.6	13	Micky Jagtiani	6.1
6	Azim Premji	13.3	14	Benu Gopal Bangur	5.6
7	Shiv Nadar	12.9	15	Vikram Lal	5.6
8	Sunil Mittal	10.9	16	Pankaj Patel	5.3



FROM ONE-ROOM FLAT TO BUILDING RETAIL EMPIRE  
LEARN TO EARN FROM AADITYA JAIN



# MASTER THE ART OF STOCK MARKET



## "Certificate in Stock Market"

### UNDER THE GUIDANCE OF AADITYA JAIN SIR

It is a 10 Lectures programe specially designed for those who want to  
became stock market experts.



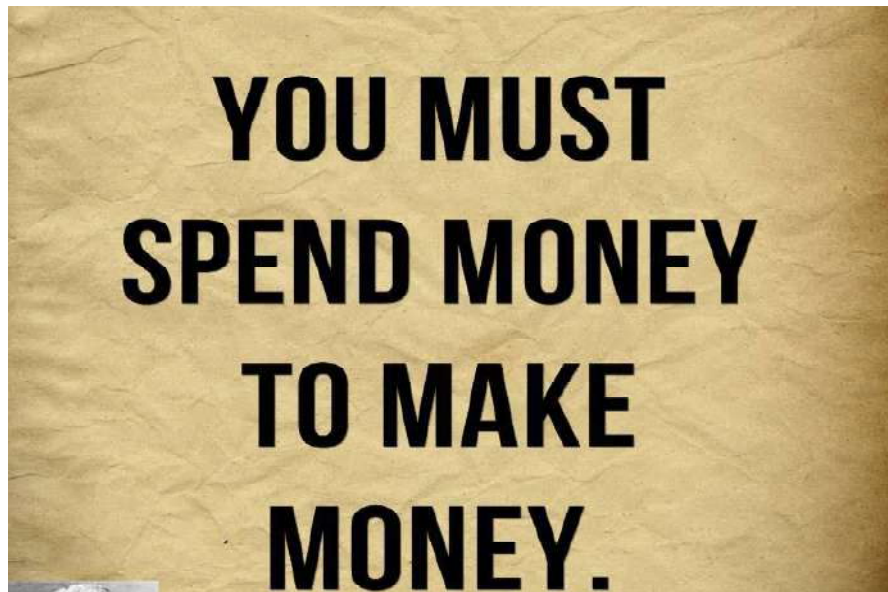
FOR RECEIVING CERTIFICATE MAIL US AT [investaaj@gmail.com](mailto:investaaj@gmail.com)

*Motivation is already lying in us like sticks in matchbox. We need to light it, then we  
can enlighten the entire universe.*

# Financial Management

**Finance is called  
“The science of money”**

**Financial Management** refers to the efficient and effective management of money (funds) in such a manner as to accomplish the objectives of the organization.



**YOU MUST  
SPEND MONEY  
TO MAKE  
MONEY.**



**IT TAKES MONEY  
TO MAKE MONEY**

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*" Life may not always be as good as it should be,  
but it's never as bad as it could be!"*



Finance is regarded as the **"LIFEBLOOD"** of a business enterprise. It is the basic foundation of all kinds of economic activities. The success of an organization largely depends on efficient management of its finances.

**#1 Make money.**

**#2 Use that money to  
make more money.**

**#3 Repeat.**

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*Don't look back when you are moving to success...  
But, Don't forget to look back after reaching success...!!!*

# A Career In Finance Is All About Money

“Finance is the key when you think about strategy, because what are we all about? It’s about creating shareholder value.” Today’s finance professionals assume a broad range of responsibilities involving capital budgeting, risk management, project analysis and evaluation, and short-term and long-term financial planning. Finance professionals are key to the strategic management and success of the business enterprise. They are often responsible for making investment decisions and determining financial policy for their organisations. The CEO of Coca-Cola said: “The secret isn’t counting beans, it’s growing more beans” Thus the need has increased for intelligent, dynamic communicators and analysts in all aspects of the financial world.

Here are some common career paths in the financial-services industry:

**CORPORATE FINANCE**

**COMMERCIAL BANKING**

**INVESTMENT BANKING**

**HEDGE FUNDS**

**FINANCIAL ANALYST**

**STOCK TRADER**

**PORTFOLIO MANAGER/PORTFOLIO & SECURITY ANALYSIS**

**PRIVATE EQUITY AND VENTURE CAPITAL**

**FINANCIAL PLANNING**

**INSURANCE**

**FOREX MANAGEMENT /INTERNATIONAL FINANCE**

**MONEY MANAGEMENT**

**FINANCIAL PLANNING**

**COMMODITY TRADING**

**INSURANCE**

**DERIVATIVES**

**RISK MANAGEMENT**

**CAPITAL MARKETS**

**REAL ESTATE FINANCE**

**FIXED INCOME SECURITIES**



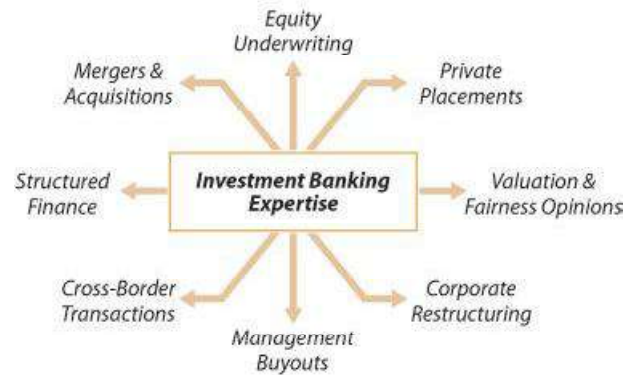
*Our Hopes & Dreams should be like Hair & Nail. No matter how many times they are cut, but they never stop growing.*



## **DREAM EMPLOYER IN FINANCE FIELD**

The following are the largest full-service global investment banks; full-service investment banks usually provide both advisory and financing banking services, as well as sales, market making, and research on a broad array of financial products, including equities, credit, rates, currency, commodities, and their derivatives:

- 1 - JPMorgan Chase
- 2 - Goldman Sachs
- 3 - Bank of America Merrill Lynch
- 4 - Morgan Stanley
- 5 - Citigroup
- 6 - Barclays Investment Bank
- 7 - Credit Suisse
- 8 - Deutsche Bank
- 9 - Wells Fargo Securities
- 10 - RBC Capital Markets
- 11 - UBS
- 12 - HSBC
- 13 - Jefferies Group
- 14 - BNP Paribas
- 15 - Mizuho
- 16 - Lazard
- 17 - Nomura
- 18 - Evercore Partners
- 19 - BMO Capital Markets
- 20 - Mitsubishi UFJ Financial Group



**MONEY**  
**IS THE MOTIVATION**

*Be a life long student.*

*The more you learn ,the more you earn and more self confidence you will have.*

# CLASSES USEFUL FOR

ITS TIME TO MAKE CAREER IN FINANCE

WORLD BEST COURSE IN FINANCE



**CFA(USA)**



## Chartered Financial Analyst

### Salary

Chartered Financial Analysts secure the top-paying jobs in the United States. The median compensation for portfolio managers with less than five years' work experience is \$205,000; for those between five to under 10 years of experience, \$398,000; and for those above ten years of experience, \$499,000.

**FOR MORE DETAIL CONTACT**

**[www.cfainstitute.org](http://www.cfainstitute.org)**



## Financial Risk Manager

### Salary

In the United States, financial risk managers earn an average salary of \$113,730 annually. The median salary is \$101,190, with those in the 25th percentile earning \$73,530 and those in the 75th percentile earning \$138,010. These managers may oversee financial activities of a branch, office, department or entire company, according to the U.S. Bureau of Labor Statistics in May 2009.

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*Give thousand chances to your enemy to become your friend.  
But never give a single chance to your Friend to become your enemy*



**FOR MORE DETAIL CONTACT**

**[www.garp.org/FRM](http://www.garp.org/FRM)**



# **MBA (FINANCE)**



➔ Popularity of MBA programs is not news anymore! With almost 2.5 lakh candidates applying for the common admission test to the IIMs each year, the demand of these programs is quite evident. They are a quick way of getting into a highly paying job. But it is no fun. The kind of hard work that goes into cracking entrance exams of top MBA colleges in India is not at all easy. Not everyone is capable of putting in that sort of hard work and grabbing a seat in these schools.

➔ What is the next best option for students who could not manage a seat in decently reputed B-school? Or those who cannot afford to leave their jobs but still want an MBA tag or those who are enrolled in a full time program and wish to acquire a management degree along side?

➔ For those who can't afford to pursue a full time management program for any reason, be it your job or any other reason, B-schools have been offering distance learning MBA programs for a long time now. Almost every management school today, identifies with the requirements of the students and wishes to offer a program that can provide as the best solution for most of them. Among such initiatives are part time MBA, online MBA and executive MBA programs.

➔ As mentioned above, almost every known B-school has a distance learning MBA course in its list of courses; a few names are more popular among students. These programs have earned a reputation over the years. The reasons for this reputation earned can be various like good placement assistance, quality study material, good lectures, etc. See below a list of best and most popular correspondence MBA courses in India.

## **Top 10 Institutes in India Offering Distance Learning MBA Program**

- 1.Symbiosis Centre for Distance Learning, Pune**
- 2.Indira Gandhi National Open University, New Delhi**
- 3.ICFAI Business School, Hyderabad**
- 4.Institute of Management Technology, Ghaziabad**
- 5.Sikkim Manipal University, Sikkim**

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*Never allow a person to tell you 'no' who doesn't have the power to say 'yes'.*

*If you don't mind, it doesn't matter.*

- 6. Amity University, UP
  - 7. Annamalai University, Tamilnadu
  - 8. Alagappa University, Tamilnadu
  - 9. Bharathidasan University
  - 10. Maharshi Dayanand University, Rohtak
- Top 10 REGULAR MBA colleges in India**

1	Indian Institute of Management	Ahmedabad
2	Indian Institute of Management	Bangalore
3	Indian Institute of Management	Calcutta
4	Indian Institute of Management	Lucknow
5	Institute of Rural Management	Anand
6	Xaviers Labour Relation Institute	Jamshedpur
7	Management Development Institute	Gurgaon
8	Indian Institute of Management	Indore
9	S.P. Jain Institute of Management and Research	Mumbai
10	Indian Institute of Foreign Trade	Delhi



**NCFM**



[http://www.nseindia.com/education/content/proc\\_sm.htm](http://www.nseindia.com/education/content/proc_sm.htm)

→ NCFM Exams i.e. NSE's Certification in Financial Markets exams are one of the most popular financial market certification exams in India. NSE is the biggest Stock Exchange of India in terms of volumes (over Rs. 2 lakh crores per day) and the certifications of NSE carry significant weight in the top finance and stock broking companies of India.

Individuals aspiring to make a career in the Financial Services industry will have better prospects if they clear the NSE exams and get the NCFM certifications. In fact some of the certificates have been made mandatory for using the Capital market and Derivative Market platforms of NSE.

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*Honesty may not always pay but dishonesty always costs. Lies have speed but truth has stamina. The boat of truth may shake but, it can never sink.*



→ There are various modules offered under NCFM certifications which cover topics ranging from Stock Markets to Depositories to Insurance. Currently there are over 30 NCFM online exams and each one has its own importance. Our Class helps you clear these exams by providing you mock exams, practise questions with solved papers and step by step solutions to mathematical problems in a very easy way.

→ I am writing this post to enlighten beginners about NCFM Certifications. NSE's certification in financial markets commonly known as NCFM Exam (NSE's Certifications in Financial Markets) is the first step towards the ladder of financial world. The purpose of these certifications is to create awareness among the finance professionals about Indian Financial Markets. There is no specific requirements as to who can pursue these certifications, but one has to be atleast a High School Passed out & 18 years of age.

→ Currently there are 24 separate modules in NCFM Exam series, most of which are fairly easy to clear with a nominal amount of preparation and that's why few people call them kinder garden certifications. But remember the old quote that, if you want to reach the top of a ladder, you need to start from the lower step. Clearing these certifications not only increases your knowledge about financial world but also shows your commitment to build career in financial markets.

→ Please Note that, Clearing these NCFM exams doesn't guarantee you a job but do make your Job application stronger than other candidates.

→ Subjects Covered

## FOUNDATION MODULES

**Financial Markets: A Beginner's Module**

**Mutual Funds: A Beginner's Module**

**Currency Derivatives: A Beginner's Module**

**Equity Derivatives: A Beginner's Module**

**Interest Rate Derivatives: A Beginner's Module**

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*Self confidence is a small Lamp in a dark tunnel. It does not show everything at once but gives enough light for the next step.*

**Commercial Banking in India : A Beginner's Module**

**FIMMDA-NSE Debt Market (Basic) Module**

**Securities Market (Basic) Module**

**Clearing Settlement and Risk Management Module**

**Banking Fundamentals - International**

**Capital Markets Fundamentals - International**

## **INTERMEDIATE MODULES**

**Capital Market (Dealers) Module (CMDM)**

**Derivatives Market (Dealers) Module (DMDM)**

**Investment Analysis and Portfolio Management**

**Fundamental Analysis Module**

**Options Trading Strategies Module**

**Operations Risk Management Module**

**Banking Sector Module**

**Treasury Management Module**

**Insurance Module**

**Macroeconomics for Financial Markets Module**

**NSDL-Depository Operations Module**

**Commodities Market Module**

**Surveillance in Stock Exchanges Module**

**Corporate Governance Module**

**Compliance Officers (Brokers) Module**

**Compliance Officers (Corporates) Module**

**Information Security Auditors Module (Part-1) & Information Security Auditors  
Module (Part-2)**

**Technical Analysis Module**

**Mergers and Acquisitions Module**

**Back Office Operations Module**

**Wealth Management Module**

**Project Finance Module**

**Venture Capital and Private Equity Module**

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*It doesn't matter if the glass is half empty or half full. Be thankful that you have a  
glass & grateful that there's something in it.*



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**Financial Services Foundation**

**NSE Certified Quality Analyst Module**

**ADVANCED MODULE**

**Algorithmic Trading Module**

**Financial Markets (Advanced) Module**

**Securities Market (Advanced) Module**

**Derivatives (Advanced) Module**

**Mutual Funds (Advanced) Module**

**Options Trading (Advanced) Module**

**Modules of Financial Planning Standards Board India (Certified Financial Planner Certification)**

**Equity Research Module**

**Issue Management Module**

**Market Risk Module**

**Financial Modeling Course**

**Business Analytics Module**

**Investment Banking Operations - International**

**International Financial Reporting Standards (IFRS)**

➔ **The fees of most of the modules of NCFM Exam varies from Rs 1000 to Rs 2000 and validity of the certificates varies from 3 years to 5 years. The exam date can be taken through NSE Website and the process is quite easy. Most of the modules need preparation of 8 to 14 hours. Once you register for the exam, you can download study material from NSE Website.**

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*Silence is the best way to keep away from problems. Smile is a powerful tool to avoid many problems. So have a silent smile always.*

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# **CERTIFIED FINANCIAL**

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## **PLANNER (CFP)**

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**Certified Financial Planner certification education programme is designed specifically for high-achieving business professionals, and career changers who are looking to enhance their education without interrupting their careers. The programme's innovative course content, faculty interaction and learning environment help you apply your knowledge and skills to problems professionals face in today's marketplace.**

**In this era of super specialisation, once you have achieved CFP certification, you join the prestigious league of over 1,70,000 CFP certificants worldwide.**

**A CFP professional takes a holistic view of financial life of an individual and provides him with strategic advice in regard to investment, insurance, tax, retirement and estate needs.**

### **Job prospects:**

**CFP certificants have bright career opportunities when it comes to seeking an employment across financial services in general and wealth management and financial planning in particular. There is an added advantage in the form of an option to work in a corporate or to start his/her own private practice. CFP professionals have multiple sources of income. They earn commission on the trades that they execute for their clients or products sold by them; they earn consultation fee for discussing and solving problems of their clients. Alternatively, enjoy a regular income by way of salary in case they prefer to work for a corporate. There is a dearth of CFP professionals as the certification demands intense training and learning of specialised skills.**

**In India, there are just around 2000+ CFP certificants as of now and the demand is expected to rise to about 1, 00,000 in 2015.**

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*Deep relations are not built by forcing others to understand you, but by giving them the Confidence that you understand & accept them in all situations.*



# **CERTIFIED CREDIT RESEARCH ANALYST**



**(CCRA)**



This integrated certificate programme will provide students with the necessary foundation of skills and experiences needed to enter the field of credit research analysis. Students learn to use a structured and systematic approach to evaluate the credit standing of a company and assess the relative attractiveness of the risk-return profile of the investing/lending proposition. This is a highly interactive workshop where case studies and exercises are used to illustrate key learning points. A case study presentation will form part of the workshop allowing students to apply the concepts acquired during the workshop to a real-life scenario.

## **Who should study CCRA?**

This highly practical course has been specifically designed for candidates aspiring for a career in:

**Credit Analysis**

**Credit Ratings**

**Commercial and Retail Finance**

**Investment Banking**

**Private Equity**

**Private Banking**

**Banks**

**Economic Research**

**Portfolio Management**

**Fund Management**

**Academics**

## **Program benefits:**

**In-depth reports that dissect the credit strengths and weaknesses of individual com-**

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*Sacrifice is greater than love, character is greater than beauty, humanity is greater than wealth but nothing is greater than keeping relations alive.*

panies and transactions.

Analytical models and software to analyse, screen and monitor individual credits and portfolios.

Accurate, timely and comprehensive sets of data on company financials, industries, and deal performance metrics.

Multiple perspectives – from qualitative to quantitative and from market-based views to fundamental analysis – on the credit quality of your portfolio.

Will learn from top-flight professionals from the industry and academia.

CCRA will help deploy the most comprehensive suite of research, data and tools to analyse and monitor individual securities, companies and industries on the market.

**NOT TO MENTION THIS CLASS WILL HELP STUDENTS TO PRACTICALLY UNDERSTAND THE FOLLOWING SUBJECTS :**



CA IPCC FM

CA FINAL SFM

CA FINAL CAPITAL MARKET

CMA INTER FM

CMA FINAL AFM

CS FINAL FOREX & TREASURY MANAGEMENT

CS Executive Programme-MODULE 2 Capital Markets and Securities Laws

CS Professional Programme MODULE 3 Capital, Commodity and Money Market

BCOM & MCOM FINANCE SUBJECTS



*Anything that makes the world more humane and more rational is progress; that's the only measuring stick we can apply to it.*

# **STOCK MARKET**



*Do what you love and the money will follow.*





## **THE RULE IS FIRST LEARN AND THEN EARN**

**Share market trading and investing requires appropriate knowledge, so it is advisable to gain adequate knowledge before start trading and investing."**

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***Life can be happier & stress-free if we remember 1 simple thought! We can't have all that we desire! But God will give us all that we deserve!***

# Ignorant and Uneducated individual who trades In Market Is A Gambler.



**"An investment in knowledge pays the best interest."**

**When it comes to investing, nothing will pay off more than educating yourself. Do the necessary research, study and analysis before making any investment decisions.**

**BE THE STUDENTS OF THE  
MARKET**

*"It's better to cry than to be Angry; because Anger hurts other, while Tears flow Silently through the Soul and Cleanses the Heart".. !*





**Remember, I am**  
**neither a bear nor a bull, I am an agnostic**  
**opportunist. I want to make money short-and**  
**long-term. I want to find good**  
**situations and exploit them.**



*If You Born Poor.  
It's Not Your  
Mistake*

*But, If You Die Poor,  
It's Your Mistake*

I said To Money:

u r Just a Piece Of Paper,

Money Smiled And Said :

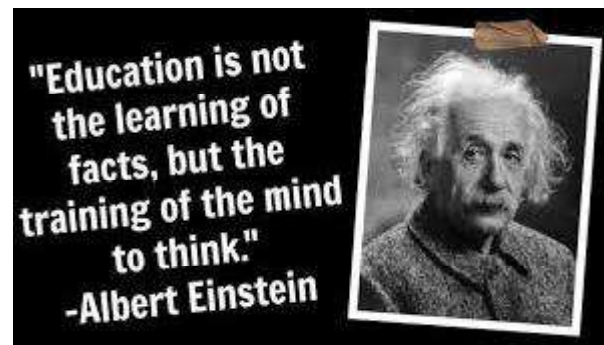
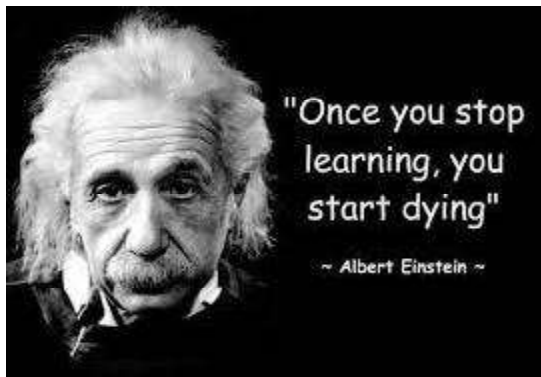
"Ofcourse I Am a Piece Of Paper,

But I Hav,nt Seen a Dustbin Yet In My Life"

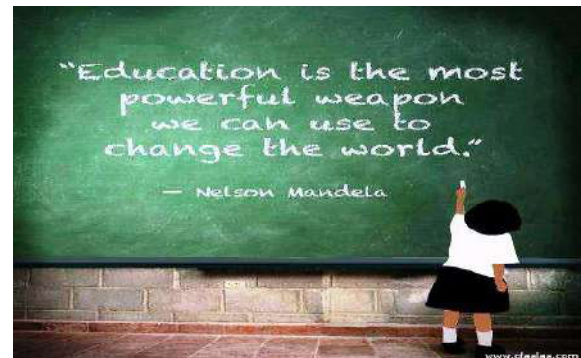
*A normal person prays to God : dont give me problem..But a great person prays to God " give me the power to face problem " Always be great...!*



**Everyone has the power  
to follow the stock market.  
If you made it through fifth  
grade math, you can do it.**



**THE MAIN HOPE OF A  
NATION LIES IN THE  
PROPER EDUCATION OF  
ITS YOUTH**



If you can *read* this,  
thank a **TEACHER.**

*You can complain because roses have thorns, or you can rejoice because thorns have roses. In the middle of difficulty lies opportunity.*



*When I get a little money I buy books; and if any is left I buy food and clothes.*



Save  
money and  
money will  
save you.

Quotes of Rakesh Jhunjhunwala



Emotional investment is a sure way to make loss in stock markets.



I never attempt to make money on the stock market. I buy on the assumption that they could close the market the next day and not reopen it for five years.

(Warren Buffett)

**In Today's Knowledge-Based Economy, What You Earn Depends On What You Learn**

*World's saddest sentence said by World's funniest person Charlie Chaplin-  
"I love to walk in d rain because no one can see my tears.."*





Financial sector will create  
1,00,00,000 plus jobs\*

Are you ready for one?

**LEARN** more  
**EARN** more

**AADITYA JAIN**

**FIRST LEARN  
THEN REMOVE "L"**



***OUR MOTIVE----MONEY MUST GROW***

*Freedom is nothing but a chance to be better. Always have a unique character like SALT, It's presence is not felt but it's ABSENCE makes all things "TASTELESS"*

ON EARNING

Never depends on single a

**INCOME**

make investment to create a second

**SOURCE**

ON TAKING RISK

Never test the depth of

**RIVER**

with both of your feet

**Although it's easy to forget  
sometimes, a share is  
not a lottery ticket. It's part  
ownership of a business.**

**Only those who  
are asleep make  
no mistakes.**

**A winning  
strategy must  
include losing.**

**It's never  
too late  
to learn.**

**Many people rush into the game of  
investing thinking they are predators.  
When they get to the middle of the game,  
they then realize they are the prey and try  
to escape but it will be too late. Only the  
preys with a well defined exit strategy  
will escape, the rest will be slaughtered  
by the real predators.**

*Relations & Ego Both Are Interconnected. The First Fails If The Second Is Hurt  
& The Second Fails If The First Succeeds.*



**NO PRICE IS TOO LOW FOR A BEAR OR TOO HIGH FOR A BULL**

**Opportunities always look bigger after they have passed.**

**To learn new things; you might need to unlearn old thought and tricks. Both processes can never be achieved without humility.**



**Always start at the end before you begin. Professional investors always have an exit strategy before they invest. Knowing your exit strategy is an important investment fundamental.**

**Wealth is when small efforts produce big results. Poverty is when big efforts produce small results.**

*You have no control over the day you were born nor the day you die, BUT you do have control over what you did in between them*



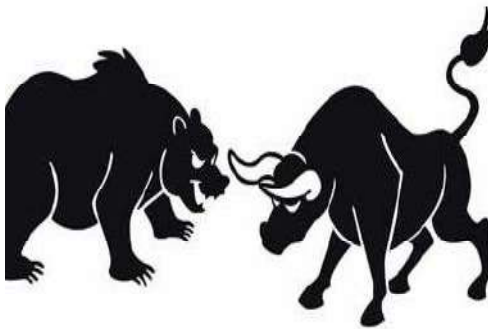
# **STOCK MARKET IS A FIGHT BETWEEN BULL & BEAR**



Bearish Close:



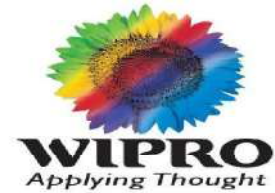
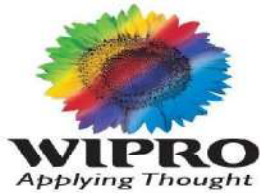
Sensex	20498.25
	(-149.05)
Nifty	6073.7
	(-46.55)

A cartoon bear wearing a white shirt, red tie, and grey trousers, standing with one hand raised.

*When you're following your energy and doing what you want all the time, the distinction between work and play dissolves.*

# **MULTIBAGGER STOCKS**

## **HOW Rs.10,000 BECAME Rs.500 CRORES**



Mohammed Anwar Ahmed, 60, resides in the sleepy town of Amalner in district Jalgaon, Maharashtra. His father owned a large farmland in the 1970's. The father's untimely death in 1980 left the four sons to lead different paths in their lives. They sold the land and divided the proceeds of Rs.80,000 equally among themselves. Mohammed, the youngest of the four, then aged 27, was married for two years and had a year old son. On parting with his brothers, he was at crossroads and did not know the path he should choose for himself as all his working life he had worked on the fields. His one brother left Amalner while the two started their own shops.

### **WHAT'S SO SPECIAL ABOUT AMALNER?**

In 1947, Chairman of WIPRO Ltd. and philanthropist Azim Premji's father Mohammad Hussain Hasham Premji set up the company's first plant here to manufacturer vegetable ghee, vanaspati and refined oils. It was then called Western India Vegetable Products Ltd. and had got listed on the stock exchange in 1946. Over the years many residents of Amalner worked at the plant and several residents were shareholders of the company. In 1966, Mr.Azim Premji became Chairman of the company.

### **A CHANCE MEETING**

As Mohammed Anwar Ahmed sat near a tea shop in Amalner, a young stock broker from Bombay (now Mumbai) named SatishShah stopped to ask a question. This meeting would change the life of Mohammed Anwar Ahmed. Satish Shah had come to Amalner to buy as many shares as he could on behalf of some clients in Bombay. The question that Satish Shah asked was : "Do you know anyone here who owns shares in that factory?" pointing to the WIPRO plant. Mohammed replied that the owners of the factory stays in Bombay. In short 15 minutes, Satish explained to Mohammed, how owning a share could make one a part owner in the company. This made Mohammed inquisitive and the meeting

---

*Golden words of Hitler- "When you are in light, Everything will follow u!  
But when you are in dark, even your own shadow will not follow you."*

lasted for 30 more minutes. Mohammed helped Satish Shah go door to door to collect shares from willing sellers (in very small towns nearly everyone knows each other) and for himself bought 100 shares of Rs.100 face value, thus investing Rs.10,000 from the total of Rs.20,000 that he had. The rest, he invested in starting a trading business.

### THE JOURNEY TO WEALTH

From then on Mohammed started to think himself as part owner of WIPRO (and rightly so) and vowed never to sell a single share till Mr. Azim Premji is at the helm. Here is how his initial investment of Rs.10,000 grew to over Rs.500 crores.

He had invested in 100 shares at face value of Rs.100 in 1980. The initial investment was Rs.10,000.

In 1981, the company declared a 1:1 bonus. He now had 200 shares.

In 1985, the company declared 1:1 bonus. He therefore had 400 shares.

In 1986, the company split the share to Rs.10. He thus had 4000 shares.

In 1987, the company declared 1:1 bonus. He hence had 8000 shares.

In 1989, the company announced a 1:1 bonus. Now he had 16,000 shares.

In 1992, the company declared a 1:1 bonus. By now he had 32,000 shares.

In 1995, the company declared a 1:1 bonus. He then had 64,000 shares.

In 1997, the company declared 2:1 bonus. He now held 1,92,000 shares.

In 1999, the company split the share to Rs.2. He now had 9,60,000 shares.

In 2004, the company declared 2:1 bonus. He thus had 28,80,000 shares.

In 2005, the company declared 1:1 bonus. He came to have 57,60,000 shares.

In 2010, the company declared 2:3 bonus. He now had 96,00,000 shares.

The current market price is Rs.500 per share. The shares are valued at Rs.480 crores. Over the past 33 years, the company regularly paid out dividends and increased them almost every year. Cumulatively he received Rs.118 crores as dividend over the past 33 years. Thus by investing Rs.10,000, Mohammed gained Rs.598 crores.

He is now retired and donates freely to charity from the dividends he receives. His foreign educated children often advice him to sell the shares but he has kept his vow of not selling a single share till Mr.Azim Premji is the working Chairman.

**This is a lesson - both in patience and  
conviction.**

---

*There are no secrets to success. Not even a shortcut to success.  
It is the result of preparation, hard work, learning from failure.*



"If you had spent **Rs 55,000** to buy

a Royal Enfield motorcycle in 2001, you would now have an old, rugged bike. But if you had invested the same Rs 55,000 in shares (at Rs 17.50 per share) of Eicher Motors, the company that makes Enfield bikes, your investment will be worth

**Rs 500,00,000**



**now.**"



**You would have bought an Rolls Royce today.**



*What A Nice definition of "TODAY".*

*T - This is an; O - Opportunity to; D - Do; A - A work, better than; Y - Yesterday.*

**THE  
CHOICE  
IS  
YOURS**

**YOU  
DECIDE**

**ROYAL  
ENFIELD**



**Rolls-Royce**



*I can't change the direction of the wind,  
but I can adjust my sails to always reach my destination.*

# EICHER MOTOR

Rs.17.00

TO

27936.05



# EICHER

Basic Chart

Advanced Chart

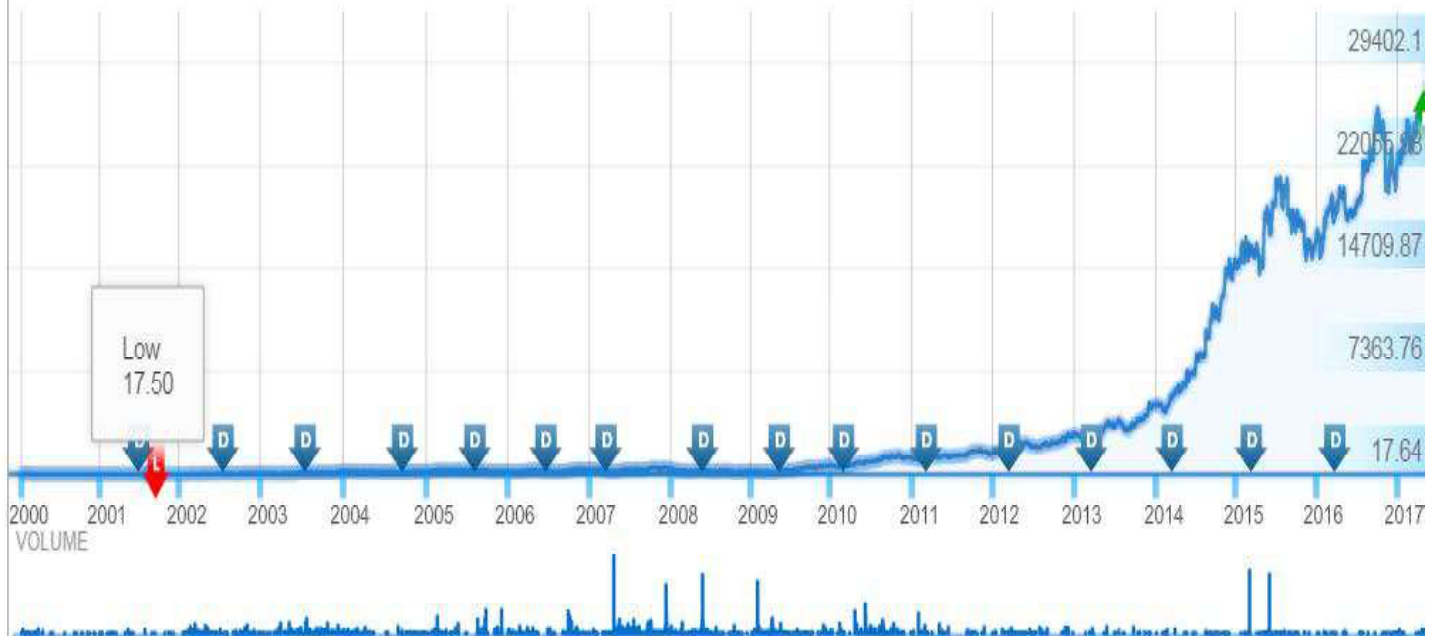
Technical Chart **NEW**

1d 5d 1m 3m 6m 1y 2y 5y **Max**

moneycontrol.com  
INDIA'S NO.1 FINANCIAL PORTAL

DATE	OPEN	HIGH	LOW	CLOSE	VOL
07 Aug 2001	19.50	19.50	19.50	19.50	272

Advanced Interactive Chart



*Dreams give support to Hope . Hope inspires efforts , efforts results in success .  
So Dreams are roots of success.*



**40**



**1430.10**



In order to understand return given by Yes Bank let's take one hypothetical example. Two friends Ravi and Raj wanted to invest Rs. 5 Lac for the long term in the year 2009. Two options were given to them for the investment.

**Option -1** – Invest Money in Fixed Deposit of Yes Bank.

**Option -2** – Invest Money in Stock of Yes Bank.

Ravi was a conservative investor he selected fixed deposit as an investment option. On the other end, Raj was a smart investor and he opted for Yes Bank stock.

Ravi got 7.25% return from the fixed deposits.

The stock price of Yes Bank in March 2009 was Rs. 40 so Raj got 12500 shares of Yes Bank. Raj sold these stocks recently when the price was Rs. 1430. Raj Invested Rs. 5 Lac and in return, he got 1.78 Cr(approx), whereas Ravi Invested Rs.5 Lac and got Rs 10 Lac(approx) in return.



*Everything that is happening at this moment is a result of the choices you've made in the past. Always do what you are afraid to do*



.16 paisa

TO

1420.60



**"I have only one option in life and that is Success. FAILURE is not an Option."  
Don't put off for tomorrow what you can do today. For tomorrow never comes.**

# Infosys



Infosys IPO came in 1993 at the price of Rs. 95. Suppose that a person

applied for 100 Shares. It would cost him **Rs. 9500**. Let us

assume that he is holding the same position till today. What will be the value now? Let us calculate. Remember that in these 17 years Infosys would have offered many dividends. Let us keep this aside and calculate the value of shares alone. Soon after IPO, Infy gave 1:1 bonus in 1994. So, our 100 shares will be 200 in 1994. Again they gave 1:1 bonus in 1996. That will take the count to 400 shares. And again in 1998 they offered bonus of 1:3 shares. That will take our count to 1600 shares. In 2000, they split the stocks (Rs. 10 FC to Rs. 5 FC). This will take our count to 3200 shares. In 2004, again they announced 1:1 bonus. It will take our count to 6400 shares. In 2006 they gave bonus shares in the ratio of 1:1. Now, the count of ours would be 12800. Again there was a Bonus in 2014. Now the count is 25600. On 01/04/2015, I checked the CMP of Infosys. It's Rs.

2185. So, what will be the value of our shares?  $25600 * 2185 =$

**Rs. 5,59,36,000** Yes, its Five Crores Fifty Nine

Lakhs Thirty Six Thousand only.

What other investment would have taken to this level? Real-Estate? Bank Deposit? Gold? I don't think so. A Bank deposit of Rs. 9500 in the same year at the rate of 12% would have hardly fetched us Rs.60,000 by this time.[PERIOD COVERED IN ABOVE ANALYSIS 1993 TO 2015]

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*Sometimes in life, One feels that all doors are now closed! When that happens in ur life, remember the words- "A closed door isn't always locked!!"*



# 1. ALWAYS USE STOP LOSS



**Lalach Buri Bala Hai**

**2. AVOID GREED**

*3 Golden Rules From Vivekanand : Who is Helping you, Don't Forget Them. Who is Loving You, Don't Hate Them. Who is Believing You, Don't Cheat Them.*

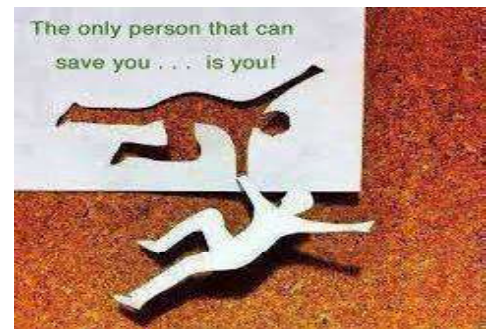
### **3. YOU SHOULD NOT INVEST MONEY THAT YOU CANNOT AFFORD TO LOSE/YOU SHOULD NEVER BORROW FOR STOCK MARKET TRADING**

**DO NOT BORROW** or trade with funds that are not yours or pump in more funds by borrowing to hold on to loss making trades. Trade only with own funds that are spare-able and be prepared mentally in loosing even that in totality, in the worst case.



### **4. DON'T PUT ALL YOUR EGGS IN ONE BASKET**

If you put all your money into a single asset class, sector or company, your portfolio is very exposed and performance is likely to be volatile – whereas, if you mix it up, when one asset is going down, chances are, another asset could be going up and will help compensate.



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***'A GREAT THOUGHT : ' DO not expect the circumstances to be always in your favour.Because this world has not been created for you alone.'***



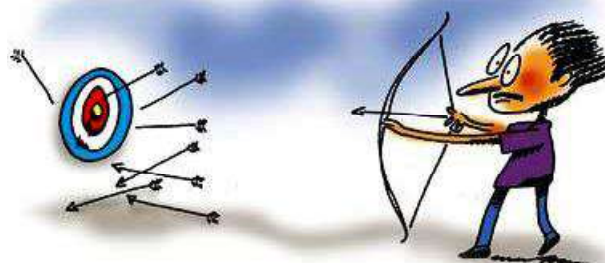
# Share market is not gambling!!!

**Always apprehend your loss level and profit level  
while investing first.**

**Search , search, more search ....until you won't get  
the desired results... at your own**



Bombay Stock Exchange Limited  
**BSE**  
The edge is efficiency



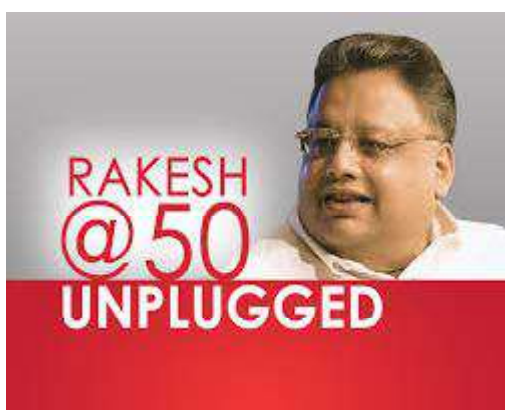
**Patience is the key of success in stock market**

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*Never be Proud, For what you are & the Position you hold, Because after a Game of  
Chess, the King & the Soldiers go into the same box..!*



# **The Journey of Rakesh Jhunjhunwala** **FROM RS. 5000 TO RS. 10000 CRORE**



**Rakesh Jhunjhunwala is a Chartered Accountant by qualification but an investor / trader by profession.**

**Trading carries a high level of risk, and may not be suitable for all investors. Before deciding to trade you should carefully consider your investment objectives, level of experience, and risk appetite. The possibility exists that you could sustain a loss of some or all of your initial investment and therefore You should not invest money that you cannot afford to lose. You should be aware of all the risks associated with trading, and seek advice from an independent financial advisor if you have any doubts."**

**Rakesh Jhunjhunwala is considered to be the greatest investor in Indian Market. He is supposed to have made Rs 10000 crores by just investing Rs 5000 in Indian Stock Market.**

---

*The mind gives us thousands of ways to say no, but there's only one way to say yes, and that's from the heart. Trying times are not the times to stop trying.*

## **Portfolio Of RakeshJhunjunwala**

<b>Company</b>	<b>Rs Crore</b>
A2Z Maintenance and Engineering	16
Adinath Exim Resources	0
Agro Tech Foods	116
Anant Raj	35
Aptech	124
Aurobindo Pharma	394
Autoline Industries	10
Bilcare	10
CRISIL	444
DB Realty	15
Delta Corp	182
Dewan Housing Finance	237
Escorts	60
Edelweiss Capital	55
Federal Bank	237
Firstsource Solutions	61
Geojit BNP Paribas Financial	36
Geometric	122
Hindustan Oil Exploration Company	18
HT Media	11
Ion Exchange (India)	9
Karur Vysya Bank	221
Kesoram Industries	55
Lupin	737
Mcnally Bharat Engineering	6
MCX	174
NCC	89
Orient Cement	9
Pipavav Defence and Offshore	48
Polaris Consulting & Services Ltd	64.91
Prakash Industries	70
Prime Focus	38
Prozone Capital Shopping Centres	6
Rallis India	472
Radico Khaitan	11.5
SpiceJet	19
Sterling Holiday Resorts	78.25
Titan Company	1,799
TV18 Broadcast	56
VIP India	92
Viceroy Hotels	12
Jet Airways	50.52
Adlabs Entertainment	2.86
ICICI Pru Life Insurance	27



**RAKESH  
JHUNJHUNWALA  
NO.1 INDIAN INVESTOR**

**FROM RS. 5000 TO 10000 CRORES  
ITS REAL**

*No Dreamer is ever too small and no Dream is ever too big.  
The future belongs to those who Dare to Dream and are ready to work for it.*



# **WARREN BUFFET**

**WORLD'S NO.1 INVESTOR**

**EMOTIONS ARE YOUR  
WORST ENEMY IN THE  
STOCK MARKET**

**Warren was born to be in the world of finance.**

---

*" Why worry? Why feel down? You do not need to. What will happen will happen, so smile and don't be down because it won't change anything but make you sad."*



## **Amazing Warren Buffett Facts That Will Surprise You**



For a man who is in his eighties, Warren Buffett doesn't seem like he will be stopping from making huge deals any time soon. Forbes ranks him as the 2nd richest person in the United States and the 4th richest person in the world with an estimated net worth of \$64.9 billion as at May 16, 2014. He is a man who likes to teach young people a few things about money and life in general. Some of his remarkable teachings to the young generation include: -

- ➔ It is man who creates money. Not the other way round.
- ➔ You should live your life as simply as you can.
- ➔ You shouldn't do what others say; instead, listen to what they have to say, but do what you feel in your heart to be the right thing for you to do.
- ➔ Instead of wasting your money on unnecessary things, its better you spend it on those who are really in need.

Those are just but some of the life lessons that we have learnt from Warren Buffet over the years. There's still a lot that we can learn from this 83-year old self-made billionaire, and here are 15 amazing Warren Buffett facts that are simply amazing! -

- ➔ He made his first investment when he was only 11 years old. When boys his age were busy worrying about puberty, Warren was busy investing. He acquired his first share at a tender age and he has always wished that he had done it sooner.
- ➔ He filed his first tax return at the age of 13. The filing was made to claim a deduction of \$35 for his bike, since he used it to deliver newspapers.
- ➔ He acquired a small farm at the age 14. At this age, he had made enough savings from delivering newspapers. He utilized the savings wisely and bought himself a small farm.

---

***Do not count what you have lost. Just see what you have now because past never comes back but sometimes future can give us back our lost things.***

➔ Warren's best investment wasn't a stock or a business. It was purchasing Benjamin Graham's book titled "The Intelligent Investor" in 1949. He states that the book changed his life dramatically.

➔ Warren neither carries a cell phone, nor does he have a computer on his desk. In this day and age where technology has gone a top notch higher, you wouldn't expect an executive of such caliber to be without these two important devices.

➔ This multi-billionaire prefers to drive his own car. Not only does he not have a driver, he also doesn't have bodyguards or security people around him.

➔ Warren still lives in the same house that he bought after he got married half a century ago. He says that the small 3-bedroomed house in mid-town Omaha has everything that he needs. The house doesn't have a fence or a wall.

➔ He never travels by private jet. This is despite him being the owner of the largest private jet company in the world.

➔ He doesn't call the CEOs of his 63 companies regularly, nor does he hold meetings with them. Instead, he writes each one of them only one letter annually.

➔ He has given his 63 CEOs only two rules. Rule No. 1: Never lose any of your shareholder's money. Rule No. 2: Don't forget Rule No. 1.

➔ Warren rarely socializes with the high society crowd. He likes spending time alone at home watching television and making himself some popcorn.

➔ He has donated 85% of his fortune to charity. This amounts to over \$31 billion. He has long stated that his intention is to "do good", rather than stockpile his money for himself and his children.

➔ He plays bridge online at least 4 times a week. Even though poker is a popular game among the rich & famous, Warren's obsession is bridge. He plays online under the name "T-Bone".

➔ Warren hired a man who paid \$5.25 million just to have lunch with him. Ted Weschler placed the winning bid for a charity lunch with Warren.

➔ He owns relatively few stocks. Many assume that Berkshire Hathaway consists of highly diversified stocks. While many mutual funds and ETFs own hundreds or thousands of different stocks, Warren's Berkshire Hathaway's portfolio is surprisingly simple.

➔ Warren Buffett started investing at a tender age & he doesn't seem like he's stopping anytime soon. With each passing year, we get at least one more interesting fact about Warren Buffet. Anyone who wants to be successful in life should learn from this remarkable billionaire.

---

***There are no secrets to success. It is the result of preparation, hard work, learning from failure. The difficulties of life are intended to make us better, not bitter.***

**If you're feeling old, just think  
of this: 99% of Buffett's wealth  
was earned after his  
50th birthday**



**Patience is the key to paradise.**

**Buffett made \$62.7 billion of his \$63.3 billion networth  
after his 50th birthday.**  
**\$60 billion — nearly 95% -is from after his 60th birthday.**  
**Talk about long-term investment strategies.**

---

*Only as high as I reach, can I grow; Only as far as I seek, can I go;  
Only as deep as I look, can I see; Only as much as I dream, can I be!*



# Warren Buffett

1. He bought his first share at age 11 and he now regrets that he started too late!
2. He bought a small farm at age 14 with savings from delivering newspapers.
3. He still lives in the same small 3 bedroom house in mid-town Omaha, that he bought after he got married 50 years ago. He says that he has everything he needs in that house. His house does not have a wall or a fence.
4. He drives his own car everywhere and does not have a driver or security people around him.
5. He never travels by private jet, although he owns the world's largest private jet company.
6. His company, Berkshire Hathaway, owns 63 companies. He writes only one letter each year to the CEOs of these companies, giving them goals for the year. He never holds meetings or calls them on a regular basis.
7. He has given his CEO's only two rules. Rule number 1: do not lose any of your share holder's money. Rule number 2: Do not forget rule number 1.
8. He does not socialize with the high society crowd. His past time after he gets home is to make himself some pop corn and watch television.
9. Bill Gates, the world's richest man met him for the first time only 5 years ago. Bill Gates did not think he had anything in common with Warren Buffet. So he had scheduled his meeting only for half hour. But when Gates met him, the meeting lasted for ten hours and Bill Gates became a devotee of Warren Buffet.
10. Warren Buffet does not carry a cell phone, nor has a computer on his desk.
11. His advice to young people:  
Stay away from credit cards and invest in yourself.  
Money doesn't create man it is the man who created the money.  
Live your life as simply as you can.  
Don't do what others say,listen to them, but then do what you feel is the right thing to do.  
Don't buy brand names;instead just wear those things in that make you feel comfortable.  
Don't waste your money on unnecessary things;rather spend it on those who are really in need.  
It's your life so why allow others to rule our life.

---

*"It is too risky not to take a risk. Life is worth some risks."  
"Time stays long enough for anyone who will use it."*

---

**People say 'I want to be rich'.  
The question is, 'Are you  
willing to do what it takes?'**

We can learn a lot about success from studying the lives of successful people. Warren Buffett has been one of the most successful businessmen and stock traders in the world. He built up his company, Berkshire Hathaway, from a small textile manufacturing company to a multinational conglomerate holding company that owns GEICO, Dairy Queen, BNSF, and other companies. Here are some interesting facts about Warren Buffett, the “Oracle of Omaha.”

### **1. He has been the richest man in the world**

Warren Buffett has an estimated net worth of \$53.8 billion and is frequently listed as one of the most wealthy people in the world. In 2008, he was declared the wealthiest man in the world by Forbes, beating competitors such as Bill Gates and Carlos Slim Helu.

### **2. Harvard Business School denied his application**

After graduating University of Nebraska – Lincoln, Warren Buffett applied and interviewed for Harvard Business School. However, he bombed the interview and was denied. At the time, he had a “feeling of dread,” but now, he feels that it was an important moment in his life and that the school would not have been a good fit.

### **3. He considers investing in the company he is best known for, Berkshire Hathaway, to be the biggest mistake of his career**

The names Warren Buffett and Berkshire Hathaway are often considered synonymous. Berkshire, which houses his entire portfolio of companies, is his self-proclaimed worst investment. When he bought the company, Berkshire Hathaway was a struggling textile mill in decline. He wasted precious time and money on the company, failing to improve the textile business. Eventually, he moved the company away from textiles and used it to house his other investments. He calls the purchase of Berkshire a “\$200-billion mistake.”

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***There are Two Kind of People in this world 1- Those Who Remember Names & 2- Those Whose Names are Remembered...Choice Is Yours.***

#### **4. He began working the stock market at an early age**

At the age of 11, Buffett began to invest in the stock market. His first purchase was of three shares of Cities Service Preferred.

#### **5. He played a critical role in the 2007-2008 financial crisis**

He did not contribute to the crisis, but instead helped many of the companies embroiled by the economic turmoil. When the financial system froze, almost every bank called Warren Buffett, hoping for an investment, because if he invested in their company, it would show that he had faith in their recovery, compelling others to invest as well. As a result, Buffett invested in Goldman Sachs, Bank of America, and a few other financial firms.

#### **6. He has lived in the same house for over 50 years**

Despite becoming extremely wealthy, Buffett remains frugal. He has lived in the same house since 1958, when he bought it for \$31,500.

#### **7. He is the son of a former U.S. Representative**

Warren Buffett's father, Howard Buffett, was a member of the House of Representatives. Howard Buffett was a rigid Republican and fiercely against FDR's New Deal.

#### **8. When he dies, 99% of his wealth will be donated**

A longtime friend of Bill Gates, Buffett has pledged 99% of his money, when he dies, to the Bill and Melinda Gates Foundation.

#### **9. He had an entrepreneurial childhood**

Before he was a teenager, Buffett purchased small products and sold them for a profit. His main business strategy involved selling chewing gum, Coca Cola, and magazines door-to-door.

#### **10. He loves newspapers**

Warren Buffett bought the Buffalo Evening News, Omaha World-Herald, The Eagle, the Waco Tribune-Herald, & other newspapers. In total, his firm Berkshire Hathaway owns 28 daily & 42 non-daily newspapers. Though they have turned out to be profitable investments, main reason Warren Buffett opted to invest is because he loves newspapers.

---

*View A Negative Experience In Your Life Like How You Look At A Photo  
Negative....A Single Negative Can Create An Unlimited Number Of Positive Prints !*





**CHOOSE  
A JOB YOU LOVE  
AND YOU WILL NEVER HAVE TO WORK  
A DAY IN YOUR LIFE**

Did you know the following facts about Warren Buffet, the third richest man in the world? These facts grabbed my attention as I am working to scale down in numerous areas of my life in 2012.

Warren bought his first share at age 11 and he now regrets that he started too late! He bought a small farm at age 14 with savings from delivering newspapers. He still lives in the same small three bedroom house in mid-town Omaha that he bought after he got married 50 years ago. He says that he has everything he needs in that house. His house does not have a wall or a fence.

He drives his own car everywhere and does not have a driver or security people around him.

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Rule #2: Do not forget Rule #1.

He does not socialize with the high society crowd. His past time after he gets home is to make himself some popcorn and watch television.

When Bill Gates met him for the first time, he did not think he had anything in common with Warren Buffet so he had scheduled his meeting only for half hour. When Gates met him, the meeting lasted for 10 hours and Bill Gates became a devotee of Warren Buffet.

Warren Buffet does not carry a cell phone, nor has a computer on his desk.

His advice to young people: Stay away from credit cards and invest in yourself.

He has donated \$31 billion (85 percent of his fortune) to charity.

I found a couple that I can apply to my life right now. How about you?

---

***When we can identify a problem and face the problem with confidence and enthusiasm, the solution is on the way.***

**The only difference between  
a rich person and poor person  
is how they use their time.**

Mr. Buffet, the iconic persona have always been my most favourite and like an idol.

What strikes me, the more I learn about rich people, is that the ones worth emulating have a passion for providing value; live humbly and with thrift; and know that a life worth living is not all about getting money, but saving, investing, and giving it away. The more they give, the more they get. Faithful with little, they become faithful with much.

He has reached the ultimate level of humanity. His abundance has been unselfishly shared to charities and I have to respect him for that. His frugal ways have helped so many people! It really is incredible that he doesn't have a cell phone or computer! Living in the same small house, no driver and no private jets. Wow.

### **10 Life Lessons From Warren Buffet - Very Inspirational One!!!**

**Lesson # 1** – Do the Right Thing even if it's Hard “People will always try to stop you doing the right thing if it is unconventional.”

**Lesson # 2** : Believe In Yourself “I always knew I was going to be rich. I don't think I ever doubted it for a minute.”

**Lesson # 3** – We will not trade Reputation for Money “Lose money and I will forgive you, but lose even a shred of reputation and I will be ruthless.”

**Lesson # 4** – Be Willing To Be Different Don't base your decisions upon what everyone is saying or doing.

**Lesson # 5** – Be Careful Who Your Friends Are “It's better to hang out with people

---

*All dreams can come true if we have the courage to pursue them  
As you think, so shall you become.*

better than you. Pick out associates whose behavior is better than yours and you'll drift in that direction."

**Lesson # 6** – There Is More To Life Than Money Warren does not see money as the only measure of a man's success.

**Lesson # 7** – Never gamble with your money "Rule No.1: Never lose money. Rule No.2: Never forget rule No.1."

**Lesson # 8** – Spend Less Than You Earn Buffett is famous for living a simple and frugal lifestyle.

**Lesson # 9** – Always Reinvest Your Profits Warren Buffett learned from an early age to always reinvest his profits and have his money make more money for him.

**Lesson # 10** – Giving Back to Others "If you're in the luckiest 1 per cent of humanity, you owe it to the rest of humanity to think about the other 99 per cent.



I always knew I was going to be rich. I don't think I ever doubted it for a minute.

- Warren Buffett



---

*We all have possibilities we don't know about. We can do things we don't even dream we can do. It is important to remember that we all have magic inside us.*





3 "The HAPPIEST  
people DO NOT  
necessarily have the  
'BEST' THINGS.

They simply  
APPRECIATE the  
things they have"

**Let us choose a simpler and smarter way to live...**

“When I was sixteen, I had just two things on my mind - girls and cars. I wasn't very good with girls. So I thought about cars. I thought about girls, too, but I had more luck with cars.

Let's say that when I turned sixteen, a genie had appeared to me. And that genie said, 'Warren, I'm going to give you the car of your choice. It'll be here tomorrow morning with a big bow tied on it. Brand-new. And it's all yours.'

Having heard all the genie stories, I would say, 'What's the catch?' And the genie would answer, 'There's only one catch. This is the last car you're ever going to get in your life. So it's got to last a lifetime.'

If that had happened, I would have picked out that car. But, can you imagine, knowing it had to last a lifetime, what I would do with it?

I would read the manual about five times. I would always keep it garaged. If there was the least little dent or scratch, I'd have it fixed right away because I wouldn't want it rusting. I would baby that car, because it would have to last a lifetime.

That's exactly the position you are in concerning your mind and body. You only get one mind and one body. And it's got to last a lifetime. Now, it's very easy to let them ride for many years. But if you don't take care of that mind and that body, they'll be a wreck forty years later, just like the car would be.

It's what you do right now, today, that determines how your mind and body will operate ten, twenty, and thirty years from now.”

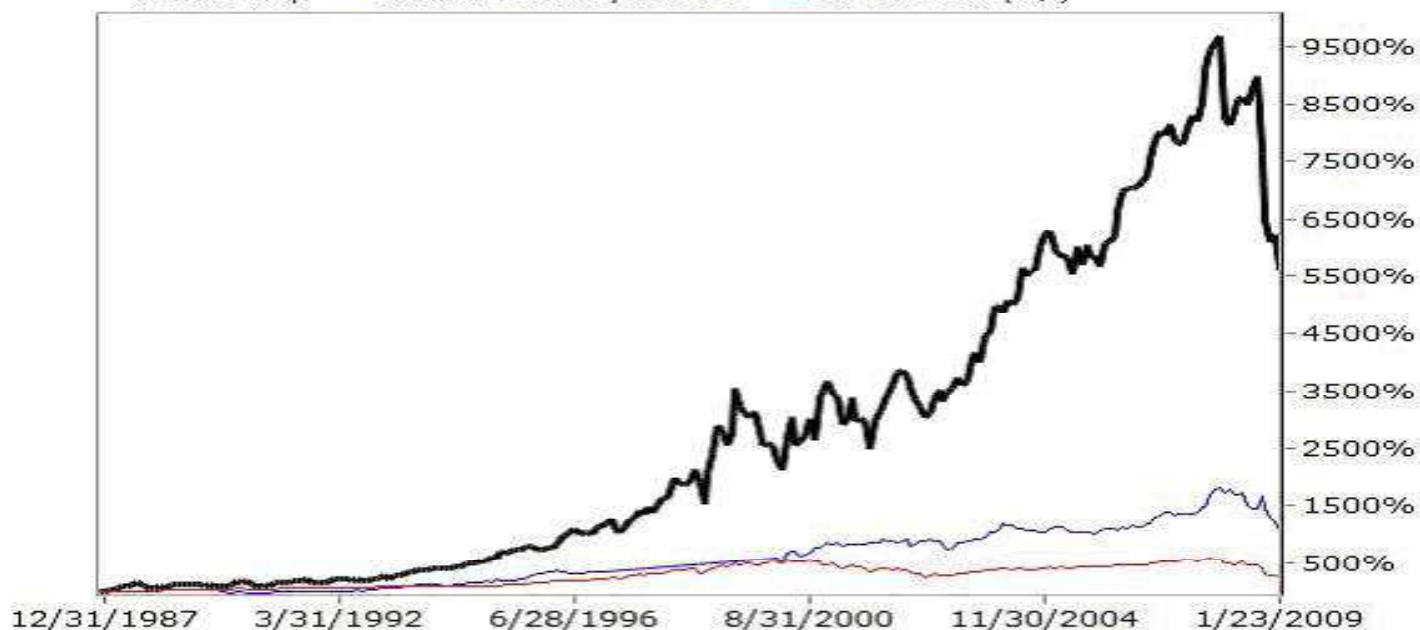
***All great achievements require time. We must travel in the direction of our fear.  
The best dreams happen when you're awake.***

# One share in Warren Buffett's Berkshire Hathaway now costs \$200,000



Danaher, S&P 500 and Berkshire Hathaway

— Danaher Corp — Berkshire Hathaway Inc Cl A — S&P 500 Index (m,r)



*The winners of life's game aren't those who have never tasted failure  
But Those who have tasted failure again & again but never give up.*

# **WE WILL HELP YOU TO SELECT BEST BROKER**

# **BROKERS BROKER?**

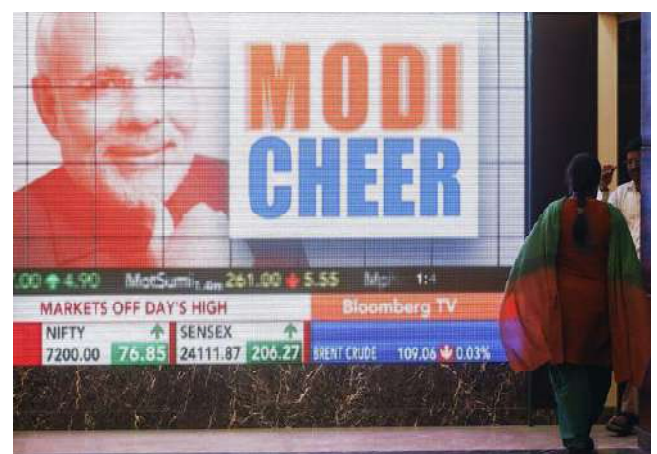


**MAIL US AT  
INVESTAAJ@GMAIL.COM**

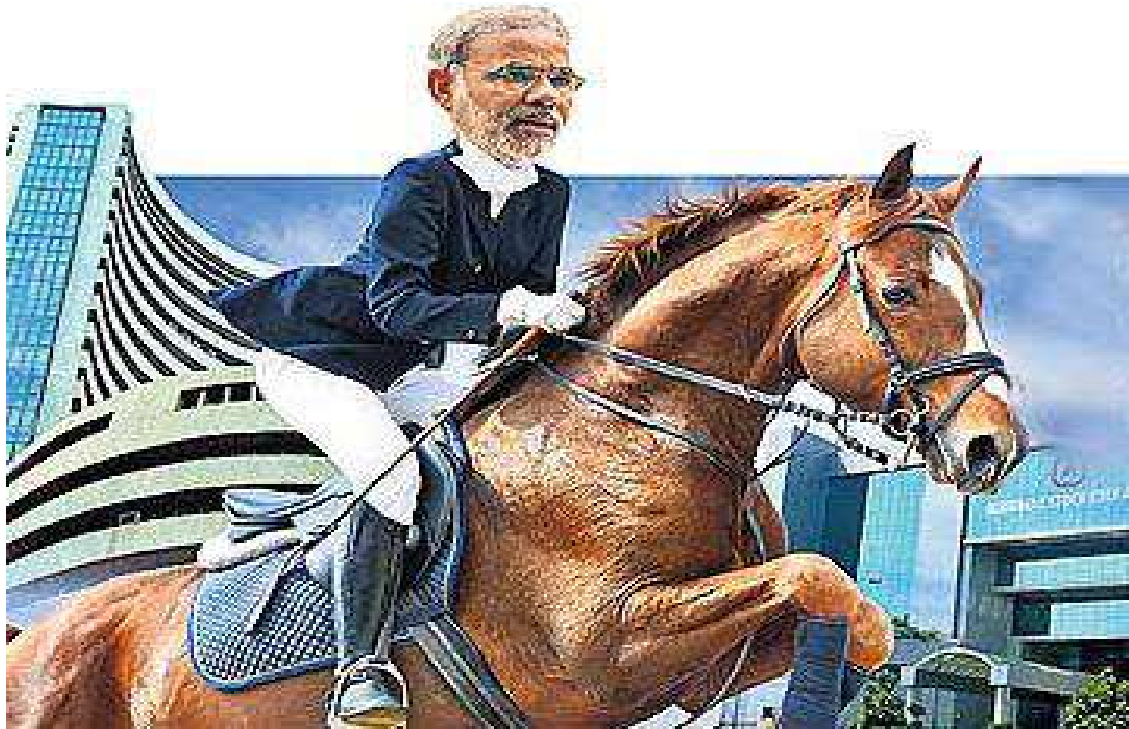


*We love ourselves even after doing many mistakes. Then how can we hate others for their one mistake. Think before you hate someone.*





*Disappointment are like road hump, they slow you down a bit but you enjoy the smooth road afterward. Don't stay on the humps too long...MOVE ON....*



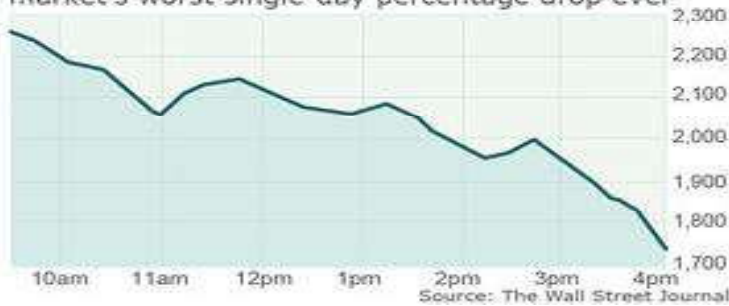
*Sometimes the road travelled turns out to be more beautiful than the destination reached. Enjoy leading your life no matter what it turns out to be .....Live Life*



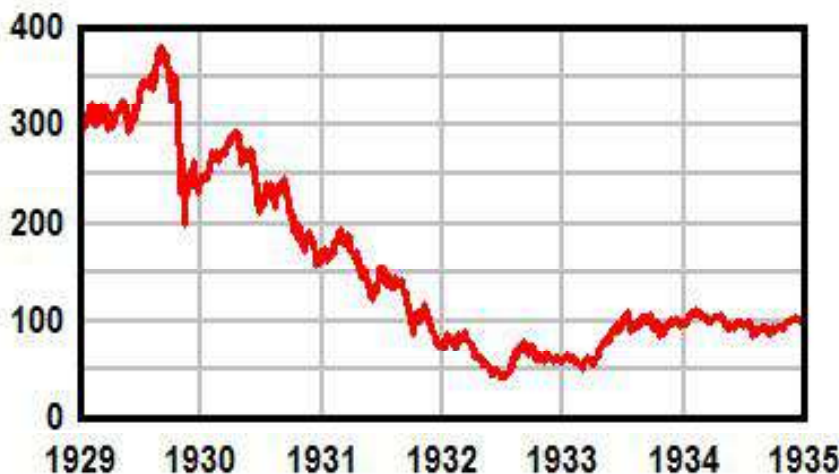


#### Black Monday: Oct. 19, 1987

The DJIA lost 22.6% on Oct. 19, 1987, the U.S. market's worst single-day percentage drop ever



#### Dow Jones Industrials (1929-1934)



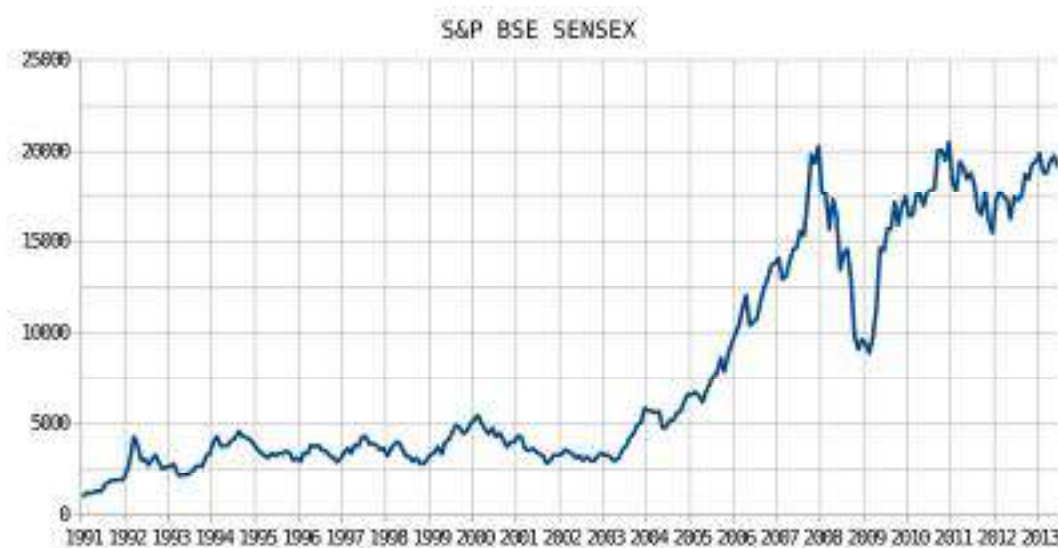
*"A Lamp doesn't speak...It introduces itself through its light... Achievers never expose themselves. But Their Achievements expose them".. !*



# SENSEX

## ➔ Introduction

The S&P BSE SENSEX (S&P Bombay Stock Exchange Sensitive Index), also-called the BSE 30 or simply the SENSEX, is a free-float market-weighted stock market index of 30 well-established and financially sound companies listed on Bombay Stock Exchange. The 30 component companies which are some of the largest and most actively traded stocks, are representative of various industrial sectors of the Indian economy. Published since 1 January 1986, the S&P BSE SENSEX is regarded as the pulse of the domestic stock markets in India. The base value of the S&P BSE SENSEX is taken as 100 on 1 April 1979, and its base year as 1978–79.



The following is a timeline on the rise of the SENSEX through Indian stock market history.

**1000, 25 July 1990** – On 25 July 1990, the SENSEX touched the four-digit figure for the first time and closed at 1,001 in the wake of a good monsoon and excellent corporate results.

**2000, 15 January 1992** – On 15 January 1992, the SENSEX crossed the 2,000 mark and closed at 2,020 followed by the liberal economic policy initiatives undertaken by the then finance minister and Former Prime Minister of India Dr Manmohan Singh.

**3000, 29 February 1992** – On 29 February 1992, the SENSEX surged past the 3,000 mark in the wake of the market-friendly Budget announced by Manmohan Singh.

**4000, 30 March 1992** – On 30 March 1992, the SENSEX crossed the 4,000 mark and closed at

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*“Many of life’s failures are people who did not realize how close they were to success when they gave up.”*

4,091 on the expectations of a liberal export-import policy. It was then that the Harshad Mehta scam hit the markets and SENSEX witnessed unabated selling.

**5000, 11 October 1999** – On 11 October 1999, the SENSEX crossed the 5,000 mark, as the Bharatiya Janata Party-led coalition won the majority in the 13th Lok Sabha election.

**6000, 11 February 2000** – On 11 February 2000, the information technology boom helped the SENSEX to cross the 6,000 mark and hit an all-time high of 6,006 points. This record would stand for nearly four years, until 2 January 2004, when the SENSEX closed at 6,026.59 points.

**7000, 21 June 2005** – On 20 June 2005, the news of the settlement between the Ambani brothers boosted investor sentiments and the scrips of RIL, Reliance Energy, Reliance Capital and IPCL made huge gains. This helped the SENSEX crossed 7,000 points for the first time.

**8000, 8 September 2005** – On 8 September 2005, the Bombay Stock Exchange's benchmark 30-share index – the SENSEX – crossed the 8,000 level following brisk buying by foreign and domestic funds in early trading.

**9000, 9 December 2005** – The SENSEX on 28 November 2005 crossed 9,000 and touched a peak of 9,000.32 points during mid-session at the Bombay Stock Exchange on the back of frantic buying spree by foreign institutional investors and well supported by local operators as well as retail investors. However, it was on 9 December 2005 that the SENSEX first closed at over 9,000 points.

**10,000, 7 February 2006** – The SENSEX on 6 February 2006 touched 10,003 points during mid-session. The SENSEX finally closed above the 10,000 mark on 7 February 2006.

**20,000, 11 December 2007** – The SENSEX on 29 October 2007 crossed the 20,000 mark for the first time during intra-day trading, but closed at 19,977.67 points. However, it was on 11 December 2007 that it finally closed at a figure above 20,000 points on the back of aggressive buying by funds.

**21,000, 5 November 2010** – The SENSEX on 8 January 2008 crossed the 21,000 mark for the first time, reaching an intra-day peak of 21,078 points, before closing at 20,873. However, it was not until 5 November 2010 that the SENSEX closed at 21,004.96, for its first close above 21,000 points. This record would stand for nearly three years, until 30 October 2013, when the SENSEX closed at 21,033.97 points.

**19 February 2013** – SENSEX becomes S&P SENSEX as BSE ties up with Standard and Poor's to use the S&P brand for Sensex and other indices.

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*More business is lost every year through neglect  
than through any other cause*

**13 March 2014** - The SENSEX closes higher than the Hang Seng Index, to become the major Asian stock market index with the highest value, for the first time ever.

**22,000, 24 March 2014** – The SENSEX on 10 March 2014 crossed the 22,000 mark for the first time during intra-day trading. However, it was on 24 March 2014 that the index finally closed above the milestone at 22,095.30.

**23,000, 9 May 2014** - The SENSEX crossed record 23,000 level for the first time, but close just short of the milestone level, on 9 May 2014. The index would close well above the 23,000 mark during the following session.

12 May 2014 - The SENSEX closed at its record all-time high of 23,551, a rise of 2.42% (+556.77 points) intraday due to continued fund inflows on hopes of a stable government.

**24,000, 13 May 2014** - The SENSEX crossed record 24,000 level for the first time, on 13 May 2014 and reached its peak of 24,067.11 due to sustained capital inflows by foreign funds at the domestic bourses and widespread buying by retail investors after exit polls showing the BJP-led NDA forming the government lifted the key indices to new highs. However it closed at a little low at 23,905 points

**25,000, 16 May 2014** - The SENSEX crossed record 25,000 level for the first time, on 16 May 2014 and reached its peak of 25,364.71 due to winning of the BJP led NDA government by a staggering record marginal difference of all times. However, it closed well below the 25,000 mark. Still, the index closed at its all-time high of 24,121.74, for its first close above 24,000 points. The SENSEX closed at 25,019.51, for its first close above the 25,000 milestone on 5 June 2014

**26,000, 7 July 2014**- The SENSEX crossed record 26,000 level for the first time on 7 July 2014 and reached its peak of 26,123.55, before closing slightly lower at 26,100.08, in anticipation of strong reformatory budget by the new government.

**27,000, 2 September 2014** - The SENSEX closed at 27,019.39, for its first close above the 27,000 level, on 2 September 2014.[18] This is the sixth 1000-point milestone the index has crossed in 2014, tying a record set in 2007.

**28,000, 5 November 2014** - The SENSEX crossed 28,000 mark, on 5 November 2014. One week later, on 12 November 2014, the index would close above the milestone for the first time.[20] This is the seventh 1000-point milestone the index has crossed in 2014, breaking the six 1000-point record set in 2007.

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*A second ago is gone, and a second from now might be.  
Now is all you've got. Go for it!*



**29,272, 23 January 2015** - BSE Sensex today set a new high of 29,408 points and all-time closing high of 29,278.84, up 272.82 points

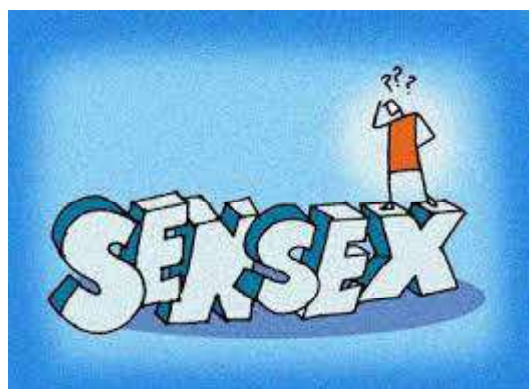
**30,000, 4 March 2015** - The Sensex breaches 30000 mark following steps taken by the Reserve Bank Of India in cutting the repo rates.

26 April 2017 - The SENSEX closed at 30,133.35, for its first close above the 30,000 level.

➔ **Major falls:**

On the following dates, the SENSEX index suffered major single-day falls (of 430 or more points):[29]

<u>No.</u>	<u>Date</u>	<u>Points</u>
1	24 August 2015	1624.51
2	21 January 2008	1408.35
3	24 October 2008	1070.63
4	17 March 2008	951.03
5	3 March 2008	900.84



➔ **Record values**

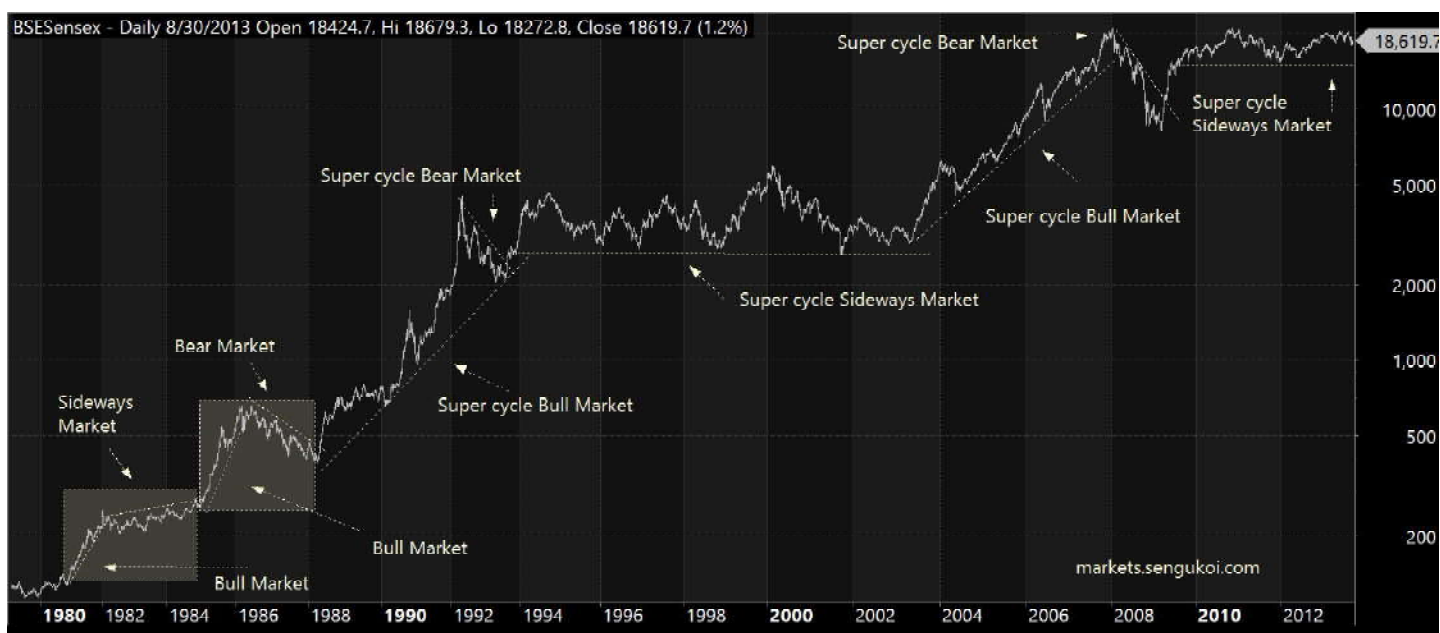
<u>Category</u>	<u>All-Time Highs</u>
Closing	31,309.49 Monday, June 5, 2017
Intraday	31,430.32 Tuesday, June 6, 2017

➔ **Companies Under Sensex**

<u>Company Name</u>	<u>Industry</u>	<u>Price</u>	<u>Mkt Cap (Rs cr)</u>
1 Adani Ports	Infrastructure - General	349.2	72,317.64
2 Asian Paints	Paints & Varnishes	1,122.20	107,641.18
3 Axis Bank	Banks - Private Sector	500.85	120,032.14
4 Bajaj Auto	Auto - 2 & 3 Wheelers	2,971.45	85,983.96
5 Bharti Airtel	Telecommunications - Service	372.55	148,923.14
6 BHEL	Infrastructure - General	164.1	40,165.12
7 Cipla	Pharmaceuticals	563.45	45,332.35
8 Coal India	Mining & Minerals	277	171,945.23
9 Dr Reddys Labs	Pharmaceuticals	2,656.05	44,021.83
10 GAIL	Oil Drilling And Exploration	401.1	67,838.17
11 HDFC	Finance - Housing	1,521.30	241,684.69
12 HDFC Bank	Banks - Private Sector	1,559.95	400,113.00
13 Hero Motocorp	Auto - 2 & 3 Wheelers	3,572.95	71,350.68
14 HUL	Personal Care	1,007.55	218,069.05

*You must have long range goals to keep you from being frustrated by short range failures.*

15	ICICI Bank	Banks - Private Sector	307.1	178,897.44
16	Infosys	Computers - Software	957.9	220,024.33
17	ITC	Cigarettes	285.9	347,293.68
18	Larsen	Infrastructure - General	1,724.10	160,905.30
19	Lupin	Pharmaceuticals	1,314.90	59,385.54
20	M&M	Auto - Cars & Jeeps	1,333.10	82,797.83
21	Maruti Suzuki	Auto - Cars & Jeeps	6,787.85	205,047.41
22	NTPC	Power - Generation & Distribution	158.7	131,182.66
23	ONGC	Oil Drilling And Exploration	180	230,998.23
24	Reliance	Refineries	1,318.50	428,701.80
25	SBI	Banks - Public Sector	308.15	245,703.54
26	Sun Pharma	Pharmaceuticals	652.45	156,541.75
27	Tata Motors	Auto - LCVs & HCVs	442.95	150,419.21
28	Tata Steel	Steel - Large	489.4	47,531.28
29	TCS	Computers - Software	2,506.80	493,946.88
30	Wipro	Computers - Software	519.3	126,306.09
31	TATA MOTOR DVR Auto			



*Remember, happiness doesn't depend upon who you are or what you have, it depends solely upon what you think.*

# NIFTY

➔ The NIFTY 50 index is National Stock Exchange of India's benchmark stock market index for Indian equity market, launched on 21st April 1996.

## ➔ All Time High

All time high of Nifty was at 9709.3 on June 6, 2017.



## ➔ Major falls

On the following dates, the NIFTY 50 index suffered major single-day falls (of 150 or more points)

**11 Nov 2016** --- 229.45 Points (driven by US election results & demonetisation move by the government)

**24 June 2016** --- 181.85 Points (driven by the Brexit referendum)

**24 Aug 2015** --- 490.95 Points (driven by meltdown in the Chinese stockmarket)

**16 Aug 2013** --- 234.45 Points (because of rupee depreciation)

**27 Aug 2013** --- 189.05 Points

**03 Sep Aug 2013** --- 209.30 Points

**06 May 2015** - NSE Nifty slipped below the 8,200-level by falling 179.25 points or 2.15 per cent to 8145.55. Besides, overnight losses in the US markets on worries about surging oil prices, poor trade data and growing tensions over the Greek debt crisis weighed on sentiments.

In 1991, New Delhi kickstarted the economic reforms process owing mainly to the serious balance of payments crisis it was facing.

**1997 Asian Financial Crisis** - Investors deserted emerging Asian shares, including an overheated Hong Kong stock market. Crashes occur in Thailand, Indonesia, South Korea,

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*Do not confuse motion and progress.*

*A rocking horse keeps moving but does not make any progress.*



Philippines, and elsewhere, reaching a climax in the October 27, 1997 mini-crash. 21st January 2008 Nifty went down by more than 10% on a single day due to US sub-prime crisis. That was the beginning of a year long bear market

→ **Components :**

	<b>Company Name</b>	<b>Symbol</b>	<b>Sector</b>
1	ACC Limited	ACC	Cement
2	Adani Ports & SEZ Limited	ADANIPTS	Infrastructure
3	Ambuja Cements Ltd.	AMBUJACEM	Cement
4	Asian Paints Ltd	ASIANPAINT	Manufacturing
5	Axis Bank Ltd.	AXISBANK	Banking & Financial
6	Bajaj Auto Ltd.	BAJAJ-AUTO	Automobiles
7	Bank of Baroda	BANKBARODA	Banking & Financial
8	Bharat Petroleum Corporation	BPCL	Oil & Gas
9	Bharti Airtel Ltd.	BHARTIARTL	Telecommunications
10	Bosch Ltd.	BOSCHLTD	Manufacturing
11	Aurobindo Pharma Ltd.	AUROPHARMA	Pharmaceuticals
12	Cipla Ltd.	CIPLA	Pharmaceuticals
13	Coal India Ltd.	COALINDIA	Metals & Mining
14	Dr. Reddy's Laboratories Ltd.	DRREDDY	Pharmaceuticals
15	GAIL (India) Ltd.	GAIL	Oil & Gas
16	Grasim Industries Ltd.	GRASIM	Manufacturing
17	HCL Technologies Ltd.	HCLTECH	Information Tech
18	HDFC Bank Ltd.	HDFCBANK	Banking & Financial
19	Hero MotoCorp Ltd.	HEROMOTOCO	Automobiles
20	Hindalco Industries Ltd.	HINDALCO	Metals & Mining
21	Hindustan Unilever Ltd.	HINDUNILVR	Consumer Goods
22	Housing Development Finance Corporation Ltd.	HDFC	Banking & Financial
23	ITC Limited	ITC	Consumer Goods
24	Indian Oil Corporation	IOC	Oil & Gas
25	Indiabulls Housing Finance	IBULHSGFIN	Banking & Financial

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*Drop of Water in lake has no identity, but if it falls on lotus, it shines like a pearl,  
choose the best place where you can shine. Be a pearl*

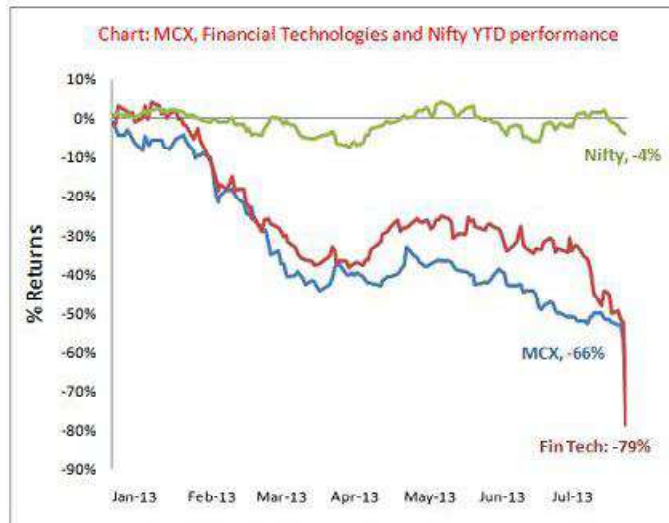
26	ICICI Bank Ltd.	ICICIBANK	Banking & Financial
27	IndusInd Bank Ltd.	INDUSINDBK	Banking & Financial
28	Infosys Ltd.	INFY	Information Tech
29	Kotak Mahindra Bank Ltd.	KOTAKBANK	Banking & Financial
30	Larsen & Toubro Ltd.	LT	Infrastructure
31	Lupin Limited	LUPIN	Pharmaceuticals
32	Mahindra & Mahindra Ltd.	M&M	Automobiles
33	Maruti Suzuki India Ltd.	MARUTI	Automobiles
34	NTPC Limited	NTPC	Electric Utility
35	Oil & Natural Gas Corporation Ltd.	ONGC	Oil & Gas
36	PowerGrid Corporation of India Ltd.	POWERGRID	Electric Utility
37	Bharti Infratel	INFRATEL	Infrastructure
38	Reliance Industries Ltd.	RELIANCE	Oil & Gas
39	State Bank of India	SBIN	Banking & Financial
40	Sun Pharmaceutical Industries Ltd.	SUNPHARMA	Pharmaceuticals
41	Tata Consultancy Services Ltd.	TCS	Information Tech
42	Tata Motors Ltd.	TATAMOTORS	Automobiles
43	Tata Power Co. Ltd.	TATAPOWER	Electric Utility
44	Tata Steel Ltd.	TATASTEEL	Metals & Mining
45	Tech Mahindra Ltd.	TECHM	Information Techn
46	UltraTech Cement Ltd.	ULTRACEMCO	Cement
47	Eicher Motors	EICHERMOT	Automobiles
48	Wipro	WIPRO	Information Techn
49	Yes Bank Ltd.	YESBANK	Banking & Financial
50	Zee Entertainment Enterprises Ltd.	ZEEL	Media
51	Tata Motors (DVR)	TATAMTRDVR	Automobiles

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***Don't be scared by a person who practices a 100 kicks one time,  
fear a person who practices 1 kick a 100 times***

# NEWS/EVENTS

## Financial Tech plunges 66% on NSEL crisis, MCX drops 20% [ONE DAY FALL]



## Idea Cellular zooms over 40% in two days as Vodafone confirms merger talks

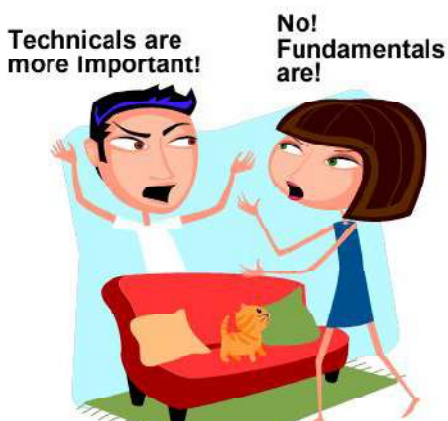
The stock moved higher by 15% to Rs 113, extending its previous day's over 25% rally on the BSE.

SI Reporter | Mumbai  
January 31, 2017 Last Updated at 11:58 IST



*I am not a teacher, but an awakener  
We make our own fortunes and call them fate*





### Difference between Fundamental & Technical Analysis

	FUNDAMENTAL	TECHNICAL
FOCUS	Quantitative & Qualitative factors	Price & Volume
DATA	Financial statements	Charts
TIME	Long-Term	Short-Term
GOAL	Investing	Trading

*If you cannot be positive, then at least be quiet.  
Never stand begging for that which you have the power to earn.*

## **Fundamental analysis**

➔ This method aims to evaluate the value of the underlying company. It takes into account the intrinsic value of the share keeping in mind the economic conditions and the industry along with the company's financial condition and management performance. A fundamental analyst would most definitely look at the balance sheet, the profit and loss statement, financial ratios and other data that could be used to predict the future of a company. In other words, fundamental share market analysis is about using real data to evaluate a stock's value. The method uses revenues, earnings, future growth, return on equity, profit margins and other data to determine a company's underlying value and potential for future growth.

➔ Fundamental analysis is the cornerstone of investing. In fact, some would say that you aren't really investing if you aren't performing fundamental analysis. Because the subject is so broad, however, it's tough to know where to start. There are an endless number of investment strategies that are very different from each other, yet almost all use the fundamentals.

➔ The biggest part of fundamental analysis involves delving into the financial statements. Also known as quantitative analysis, this involves looking at revenue, expenses, assets, liabilities and all the other financial aspects of a company. Fundamental “analysts look at this information to gain insight on a company's future performance. A good part of this tutorial will be spent learning about the balance sheet, income statement, cash flow statement and how they all fit together.

### **➔ The 3-phase Fundamental Analysis**

First Economic analysis

Second Industry analysis

Third Company analysis

### **➔ Simple Analysis before Investing in the Shares**

In order to win in Dalal Street, you have to carefully study the company you are interested in, the industry it belongs to, as well as the overall state of the economy.

Typically, in a booming economy the stock markets are also buoyant.

When the economy is down beat, on the other hand, the stock markets too grow subdued.

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*“The Gods cannot help those who do not seize opportunities”*

*In the middle of every difficulty lies opportunity.*

➔ If a certain industry is doing well, the scrips of several companies in that industry record impressive gains.

➔ On the other hand, if an industry is facing serious problems, the companies in that industry register a decline in their share prices.

➔ The general investor's fundamental approaches to investment in equity shares is to find answers to the following questions:

(i) What are the current trends for the economy as a whole?

(ii) How is the performance of selected industries?

(iii) What is the current performance of a specific company?

➔ When talking about stocks, fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's actual business and its future prospects. On a broader scope, you can perform fundamental analysis on industries or the economy as a whole. The term simply refers to the analysis of the economic well being of a financial entity as opposed to only its price movements.

➔ Fundamental analysis serves to answer questions, such as:

(i) Is the company's revenue growing?

(ii) Is it actually making a profit?

(iii) Is it in a strong-enough position to beat out its competitors in the future?

(iv) Is it able to repay its debts?

➔ Fundamental analysis is a time-honored, value-based approach based on a careful assessment of the fundamentals of an economy, industry and company. A fundamental analyst is not unduly influenced by what happens on a particular day on Stock Exchanges. He studies the general economic situation, makes an evaluation of an industry, and finally does an in-depth analysis, both financial and non-financial, of the company of his choice. Thus, it is a three-phase analysis of:

(i) the economy,

(ii) industry, and

(iii) the company

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***A NICE SAYING-If u wait to b happy, You'll wait forever! But if u start to b happy, you'll b happy forever! KEEP SMILING!"***



➔ Economic indicators and their impact on the stock market

<u>Indicator</u>	<u>Favorable impact</u>	<u>Unfavorable impact</u>
Gross National Product	High growth rate	Slow growth rate
Domestic savings rate	High	Low
Interest rates	Low	High
Tax rates	Low	High
Foreign exchange position	High	Low
Balance of trade	Positive	Negative
Balance of payments	Positive	Negative
Deficit financing	Low	High
Inflation	Low	High
Agricultural production	High	Low
Industrial production	High	Low
Power supply	High	Low
Freight movement of railways	High	Low
New house construction	High	Low

**WHAT IS TECHNICAL ANALYSIS?**

➔ Unlike fundamental analysis, technical analysis has nothing to do with the financial performance of the underlying company. In this method, the analyst simply studies the trend in the share prices. The underlying assumption is that market prices are a function of the supply and demand for the stock, which, in turn, reflects the value of the company. This method also believes that historical price trends are an indication of the future performance.

➔ Thus, instead of assessing the health of the company by relying on its financial statements, it relies upon market trends to predict how a security will perform. Analysts try to cash in on the momentum that builds up over time in the market or a stock.

➔ Technical analysis is often used by short-term investors and traders, and rarely by long-term investors, who prefer fundamental analysis.

➔ Technical analysts read and make charts of prices. Some common technical share mar-

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***Remember, happiness doesn't depend upon who you are or what you have, it depends solely upon what you think.***

ket analysis measures are the day-moving averages (DMAs), Bollinger bands, Relative Strength Indices (RSI) and so on.

➔ Technical analysis really just studies supply and demand in a market in an attempt to determine what direction, or trend, will continue in the future. In other words, technical analysis attempts to understand the emotions in the market by studying the market itself, as opposed to its components. If you understand the benefits and limitations of technical analysis, it can give you a new set of tools or skills that will enable you to be a better trader or investor.

➔ Technical analysis is a method of evaluating securities by analyzing the statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity.

➔ Just as there are many investment styles on the fundamental side, there are also many different types of technical traders.

➔ Some rely on chart patterns, others use technical indicators and oscillators, and most use some combination of the two. In any case, technical analysts' exclusive use of historical price and volume data is what separates them from their fundamental counterparts. Unlike fundamental analysts, technical analysts don't care whether a stock is undervalued - the only thing that matters is a security's past trading data and what information this data can provide about where the security might move in the future.

### ➔ Types of Trend

There are three types of trend:(i)Uptrend(ii)Downtrends(iii)Sideways/Horizontal Trends

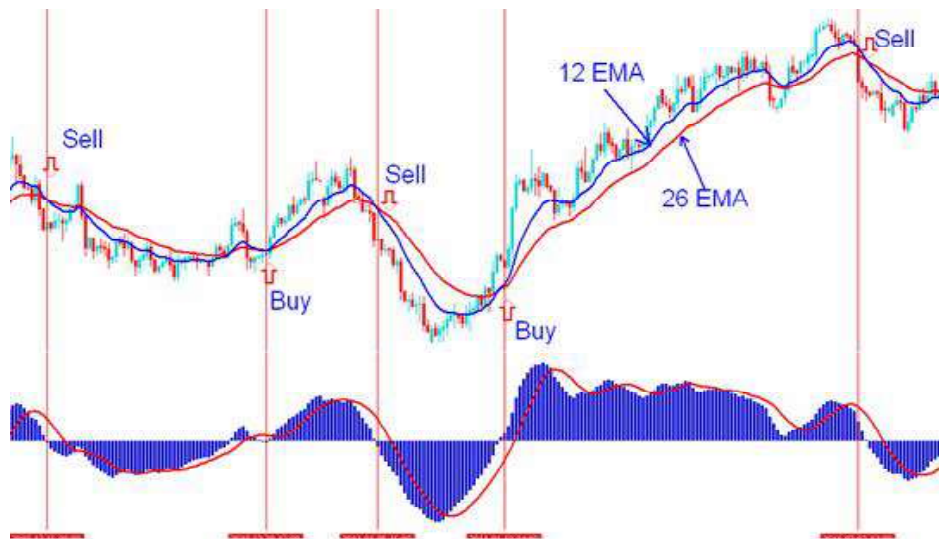
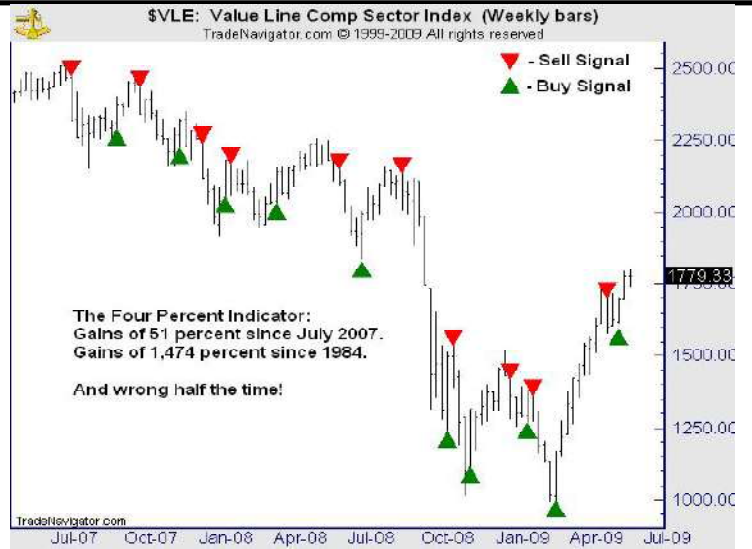
## **Follow The Trend**

**Do not be afraid to buy at high prices and sell at low prices. Do not buy just because it is a low price & do not sell because it is high. Buy when there is good news and Sell when there is bad news.**

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*As we risk ourselves, we grow. Each new experience is a risk.*

*We can try, and maybe fail; And, as a result, grow or hold back and stagnate.*



*Fear is an illusion. Make your own reality and step up to any challenge, no matter how great.*

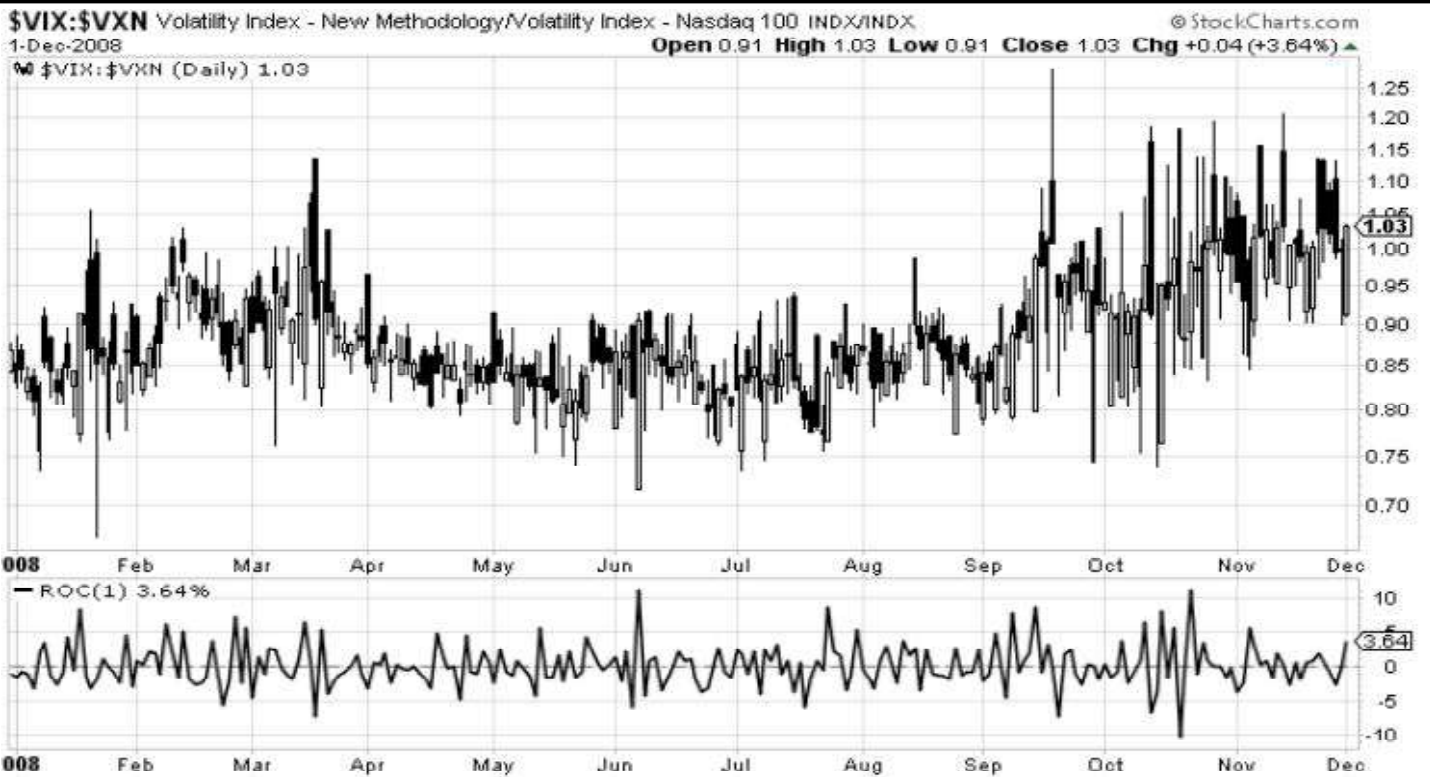




*The best lesson of life-"Don't get frustrated doing continuous unresulted efforts, Sometimes the last key of the bunch opens the lock..."*



*Yesterday is but a dream, tomorrow is only a vision. But today, well lived, makes every yesterday a dream of happiness, & every tomorrow a vision of hope.*



***" You have to start your training today, when the season starts, it's too late!"  
 " Pressure is something you feel when you don't know what the hell you're doing."***



## **SUPPORT AND RESISTANCE**

➔ Support and resistance represent key junctures where the forces of supply and demand meet. In the financial markets, prices are driven by excessive supply (down) and demand (up). Supply is synonymous with bearish, bears and selling. Demand is synonymous with bullish, bulls and buying. These terms are used interchangeably throughout this and other articles. As demand increases, prices advance and as supply increases, prices decline. When supply and demand are equal, prices move sideways as bulls and bears slug it out for control.

### ➔ **What Is Support?**

Support is the price level at which demand is thought to be strong enough to prevent the price from declining further. The logic dictates that as the price declines towards support and gets cheaper, buyers become more inclined to buy and sellers become less inclined to sell. By the time the price reaches the support level, it is believed that demand will overcome supply and prevent the price from falling below support.

Support does not always hold and a break below support signals that the bears have won out over the bulls. A decline below support indicates a new willingness to sell and/or a lack of incentive to buy. Support breaks and new lows signal that sellers have reduced their expectations and are willing to sell at even lower prices. In addition, buyers could not be coerced into buying until prices declined below support or below the previous low. Once support is broken, another support level will have to be established at a lower level.

### ➔ **What Is Resistance?**

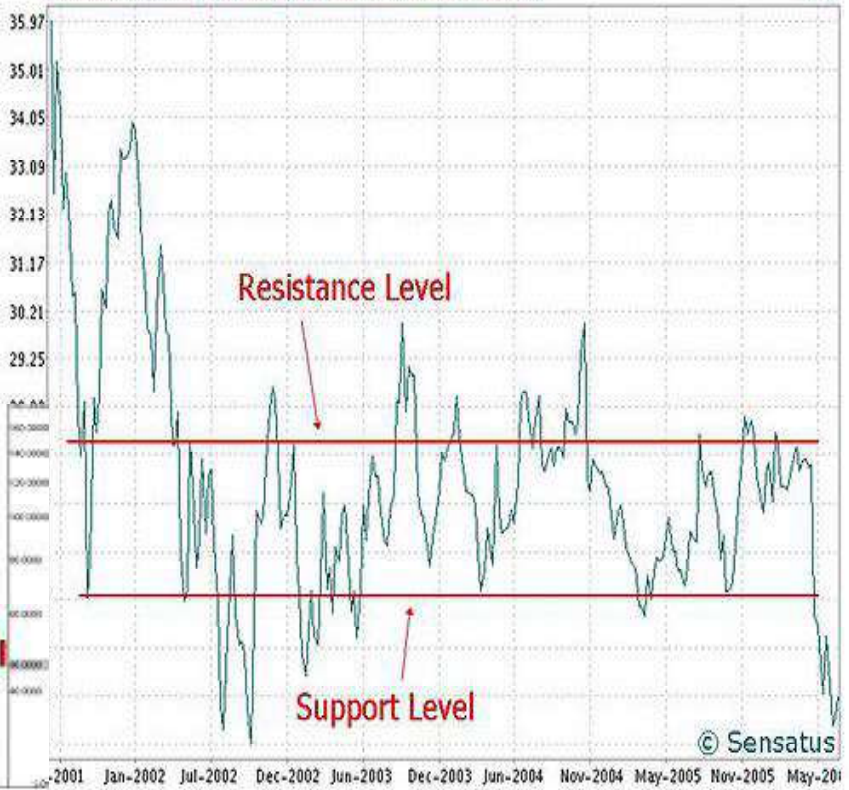
Resistance is the price level at which selling is thought to be strong enough to prevent the price from rising further. The logic dictates that as the price advances towards resistance, sellers become more inclined to sell and buyers become less inclined to buy. By the time the price reaches the resistance level, it is believed that supply will overcome demand and prevent the price from rising above resistance.

Resistance does not always hold and a break above resistance signals that the bulls have won out over the bears. A break above resistance shows a new willingness to buy and/or a lack of incentive to sell. Resistance breaks and new highs indicate buyers have increased their expectations and are willing to buy at even higher prices. In addition, sellers could not be coerced into selling until prices rose above resistance or above the previous high. Once resistance is broken, another resistance level will have to be established at a higher level.

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***You have no control over the day you were born nor the day you die,  
BUT you do have control over what you did in between them."***

### Support and Resistance Trading Channel Microsoft (MSFT), 5 Year, 1 Week Interval Price Chart



**Amazon.com, Inc. (AMZN) Nasdaq Nat. Mkt.** © StockCharts.com  
3-Mar-2000 4:00pm **Open 63.25 High 64.75 Low 62.06 Last 62.50 Volume 5.8M Chg -0.06**



*Every sunset gives us one day less to live! But every sunrise give us, One more to hope! So, hope for the best. Best of Luck!*

### Support & Resistance Level

Paychex Inc (PAYX), 5 Year, 1 Day Interval Price Chart



### Support & Resistance

Daily Chart - Semiconductor HOLDERS (SMH)



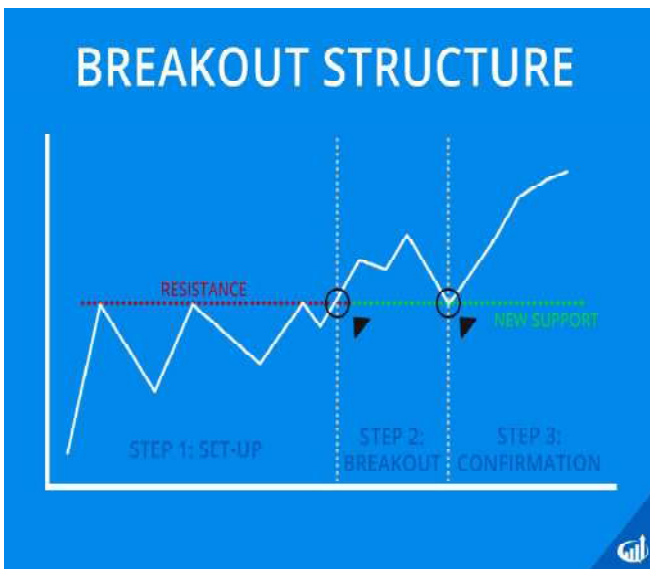
*Tough times are like physical exercise, You may not like it while you are doing it but tomorrow you'll be stronger because of it.*



# BREAKOUT

➔ A breakout is a stock price that moves outside a defined support or resistance level with increased volume. A breakout trader enters a long position after the stock price breaks above resistance or enters a short position after the stock breaks below support.

➔ A point when the stock's price moves above resistance or below support. When a stock exits the boundaries of an area pattern, or rises above or below support and resistance lines. A technical analysis term, used to indicate a rise in a stock's price above its resistance level (such as its previous high price) or drop below its support level (commonly the last lowest price.) The assumption is that the stock will continue to move in the same direction following the breakout, which generates a buy or sell signal.



*Sometimes the road travelled turns out to be more beautiful than the destination reached. Enjoy leading your life no matter what it turns out to be .....Live Life*



# **INVESTING IN STOCK**

## **MARKET IS NOT**

### **GAMBLING**

➔ Ask any layman about the share market investing, and they will tell you that they don't know about stock trading. Yet, the stock market is one of the largest avenues for investment.

➔ As many as Rs. 6 lakh crore-worth stocks have been traded in the two stock exchanges in India on some occasions. Stock market investing is often called a gamble. It would cease to be a gamble if you understood the basics of the share market.

➔ Successful investing takes hard work and effort. Think of a partially informed investor as a partially informed surgeon; the mistakes could be severely injurious to your financial health.

➔ Please understand stock market is not Gambling or not Luck game. Stock market needs time, patience and some fundamental skills, which is not gambling.

➔ Investing in any financial product is not easy task and especially if we talk about stock market it requires special knowledge and expertise to earn good return in market.

➔ But if we talk to investors most of investors believe that stock market is nothing but casino and investing in stock market is gambling. According to me this is the biggest myth of investor.

➔ Due to this reason only investors of India, and abroad, do not opt for equity as an asset class as they believe that stock market is for gamblers.

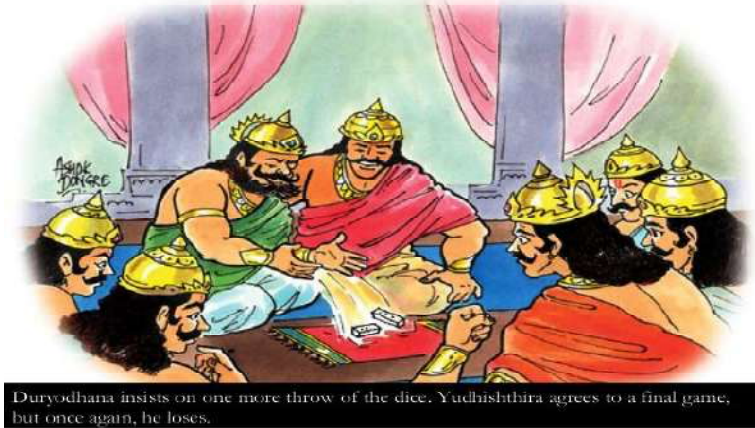
➔ This is not true. Gambling is one way game in which gain of one is loss of other. In

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*Time is really the only capital that any human being has, and the only thing he  
can't afford to lose.*



gambling result depends on the outcome of throwing a dice. Only one participant will win in gambling. While in stock market, if five investors hold the shares of the same company, and if prices go up, all of them will gain profit.



Duryodhana insists on one more throw of the dice. Yudhishthira agrees to a final game, but once again, he loses.



→ If you take example of MahaBharata where Yudhishthira & Duryodhana played game of gambling where Shakuni was playing from Duryodhana side. Shakuni was master in this game.

→ When the game started, Shakuni stoked Yudhishthira's gambling urges by letting him win a few minor victories. At later stage, Shakuni used his skills in the game to good effect, and before Yudhishthira could be persuaded to stop playing, he had already lost all his wealth and kingdom.

→ So in gambling once you place your money than nothing can be done result will depended on outcome of throwing a dice which is not in your hand.

→ In above example we can simply say only Yudhishthira was gambling as Shakuni was expert in this game and he was aware of result. Yudhishthira was told by many that you will not able to win this game against Shakuni but Yudhishthira was feeling this is gambling and my luck will allow me to win.

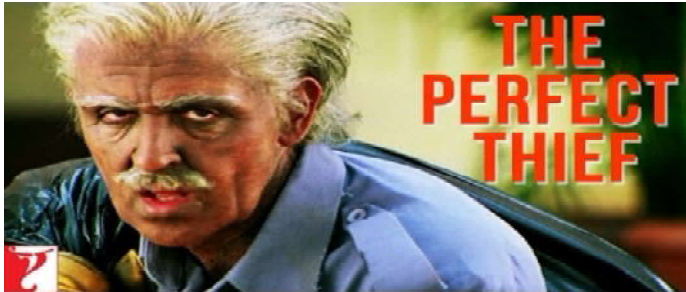
→ Same thing happen with investor in market when they feel stock market is gambling. They keep on purchasing stock considering that stock market is nothing but gambling and one day he will be fortunate enough to win the game. But that one day never comes.

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*People often say that motivation doesn't last.  
Well, neither does bathing - that's why we recommend it daily.*

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→ Please understand stock market is not Gambling or not Luck game. Stock market needs time, patience and some fundamental skills, which is not gambling.



### **Stock Market Basic Steps:-**

→ In order to understand stock market basic steps let's take example of thief. Doing theft is art and thief is master in it. He always plans before doing theft. He does not believe in luck. The way thief is working same way people has to follow steps in trading. Thief takes following steps while doing robbery.

**Step:- 1** Deciding place where he want to do robbery.

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*The duck looks smooth & calm on top of water, but, under that there is restless pedaling....Nothing is worth without struggle in real life*

**Step:- 2** Doing analysis of the location/house where he want to do robbery. He keeps on observing things like how many persons are living in home what are their activities, timings etc.

**Step:-3** Doing risk reward analysis meaning he will estimate that if he tries this robbery what is risk involves and what will be his reward.

**Step:-4** Deciding time of Theft.

**Step:-5** He goes for robbery. He takes his partner and keeps him outside of house. He tells his partner that if he feels something is wrong just informs me once so that I can run away. He does that thing as he believes that although his analysis is perfect situation may change at any moment.

→ So nothing is depended on luck in above example. If we relate above steps with stock market trading it will be like:-

**Step:- 1** Deciding stock for Investment.

**Step:- 2** Doing analysis of stock and observing up/down movement of stock. This may be based on technical analysis or may be with other methods.

**Step:- 3** Doing risk reward analysis of stock that if I am purchasing this stock today, what upside momentum is left 100 Rs/-, 500 Rs/- and what will be risk associated if this stock does not work according to my analysis.

**Step:-4** Deciding time of purchase meaning deciding price of purchase.

**Step:- 5** Always make provision of stop loss. Meaning deciding how much loss you can sustain. Although you are genius in stock market but situation may change at any moment and you cannot predict that so you should make provision for stop loss.

→ So in real life way thief takes steps for robbery same steps are applicable in stock market. Following these steps will lead to success in stock market. But most of people does not

---

*Tough times are like physical exercise, You may not like it while you are doing it but tomorrow you'll be stronger because of it.*



understand this and believes that stock market is casino and investing in stock market is gambling.

→ Remember Investing in stock market is not gambling. Stock market investment is Business.

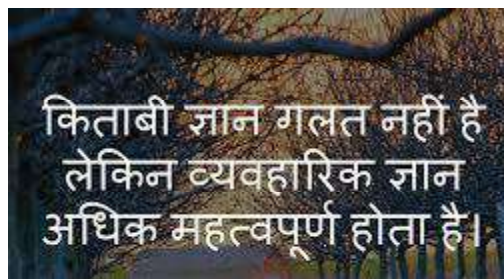
## **STOCK MARKET IS NOT A GAMBLING ARENA**

→ The stock market is a tool for investing and wealth-creation. As discussed above it is a way to create wealth in the long term. It should not be mixed with gambling nor should it be used for that purpose.

→ Like gambling, it might be thrilling in the short term but too much indulgence in thrill at the expense of strong fundamentals could lead to major losses.

→ Ironically, the media and the people around us always highlight the extremities rather than focus on the fundamentals. For example, a person losing Rs 500,000 in one day is given more importance than someone earning the same amount in three years. This has been the major cause of creating a negative picture of the stock markets.

→ We need to come out this imagery and look at the broader and long-term picture. Long-term investors can never lose money in the stock market if the fundamentals are right!



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*Time decides whom you meet in life.... Your heart decides whom you want in life...  
but your behaviour decides who will stay in your life*

## CONCEPTS



***"In investing, what is comfortable is rarely profitable."***

### FIXED DEPOSIT AS AN INVESTMENT OPTION



**“How many millionaires do you know who have become wealthy by investing in savings accounts?”**

- ➔ If you are a conservative investor who relies on bank fixed deposits for regular income.
- ➔ There is no doubt that bank fixed deposits (FDs) are considered safe in that you will most likely get your money back. But did you know that bank FDs can negatively affect your savings over the long term?

---

***Don't See Others Doing Better Than You...! Beat Your Own Records Everyday...!  
Bcoz, Success Is A Fight Between YOU & YOURSELF Not With OTHERS...***

## **#1: FDs give returns below inflation**

The average inflation rate in India for 2012-2014 was 9.76%. Most FDs only give you about 8.5% interest before tax and around 7% after tax. This means, you are effectively losing money every year you invest your money in a FD.

## **#2: FDs are taxable, which further reduces the net amount you earn**

Compared with equity mutual funds, long term returns from which are tax free, FD interest is taxable at your current tax slab. The higher your income, the lower your FD return will be.

### **↪ How does the Sweep In Facility Work?**

Some banks offer you the facility to open a savings bank account and link the same to your fixed deposit. Most of the Banks offer interest at the rate of 4% p.a While Fixed Deposit for 1 year is around 8%.

## **OUR ROLE MODEL**

WORLD 'S BEST INVESTOR - WARREN BUFFET

INDIA'S BEST INVESTOR - RAKESH JHUNJHUNWALA



**Middle Class  
Billionaire**



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*A tongue has no bones, but it is strong enough to break a heart.  
Be careful with your words.*



## INTRODUCTION

➔ Stock Market is a place where shares are purchased and sold.

➔ Stock markets in India have a strong history. Yet, at the face of it, especially when you consider investing in the stock market, it often seems like a maze. But once you start, you will realize that the investment fundamentals are not too complicated.



## REGULATION OF EQUITY STOCK MARKET



➔ Stock Market is regulated by SEBI

➔ All rules and regulation of SEBI is to be followed

➔ All Stock Exchange in India comes under the regulation of SEBI

➔ Its basic objectives are:

Protecting the interests of investors in stocks

Promoting the development of the stock market

Regulating the stock market

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*A logical formula to be successful: Sleep 8 hours, work 8 hours...  
Make sure that they are not the "SAME HOURS" ...!!*

## TWO STOCK EXCHANGE OF INDIA



- ➔ There are various stock exchange in India
- ➔ Two main stock exchange are
- (i) NSE (National Stock Exchange) : [www.nseindia.com](http://www.nseindia.com)
- (ii) BSE (Bombay Stock Exchange) : [www.bseindia.com](http://www.bseindia.com)

### HOW THE PERFORMANCE OF STOCK EXCHANGE IS EVALUATED

- ➔ The performance of overall Stock Market or particular sector is evaluated by INDEX
- ➔ INDEX may be defined as a barometers of Stock Market movements
- ➔ **Stock Market Index** is representative of the entire stock market. Movements of the index represent the average returns obtained by investors in the stock market. A market Index acts as a barometer for market behavior.
- ➔ **Example Of Index Are** : SENSEX;NIFTY;BSE Auto ; BANKEX ; Bank Nifty ; Capital Goods ; Consumer Durables;BSE FMCG;BSE Healthcare;BSE IT;BSE Metals;Oil and Gas;BSE PSU;BSE TECK;BSE Small Cap  
BSE Mid-Cap;CNX Midcap



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*" To be where you've never been before,  
You have to do what you've never done before."*

## WHY SHARE PRICE RISE OR FALL- REASONS

### FACTORS WHICH AFFECTS THE WHOLE STOCK MARKET OR SECTOR FACTORS WHICH EFFECTS A PARTICULAR COMPANY

#### EXAMPLES-

1. WORLD EVENTS
2. ECONOMY
3. SCANDALS
4. COMPANY NEWS
5. HYPE
6. POLITICS
7. SUPPLY & DEMAND
8. NATURAL DISASTERS
9. EXPECTATIONS & SPECULATION
10. WAR & TERRORISM

Here are some company-specific factors that can affect the share price:

news releases on earnings and profits, and future estimated earnings  
announcement of dividends  
introduction of a new product or a product recall  
securing a new large contract  
employee layoffs  
anticipated takeover or merger  
a change of management  
accounting errors or scandals

## HOW TO START TRADING / WHAT IS DEMAT ACCOUNT



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*The time for action is now. It's never too late to do something.  
Don't let yesterday use up too much of today.*



Demat account is an account wherein you can hold shares of various companies in the dematerialised {electronic} form

### **REQUIREMENT OF OPENING A DEMAT ACCOUNT**

Documents required for opening a Demat Account:

1. PAN CARD PHOTOCOPY. As of April 2006 it is mandatory. If any person wants to open a demat account he/she should have a PAN CARD (Permanent Account number). Without a PAN CARD you are not eligible to open a Demat account
2. ADDRESS PROOF PHOTOCOPY
3. CHEQUE IN FAVOUR OF BROKING COMPANY.
4. PASS PORT SIZE PHOTOGRAPHS
5. CANCELLED PERSONALIZED PRE-PRINTED CHEQUE LEAF

### **COST OF TRADING/ CHARGES OF MAINTAINING A DEMAT ACCOUNT**

There are four major charges usually levied on a Demat account:

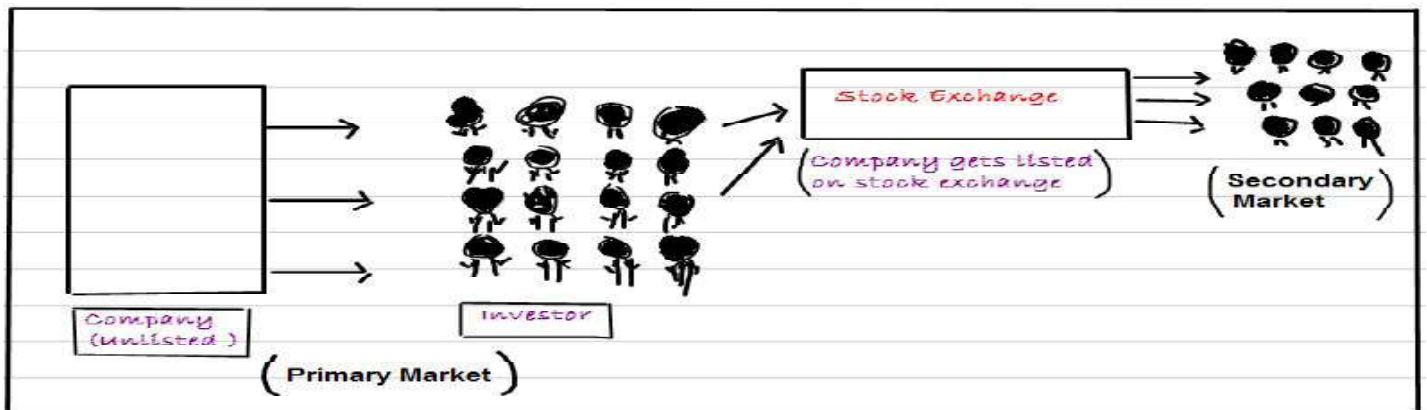
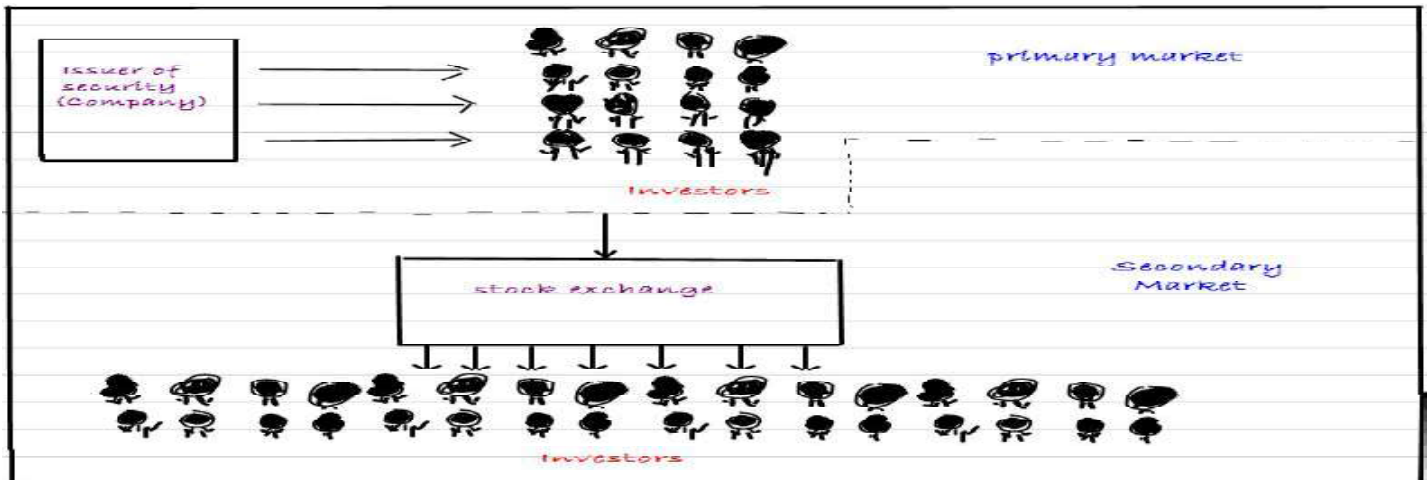
1. Account Opening Fee,
2. Annual Maintenance Fee,
3. Brokerage cost
4. Government Levy Charges Like STT; Stamp Duty ETC

All the charges vary from broker to broker and from one investor to another.

### **CAN I OWN MORE THAN ONE DEMAT OR TRADING ACCOUNT?**

Yes, you can own more than one demat and trading account.

### **TYPES OF MARKET**



**1. Primary market** :A primary market refers to any market where new shares of stock are sold.A company enters primary markets to raise capital. If the company is selling shares for the first time, it is called an Initial Public Offering (IPO). The company thus becomes public.

**2. Secondary market** : Once new securities have been sold in the primary market, these shares are traded in the secondary market. This is to offer a chance for investors to exit an investment and sell the shares. Secondary market transactions are referred to trades where one investor buys shares from another investor at the prevailing market price or at whatever price the two parties agree upon.

Normally, investors conduct such transactions using an intermediary such as a broker, who facilitates the process

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*1 tree makes 1 lakh matchsticks..But 1 Matchstick can burn 1 lakh trees..  
MORAL- 1 Negative thought can burn all positive thoughts!So be positive in life!!*

## **HOW TO BOOK OUR PROFIT/LOSS IN STOCK MARKET/ SQUARING OFF**

➔ By taking opposite position

### **MARKET ORDER**

➔ A market order is an order to buy or sell a stock at the best available price. Generally, this type of order will be executed immediately.

### **LIMIT ORDER**

➔ Limit orders instruct your broker to buy or sell a stock at a particular price. The purchase or sale will not happen unless you get your price.

### **STOP LOSS**

- ➔ In simple words the stop loss order is used to minimize the losses in share market.
- ➔ A stop loss is an order placed to buy or sell a stock once the price of a stock moves above or below a specified price by a trader.
- ➔ Stop loss order is great method to save trader from heavy losses.
- ➔ The stop loss order is placed with trigger price.
- ➔ The trigger price is the price, if touched, the order gets activated.
- ➔ For more detail on stop loss refer practical example given by sir in class.

### **DAY ORDER VS IOC [IMMEDIATE OR CANCEL]**

A "**Day Order**" duration is valid until the end of the extended trading session

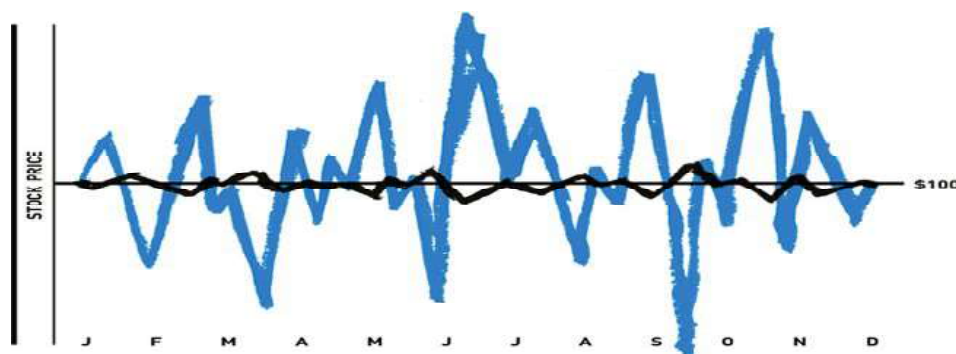
An "**Immediate or Cancel (IOC)**" order allows a Trading Member to buy or sell a security as soon as the order is released into the market, in case order failed to full fill the total quantity it will be removed from the market. Partial match is possible for the order, and the unmatched portion of the order is cancelled immediately.

---

*Sometime situation make you to hate someone, But don't hate that person.  
Just hate that situation, Nobody is bad, situation makes a person bad.*



## VOLATILITY



➔ Volatility refers to the amount of uncertainty or risk about the size of changes in a security's value. A higher volatility means that a security's value can potentially be spread out over a larger range of values. This means that the price of the security can change dramatically over a short time period in either direction. A lower volatility means that a security's value does not fluctuate dramatically, but changes in value at a steady pace over a period of time.

➔ If the prices of a security fluctuate rapidly in a short time span, it is termed to have high volatility. If the prices of a security fluctuate slowly in a longer time span, it is termed to have low volatility.

➔ When the stock market goes up one day, and then goes down for the next five, then up again, and then down again, that's what you call stock market volatility.

## IDR

➔ IDR are meant for foreign companies looking to raise capital in India.

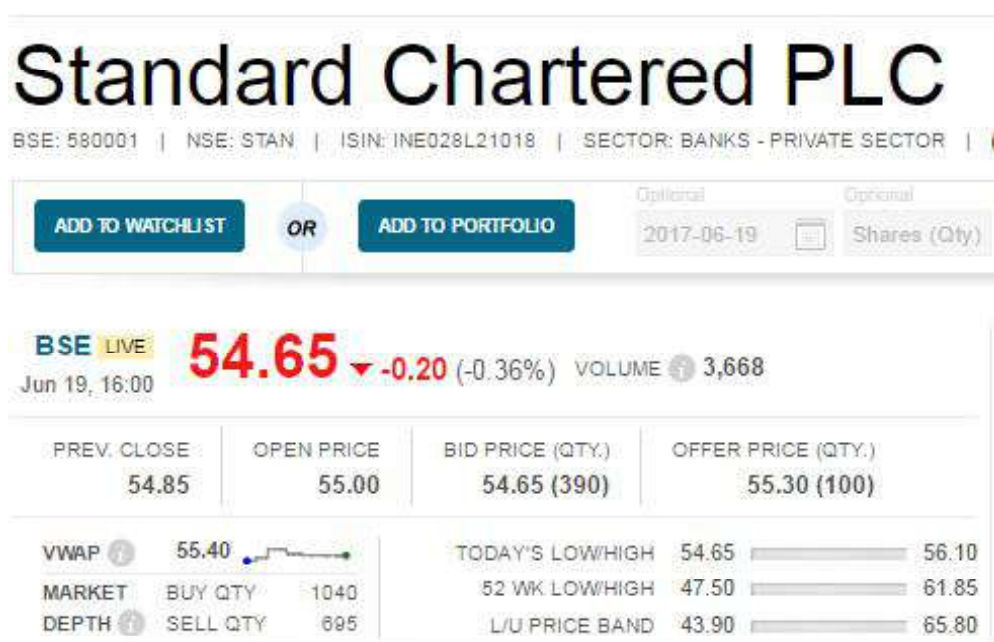
➔ Investment in IDR is an interesting opportunity for the Indian investors who are looking for investing their funds in foreign equity.

➔ Standard Chartered Bank created history in the Indian Capital Market by becoming the first foreign company to come up with an IDR issue. It is the only IDR listed on NSE and BSE.

➔ An issuing company cannot raise funds in India by issuing IDR unless it has obtained prior permission from SEBI & RBI

---

*Don't fear failure so much that you refuse to try new things. The saddest summary of a life contains three descriptions: could have, might have, and should have.*



## TICK SIZE

- ➔ A tick size is the minimum price movement of a trading instrument.
- ➔ Tick sizes dictate the minimum standards at which the price of a particular security can move.
- ➔ The best way to define tick size would be to do so with an example. Let's say that you want to buy 500 shares of ITC. If the minimum tick size is 5 paise, you can buy and sell of shares of the company by quoting Rs 310.10 and then Rs 310.15. You cannot place a price of Rs 310.12.
- ➔ Tick size is different for different share .
- ➔ It is decided by SEBI (NSE/BSE)

## DVR

- ➔ Indian DVR shares provide for lower voting rights as compared to ordinary equity shares.
- ➔ DVR shares are listed on the stock exchanges and are traded in the same manner as

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***Nice Lines By CHANAKYA:-You Are Born Without Anything But You Die With Your Name...So "That Name Must Not Be A Word only,It Must Be A History....***

ordinary equity shares, but they mostly trade at a discount, sometimes as high as 30%, due to fewer voting rights.

➔ Tata Motors, Gujarat NRE Coke, Pantaloon Retail, Jain Irrigation are some of the Indian companies that have issued DVR shares.



## ADR & GDR

➔ ADR stands for American Depositary Receipt and GDR stands for Global Depositary Receipt.

➔ Shares of Indian Company Listed In Foreign Country is known as ADR/GDR.

➔ NRIs and foreign nationals can invest in ADRs. These are not open for resident Indians. They can simply trade on the Indian stock exchanges.

➔ Example of Indian ADRs/GDR trading on the US Exchanges

- 1 Dr. Reddy's Laboratories
- 2 HDFC Bank
- 3 ICICI Bank
- 4 Infosys

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*"Hard Work is an investment. The more you invest in terms of hard work, more is the profit you earn in terms of Success."*



- 5 Tata Motors
- 6 Vedanta
- 7 Mahindra & Mahindra Ltd.
8. Reliance Industries Ltd.

Infosys Limited American Depositary Shares Quote & Summary Data

**INFY \$14.74\* 0.07 ↑ 0.48%**

### **WHAT DOES ISIN STAND FOR WRT SECURITIES?**

➔ ISIN stands for International Securities Identification Number (ISIN). It is an international numbering system set up by the International Organization for Standardization (ISO) to number specific securities, such as stocks (equity and preference shares), bonds, options and futures.

➔ ISIN contains 12 characters in total, which comprise of both alphabets and numbers. The first two digits stand for the country code, next nine digits are the unique identification number for the security while the last digit is a check digit to prevent errors.

E.g.: ISIN for State Bank of India (SBI) is INE062A01012.

### **AFTER MARKET ORDER (AMO)**

➔ After Market Orders are of great use as they allow to place orders after the market closes. Such order placing facility enable you to place order at your convenient time without waiting for markets to open.

➔ All orders placed after the closing of the market and before its opening next are automatically sent to the exchange by the broker's system to the exchange without your presence and placed in the exchange.

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*“Everyone wants to live on top of the mountain,  
but all the happiness and growth occurs while you’re climbing it.”*

**TYPES OF COMPANIES ON THE BASIS OF SECTOR**

<b>Name</b>	<b>Sector</b>
ACC Ltd.	CEMENT AND CEMENT PRODUCTS
Bharat Heavy Electricals Ltd.	ELECTRICAL EQUIPMENT
Bharti Airtel Ltd.	TELECOMMUNICATION - SERVICES
Cipla Ltd.	PHARMACEUTICALS
DLF Ltd.	CONSTRUCTION
HDFC Bank Ltd.	BANKS
Hero Honda Motors Ltd.	AUTOMOBILES - 2 AND 3 WHEELERS
Hindalco Industries Ltd.	ALUMINIUM
Hindustan Unilever Ltd.	PERSONAL CARE
HDFC Ltd.	FINANCE - HOUSING
IT C Ltd.	CIGARETTES
ICICI Bank Ltd.	BANKS
Infosys Technologies Ltd.	COMPUTERS - SOFTWARE
Jaiprakash Associates Ltd.	CONSTRUCTION
Jindal Steel & Power Ltd.	STEELAND STEEL PRODUCTS
Larsen & Toubro Ltd.	ENGINEERING
Mahindra & Mahindra Ltd.	AUTOMOBILES - 4 WHEELERS
Maruti Suzuki India Ltd.	AUTOMOBILES - 4 WHEELERS
NTPC Ltd.	POWER
Oil & Natural Gas Corporation Ltd.	OIL EXPLORATION/PRODUCTION
Reliance Communications Ltd.	TELECOMMUNICATION - SERVICES
Reliance Industries Ltd.	REFINERIES
Reliance Infrastructure Ltd.	POWER
State Bank of India	BANKS
Sterlite Industries (India) Ltd.	METALS
Tata Consultancy Services Ltd.	COMPUTERS - SOFTWARE
Tata Motors Ltd.	AUTOMOBILES - 4 WHEELERS
Tata Power Co. Ltd.	POWER
Tata Steel Ltd.	STEELAND STEEL PRODUCTS
Wipro Ltd.	COMPUTERS - SOFTWARE

**GAP ANALYSIS**

*Life has no pause buttons! Dreams have no expiry date! Time has no holiday!  
So don't waste a single moment in ur life..Live it! Rock it!*

➔ A gap is the difference between the opening price on a trading day and the closing price of the previous trading day.

Gap Down / Down Gap: An opening price that is below the prior day closing price.

Gap Up / Up Gap: An opening price that is above the prior day closing price.

➔ **Reason:** Gaps are the result of some kind of event happening while the market is closed. The result is the buying or selling pressure at the open of the next day, which will make the stock open at a different price than where it closed.

What causes gaps? Usually it is news driven. Individual stocks can gap up or down due to news such as earnings reports, earnings pre-announcements, analysts' upgrades and downgrades, rumors

### **GENERAL GUIDELINES FOR SELECTION OF CONSTITUENTS IN SENSEX & NIFTY**

➔ The general guidelines for selection of constituents in SENSEX or NIFTY are as follows:

1. Listing History : The scrip should have a listing history of at least three months
2. Trading Frequency : The scrip should have been traded on each and every trading day in the last three months at BSE/NSE. Exceptions can be made for extreme reasons like scrip suspension etc.
3. Rank based on the Market Cap (Should be Among top 100)
4. Market Capitalization weight
5. Industry / sector they belong
6. Historical Record
7. Companies that have reported revenue in the latest four quarters from its core activity are considered eligible.
8. **Track Record:** all companies included should have an acceptable track record.

### **MEANING OF BULL AND BEAR IN STOCK MARKET**

➔ BULL MARKET - It means rising trend

➔ BEAR MARKET - It means falling trend

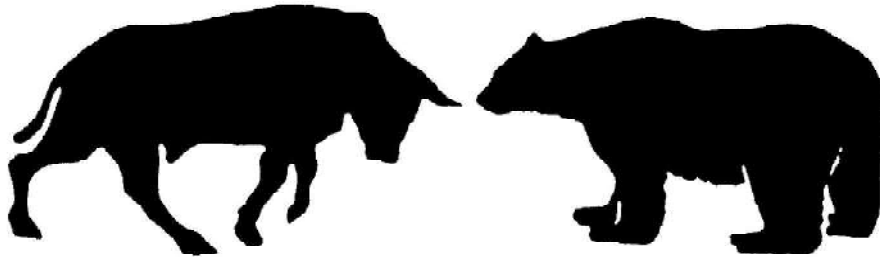
**From where the name of bulls and bears came from ?** The actual origins of these

---

*The 4 Look- 'Look' Back and get Experience, 'Look' Forward and see Hope !  
'Look' Around and find Reality ! 'Look' Within and find confidence !*



expressions are unclear. The terms “bear” and “bull” are thought to derive from the way in which each animal attacks its opponents. That is, a bull will thrust its horns up into the air, while a bear will swipe down. These actions were then related metaphorically to the movement of a market: if the trend was up, it was considered a bull market; if the trend was down, it was a bear market.



### **MEANING OF INTRADAY BASED CONTRACTS**

Buying and selling of stocks on daily basis is called day trading this is also called as Intra day trading. Whatever you buy today you have to sell it today OR whatever you sell today you have to buy it today and very importantly during market hours that is 9.15 am to 3.30 pm (Indian time).

**INTRADAY LONG CONTRACT- FIRST BUY AND THEN SELL SAME DAY**

**INTRADAY SHORT CONTRACT- FIRST SELL AND THEN BUY SAME DAY**

### **MEANING OF DELIVERY BASED CONTRACTS**

In Delivery Trading, as the name say, you have to take the delivery of stocks and after getting these stocks in your demat account you can sell them at anytime (or you can hold them till you want, there is no restriction). In delivery trading you need to have the amount required to buy stock for example, if you want to buy 100 stocks of Reliance at price 500 than you must have  $(100 \times 500)$  Rs. 50000 in your account; once you purchased these stocks will get deposited in your demat account Then you can sell these stocks when the price of these stocks goes up or else you can sell whenever you want.

**DELIVERY BASED LONG CONTRACT- FIRST BUY AND THEN SELL WHEN-  
EVER YOU WANT**

---

*"Never feel sad on losing anything in your life  
Because whenever a Tree loses its leaf, A new leaf is ready to take its place!"*

## **DIFFERENCE BETWEEN DELIVERY & INTRADAY**

Here we try and explain the difference between intra day trading and delivery trading:

### **Difference 1 - the time frame**

One of the biggest Differences Between Intra Day Trading And Delivery Trading is the time span.

In intra day trading, as the name suggests investors will invest only for a few hours. What this means is that they tend to square off their position after a few hours and definitely on the same day.

Let us cite this with an example. Let us say that you bought shares of Punjab National bank at 10.00 am and wish to square anytime during the day, it would be an intra day.

On the other hand in delivery based tradign, you buy the stock to hold for a long period of time.

### **Difference 2 - Dividends, rights, bonus shares**

In intra day trading, since you never hold the shares, you do not get dividends, rights and bonus shares, In fact, you do not get any corporate benefits.

On the other hand those who take delivery of shares tend to get all of the above benefits listed.

### **Difference 3 - Shares in the DP account**

One of the other Differences between Intra Day Trading And Delivery Trading is that in the case of intra day trading, you would never have shares in your DP account. In the case of delivery trading, the shares would always be reflected in your DP account.

### **Difference 4 - Objectives are different**

In both the cases the objectives are totally different from each other. In the case of intra day trading, you wish to make quick money in a single day, while in the case of delivery based trading, you want to hold the shares for a longer time frame.

### **Difference 5 - Margins**

In the case of intra day trading, the broker may grant you margins. Normally, this could be

---

*“Others can stop you temporarily - you are the only one who can do  
it permanently.” -*

around 15 per cent of the total value of the trade. The margins really differ from broker to broker.

There is no such facility in the case of delivery based trading. You have to pay the entire amount and only then would you be allowed full delivery of your shares.

### **SHOULD YOU GO FOR INTRA DAY OR DELIVERY BASED TRADING?**

➔ This is a question that one cannot really answer. Some individuals do not believe in holding shares for the long term. They want instant profits. In this case they trade intra day and book profits and losses accordingly.

➔ In other cases, there are individuals who believe that they can make money only in the long term and hence must hold onto shares. These individuals will hold onto shares for many years, and receive dividends, rights and bonus shares. These shares are even held until death and transferred to the legal heir thereafter.

➔ It is extremely difficult to say which strategy to adopt. Individuals have a different objective and no one formula is best suited for all

### **ADVANTAGES & DISADVANTAGES OF INTRADAY & DELIVERY**

➔ While doing stock market investment you can trade in two different ways. You can either do intraday trading or can opt for delivery based investment. Intraday trading is typically completed within a day that means you have sell the stocks that you have purchased that day before the closing of the exchange. Even if you do not sell the stocks by yourself, they will automatically square off before the closing of the exchange. In case of delivery based investment or long term investment, you can sell the stocks as and when you wish to sell or buy them. Both these types of stock trading has its pros and cons.

#### **Advantages Of Day Trading –**

➔ In day trading you can buy stocks without paying for the full price of the stocks. The market makers allow you pay only a part of the price to hold the shares. So, you can gain more by investing less.

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*A beautiful life does not just happen! It's build daily In Prayers  
In Trust Sincerity Sacrifice & LOVE. May a beautiful life be yours always*



➔ In day trading you can always short sell the stocks that mean you can always sell the stocks before buying them and then buy the stocks before the closing of the market. This is one benefit that can give you profit even when the price of the stock is sure to fall.

➔ The brokerage of the intraday trading is always lower than the delivery trading.

➔ In day trading you are getting the profit on the very day. So, your investment is for a few hours only. Therefore, even if the stock price rises, a little your profit percentage is significant.

➔ You get back the money each day after the market closes and hence you can always start afresh the next morning.

### **Disadvantages Of Intraday Trading**

➔ The biggest disadvantage of intraday trading is the time frame. You have to sell the stocks within a day. So, if the stock loses price you are sure to lose money.

### **Advantages Of Delivery Based Trading**

➔ With delivery based trading, you can always hold a stock till it reaches the expected price.

➔ The long term investment can always get you dividend.

➔ You can also benefit from split shares, bonus stocks and other benefits that the company announces.

### **Disadvantage Of Delivery Based Trading**

➔ In delivery trading you pay higher brokerage.

➔ Your investment is always susceptible to market crashes, business cycles and other

---

*Don't let yesterday use up too much of today.  
The time for action is now. It's never too late to do something.*

factors.

### **THREE MOST IMPORTANT DECISION WHICH ALL FACES IN SHARE MARKET**

- BUY - when you expect price to rise
- SELL - when you expect price to fall
- HOLD - when you are not sure



### **ROLE OF EXPECTATION IN STOCK MARKET**

If results are better than expected - Price will rise

If results are lower than expected - Price will fall

Note: If a firm issues an earnings report that does not meet investors' expectations, the stock's price will likely drop.

Some examples: Axis Bank shares fall 6.9% after unexpected Q3 earnings

Under Armour shares surge 10% on smaller-than-expected loss

### **WORLD INDEX**

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*A contract of employment under which a worker, as a condition of employment, agrees not to join a Union is Known as “Yellow Dog Contract”*

**US MARKETS**

<b>DOW JONES INDUSTRIAL AVERAGE</b>	<b>US</b>
<b>NASDAQ</b>	<b>US</b>
<b>DOW FUTURES</b>	<b>US</b>
<b>S&amp;P 500</b>	<b>US</b>

**EUROPEAN MARKETS**

<b>FTSE 100</b>	<b>UK</b>
<b>CAC 40</b>	<b>FRANCE</b>
<b>DAX</b>	<b>GERMANY</b>

**ASIAN MARKETS**

<b>NIKKEI 225</b>	<b>JAPAN</b>
<b>STRAITS TIMES</b>	<b>SINGAPORE</b>
<b>HANG SENG</b>	<b>HONG KONG</b>
<b>KOSPI</b>	<b>SOUTH KOREA</b>
<b>SET COMPOSITE</b>	<b>THAILAND</b>
<b>SHANGHAI COMPOSITE</b>	<b>CHINA</b>

**NASDAQ<sup>®</sup>**

**COLOR CODING**

The information for each company is generally listed in either red or green. **Red** means the companies stock price has gone down that day; conversely, **green** means the stock price has risen. **Black** Color means no change.



**PRE-OPEN SESSION**

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*Success is not a random act. It arises out of a predictable and powerful sets of circumstances and opportunities.*



➔ With an intention to reduce volatility in various scrips at the opening of the markets, and to arrive at the ideal opening price of a scrip, the exchanges have introduced a call auction process in the pre-open session.

➔ The pre-open session is a new innovation to arrive at the ideal opening price of a scrip for the current trading session. The session intends to reduce volatility in the beginning of a day. Under this new arrangement, an exchange will collect orders for the first few minutes of this session.

➔ It is basically a session in which people can place the order in stocks OF NIFTY and SENSEX lot. Its timing is 9:00 AM to 9:15 AM

## **INITIAL PUBLIC OFFERING (IPO)**



IPO simply is “An initial public offering (IPO) or stock market launch, is the first sale of stock by a company to the public. It can be used by either small or large companies to raise expansion capital and become publicly traded enterprises

## **52 WEEK HIGH LOW**

The highest and lowest prices that a stock has traded at during the previous year. Many traders and investors view the 52-week high or low as an important factor in determining a stock's current value and predicting future price movement.

## **EQUITY MARKET TIMINGS**

### **Market Timings**

Trading on the equities segment takes place on all days of the week (except Saturdays and Sundays and holidays declared by the Exchange in advance). The market

---

*An egg broken from outside kills a life. An egg broken from inside begins a life.  
Great things always born from within. So have faith in yourself than others.*

timings of the equities segment are:

**A) Pre-open session: Order entry & modification Open : 09:00am - 09:15am**

**B) Regular trading session**

**Normal / Retail Debt / Limited Physical Market Open : 09:15 hrs**

**Normal / Retail Debt / Limited Physical Market Close : 15:30 hrs**

**C) The Closing Session is held between 15.40 hrs and 16.00 hrs [ For official use backup operation,not for investors]**

**Note:** The Exchange may however close the market on days other than the above schedule holidays or may open the market on days originally declared as holidays. The Exchange may also extend, advance or reduce trading hours when its deems fit and necessary.

SOURCE-<http://www.nseindia.com/>

OR

## **INDIAN MARKETS**

Trading on the Indian equities segment takes place on all weekdays.

There is No trading on Saturday, Sunday and Published Indian Stock Market Holidays declared by the Indian Stock Exchange in advance.

The Market Opens at: 09:15 hours and Closes at: 15:30 hours

Pre open trade session will be from 09:00 ~ 09:15 hours

Pre-open trade session is a 15 minute trade session from 9:00AM to 9:15AM

Normal trading for all other stocks will start at 9:15AM till 3:30PM.

## **WHY PRE MARKET SESSION?**

In case a major event or announcement comes overnight before market opens, such events are likely to bring heavy volatility on the next day when the market opens. Special events include merger and acquisition announcements, open offers, delistings, debt-restructurings, credit-rating downgrades etc which may have a deep impact on investors wealth. In order to stabilize this, pre open call auction is conducted to discover the right price and to reduce volatility.

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*If you don't see yourself as a winner, then you cannot perform as a winner.*

*If you don't build your dream, someone will hire you to help build theirs.*

## RECORD DATE

➔ The cut-off date fixed by a company to determine who is eligible to get bonus shares/dividend/or any other benefit. You get the benefit only if you have shares in your demataccount on this date

## EX RECORD DATE

➔ It means after the record date. It is the date on which the share price is adjusted on stock exchanges according to the bonus ratio

## PORTFOLIO

➔ An Portfolio means investing in many securities rather than one or two.

➔ Rule is "Do not put all ur eggs in one basket"



*"Don't put all of your  
eggs in one basket."*

## PTST

- PTST is purchase today and sell tomorrow.
- It will be treated as delivery based trading

## BASIC MANTRA FOR STOCK MARKET PROFIT

- Buy Low & Sell high



## PAPER TRADING

- Paper trading (sometimes also called “virtual stock trading”) is a simulated trading process in which would-be investors can ‘practice’ investing without committing real money.

## 'BUY THE RUMOR, SELL THE NEWS'

'Buy the rumor, sell the news' is something that happens in most markets, particularly financial. Sometimes traders trade based on what they believe will occur in a given economic report or event (the rumor). Once the event passes or the report is released (the news), they dump their positions and the market moves.

---

***Successful People Don't Relax On Chair. They Feel Relaxed With Their Work.  
They Sleep With Their Dreams And Wake Up With A Commitment***



## **TYPES OF POSITION IN STOCK MARKET**

Buying Contract : Long Position

Selling Contracts : Short Position

## **HOW TO DECIDE POSITION:LONG OR SHORT**

Buying Contract : Long Position :When you expect price to rise

Selling Contracts : Short Position:When you expect price to fall

## **REALIZED PROFITS**

Realized profit is profit that comes from a completed trade.

## **UNREALIZED PROFITS**

An unrealized gain is a profit that exists on paper, resulting from an investment. It is a profitable position that has yet to be settled. A gain becomes realized once the position is closed for a profit.

## **FUND TRANSFER**

Pay-In : Money transferred from Bank Account to Demat Account

Pay-Out :Money transferred from Demat Account to Bank Account

## **BONUS ISSUE**

➔ When a company gives a bonus stock to its shareholders, it allots extra stocks to them. They are a gift to the shareholders for trusting and investing in the company. The bonus shares are issued out of the cash reserves of the company.



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*'In the end, it's not going to matter how many breaths you took,  
but how many moments took your breath away'*

## **STOCK SPLIT**

➔ Stock Split literally means what you think it means. The stock is actually split. When a stock split happens, the number of shares held increases



## **RIGHTS ISSUE**

➔ This is also frequently seen in markets. Companies announce a rights issue to their existing stock holder. This is just a way to way to raise fresh capital. Instead of issuing a fresh IPO to complete strangers, the company does a rights issue to it's existing shareholders.

➔ The shareholders can subscribe to the rights issue, if they wish .

➔ For example if a company does a 1:5 rights issue, it means for every 5 shares you hold, you can subscribe to 1 additional share. The advantage here is you will be able to subscribe to the new shares at a lower price than the current market price.

➔ But remember subscribing to all rights issue isn't advisable even though you get shares at a discount. You should always look at the fundamentals of the company and what the company's future plans are before infusing fresh capital into it. And remember, if the rights issue price is almost equal to the current market price, there is no use in subscribing to it.

## **BUYBACK OF SHARES**

➔ Some companies announces a buyback of shares, if it has excess cash reserves and wants to reduce it's outstanding shares in the market. It will given announce a fixed amount for each share and shareholders can choose to give off their shares back to the company at that price.

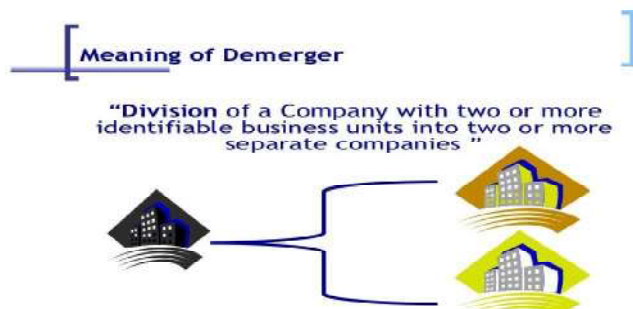
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*More business is lost every year through neglect  
than through any other cause.-*

➔ Usually the price is slightly higher than the current market price so that it provides an incentive for the shareholders to use the buyback opportunity.

## DEMERGER

➔ A demerger is a form of corporate restructuring in which the entity's business operations are segregated into one or more components.



# Sintex Industries

BSE: 502742 | NSE: SINTEX | ISIN: INE429C01035 | SECTOR: DIVERSIFIED | [TRADE NOW](#)

[ADD TO WATCHLIST](#) OR [ADD TO PORTFOLIO](#) Optional 2017-05-26 Optional Shares (Qty)

<b>BSE LIVE</b>	<b>25.80</b> ▼ -78.55 (-75.28%)	VOLUME	40,453,420 ⚡
May 25, 16:00			
PREV. CLOSE	OPEN PRICE	BID PRICE (QTY.)	OFFER PRICE (QTY.)
104.35	18.65	26.05 (8,996)	26.25 (1,500)
WVAP ⓘ	27.62	TODAY'S LOW/HIGH	17.75 — 34.50
MARKET BUY QTY	7.19 L	52 WK LOW/HIGH	17.75 — 121.30
DEPTH ⓘ SELL QTY	2.25 L	LU PRICE BAND	17.75 — 34.50

*Motivation is what gets you started.  
Habit is what keeps you going.*

## CONTRACT NOTE

➔ What details are required to be mentioned on the Contract note issued by the Stock Broker?

A broker has to issue a contract note to clients for all transactions in the form specified by the stock exchange. The contract note inter-alia should have following:

- Name, address and SEBI Registration number of the Member broker.
- Name of partner / proprietor / Authorised Signatory.
- Dealing Office Address / Tel No / Fax no, Code number of the member given by the Exchange.
- Unique Identification Number
- Contract number, date of issue of contract note, settlement number and time period for settlement.
- Constituent (Client) name / Code Number.
- Order number and order time corresponding to the trades.
- Trade number and Trade time.
- Quantity and Kind of Security brought / sold by the client.
- Brokerage and Purchase / Sale rate are given separately.
- Service tax rates and any other charges levied by the broker.
- Securities Transaction Tax (STT) as applicable.
- Appropriate stamps have to be affixed on the original contract note or it is mentioned that the consolidated stamp duty is paid.
- Signature of the Stock broker / Authorized Signatory.

## WHEN TO BUY ANY SHARE AND AFTER BUYING WHEN TO SELL IT I.E IMPORTANCE OF TIMING

➔ As I learned from my mentor that Stock Markets can move up or move down, but smart investors make money during both bull and bear market. It is not possible to time the market 100%, but you should set both target and stop loss for a stock to survive in the market.

➔ Everyone knows that buying right stocks at right price is vital in share markets. But, selling stocks at right time is also equally important. You can't realize profits until you

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*Don't look back when you are moving to success..  
But, Don't forget to look back after reaching success..!!*



sell your stocks.

➔ You can't buy & hold even quality stocks for indefinite amount of time.

➔ Here are some of the proven tips to know best and right time

(1) Stock Hitting Stop Loss Levels

(2) When Stock Hits Your Price Targets

## **BENEFITS OF EQUITY SHARES INVESTMENT**

### **DIVIDEND**

An investor is entitled to receive a dividend from the company. It is one of the two main sources of return on his investment.

### **CAPITAL GAIN**

The other source of return on investment apart from dividend is the capital gains. Gains which arise due to rise in market price of the share.



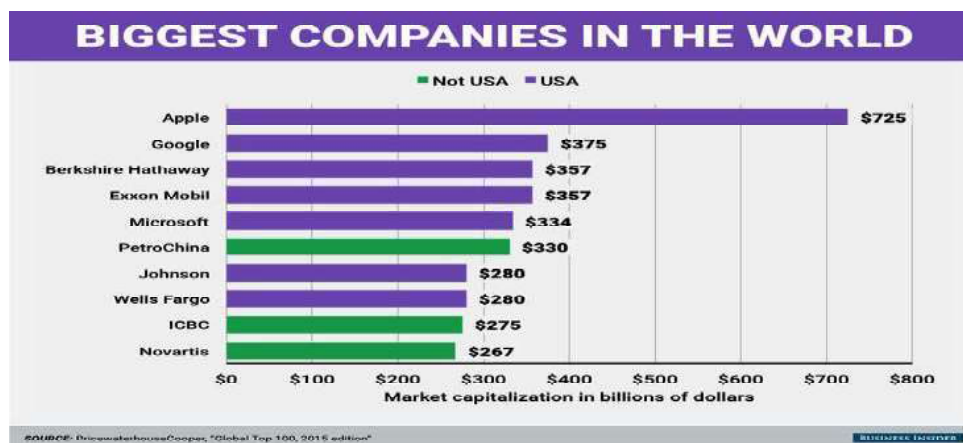
**CAPITAL  
GAINS**

## WHAT IS MARKET CAPITALIZATION?



➔ It is the market stock price multiplied by the total number of shares held by the public. It, thus, reflects the total market value of a stock taking into consideration both the size and the price of the stock. For example, if a stock is priced at Rs. 50 per share, and there are 1,00,000 shares in the hands of public investors, then its market capitalization stands at Rs. 50,00,000.

$$\text{Market Capitalization} = \text{Market Price of share} \times \text{No. of Common Shares outstanding}$$



➔ Stocks on the basis of market capitalization:

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*When defeat comes, accept it as a signal that ur plans are not sound, rebuild those plans & set sail once more toward your coveted goal.*

➔ **Small-cap stocks:**

‘Cap’ is the short form of ‘Capitalization’. As the name suggests, these are stocks with the smallest values in the market. They often represent small-size companies. Generally companies that have a market capitalization in the range of up to Rs. 250 crore are small cap stocks.

➔ **Mid-cap stocks:**

- Mid-cap stocks are typically stocks of medium-sized companies. Generally, companies that have a market capitalization in the range of Rs. 250 crore and Rs. 4,000 crore are mid-cap stocks.

- These are stocks of well-known companies, recognized as seasoned players in the market. They offer you the twin advantages of acquiring stocks with good growth potential as well as the stability of a larger company.

- Mid-cap stocks also include baby blue chips – companies that show steady growth backed by a good track record. They are like blue-chip stocks (which are large-cap stocks), but lack their size. These stocks tend to grow well over the long term.

➔ **Large-cap stocks:**

- Stocks of the largest companies in the market such as Tata, Reliance, ICICI are classified as large-cap stocks. They are often blue-chip firms.

- Being established enterprises, they have at their disposal large reserves of cash to exploit new business opportunities. However, the sheer size of large-cap stocks does not let them grow as rapidly as smaller capitalized companies and the smaller stocks tend to outperform them over time.

- Investors, however, gain the advantages of reaping relatively higher dividends compared to small- and mid-cap stocks, while also ensuring the long-term preservation of their capital.

## **WHAT ARE CIRCUIT FILTERS?**

### **➔ What is the meaning of circuit breaker?**

In simple words, circuit breaker is the limit imposed on stocks or on Index to trade within the range.

If this range is violated then that stock or index will come under circuit breaker system.

### **➔ What is Upper circuit breaker stock in stock market?**

If the stock or index moves in upward direction and violates the upper limit then that stock or index will come under upper circuit breaker

### **➔ What is Lower circuit breaker in stock market?**

If the stock or index moves in downward direction and violates the lower limit then that stock or index will come under lower circuit breaker.

➔ **Please note** - The circuit breaker will apply on both indices (nifty and sensex) even if either of the indices comes under circuit breaker.

➔ Securities and Exchange Board of India specifies this threshold as a percentage

➔ Some stocks are more volatile than others. Too much volatility is not good for investors. To curb this volatility, SEBI has come up with the concept of circuit filters. The market regulator has specified the maximum limit the price of a stock can move on a given day.

### **➔ CIRCUIT LIMITS FOR SENSEX AND NIFTY**

The index-based market-wide circuit breaker system applies at 3 stages of the index movement, either way viz. at 10%, 15% and 20%.

### **➔ CIRCUIT LIMITS FOR INDIVIDUAL STOCKS**

Stock specific circuit filters are applied in both BSE and NSE index; the percentage for circuit filter limit is 2%, 5%, 10%, 20%.

➔ No price bands are applicable on stocks on which derivative (futures and options) products are available. In other words, these stocks can go on a free fall.

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*Life is like a coin Pleasure and pain are the two sides, Only one side is visible at time,  
But remember other side also waiting for its turn*





### WHAT IS MARGIN TRADING?

➔ Many traders trade on the stock market using borrowed funds or securities. This is called margin trading.

### TRAILING STOP-LOSS ORDER



➔ The trailing stop-loss order is actually a combination of two concepts. There is the “trailing” component and the “stop-loss” order.

➔ A stop-loss order is when you specify a certain action to be taken at a certain price. If you buy a stock at \$100 per share and you set up an order for the shares to be sold if prices dip to \$90, you have placed a stop-loss order. You can set a stop-loss order at any value. Essentially, a stop-loss order is a form of investment risk management.

➔ The problem with stop-loss orders is their lack of adaptability; they are static and do not move. For example, if your \$100 per share stock moves up to \$200 and the stop order

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***The most determinative sentence which should always be followed in life-  
THE RACE IS NOT OVER B'COZ I HAVE NOT WON YET....!***

stays at \$90, your downside protection will be worthless.

➔ The trailing stop-loss order adds in a dynamic component to overcome this hurdle. With the trailing feature, the stop-loss order is no longer fixed, but rather trails the price by a certain amount (usually a set percentage) that you specify. In doing so, one of the key advantages of the trailing stop-loss order is that it allows you to lock in profits rather than hold on to a stock for too long only to see your profits disappear.

### ➔ Trailing Stop-Loss Example

You purchase shares of Xerox Corporation (NYSE: XRX) at \$10 per share. You set the trailing stop-loss order at 5%. Thus, if the price falls to \$9.50, your stock will automatically be sold. But as the shares of Xerox rise, so does your trailing stop-loss.

➔ If share prices appreciate to \$14, your trailing stop-loss order now sits at \$13.30.

If Xerox rises to \$20, your trailing stop-loss order will be at \$19.

If the price jumps to \$30 per share, the order is at \$28.50.

Of course, you can set the value to any amount you like. This could be 1%, 5%, or 50%.

## WHAT IS MAHURAT TRADING?

➔ Every year, the stock market is open for a few hours on the first day of Diwali. A special trading session conducted for an hour on the auspicious occasion of Diwali. Usually this takes place in evening. Mahurat trading has been going on for over 100 years on the Bombay Stock Exchange. It marks the beginning of a new financial year called 'Samvat'.



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*All dreams can come true if we have the courage to pursue them  
As you think, so shall you become.*

## BETA STOCKS

➔ The sign merely denotes if the stock is likely to move in sync with the market or against the market.

➔ Higher the beta, greater the volatility and thus more the risk.

➔ For example

A beta of 1 indicates that the security's price moves with the market. A beta of less than 1 means that the security is theoretically less volatile than the market. A beta of greater than 1 indicates that the security's price is theoretically more volatile than the market. For example, if a stock's beta is 1.2, it's theoretically 20% more volatile than the market.

High-beta stocks are supposed to be riskier but provide a potential for higher returns; low-beta stocks pose less risk but also lower returns.

A positive beta value indicates that stocks generally move in the same direction with that of the market and the vice versa.

➔ Negative beta - A beta less than 0, which would indicate an inverse relation to the market - is possible but highly unlikely. However, some investors believe that gold and gold stocks should have negative betas because they tended to do better when the stock market declines.

### Example:

<u>Company</u>	<u>Beta Values</u>
HOUSING DEVELOPMENT FINANCE CORP.LTD.	1.35
CIPLA LTD.	0.93
BHARAT HEAVY ELECTRICALS LTD.	1.38
STATE BANK OF INDIA	1.28
DR.REDDY'S LABORATORIES LTD.	0.62
HDFC Bank Ltd	0.93
HERO MOTOCORP LTD.	0.67
INFOSYS LTD.	0.69
Vedanta Limited	1.28
OILAND NATURAL GAS CORPORATION LTD.	1.18
RELIANCE INDUSTRIES LTD.	1.12

---

*Life has no 2nd edition to correct it later..It has only 1 edition which should be the Best..So lets be careful while writing every page!!*

<b>TATA POWER CO.LTD.</b>	<b>1.34</b>
<b>HINDALCO INDUSTRIES LTD.</b>	<b>1.44</b>
<b>TATA STEEL LTD.</b>	<b>1.36</b>
<b>LARSEN &amp; TOUBRO LTD.</b>	<b>1.38</b>
<b>MAHINDRA &amp; MAHINDRA LTD.</b>	<b>0.87</b>
<b>TATA MOTORS LTD.</b>	<b>1.41</b>
<b>HINDUSTAN UNILEVER LTD.</b>	<b>0.4</b>
<b>ITC LTD.</b>	<b>0.64</b>
<b>WIPRO LTD.</b>	<b>0.53</b>
<b>SUN PHARMACEUTICAL INDUSTRIES LTD.</b>	<b>0.63</b>
<b>GAIL (INDIA) LTD.</b>	<b>0.93</b>
<b>ICICI BANK LTD.</b>	<b>1.14</b>
<b>AXIS BANK LTD.</b>	<b>1.83</b>
<b>BHARTI AIRTEL LTD.</b>	<b>0.55</b>
<b>MARUTI SUZUKI INDIA LTD.</b>	<b>0.81</b>
<b>TATA CONSULTANCY SERVICES LTD.</b>	<b>0.58</b>
<b>NTPC LTD.</b>	<b>0.95</b>
<b>BAJAJ AUTO LTD.</b>	<b>0.63</b>
<b>COAL INDIA LTD.</b>	<b>0.85</b>

### LIQUIDITY

➔ Liquidity describes the degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price.

➔ In the context of market, we can define liquidity in market ie in the stock exchange as the ability of any stock or any derivative contract including futures and options to get sold or bought without taking much hit in the price. You can buy or sell almost at the same price.

➔ The most traded instruments are the most liquid instruments in the market.

➔ Sharemarket liquidity refers to the 'ease' by which shares can be traded, and there are two essential features in defining the word ease.

➔ First, speed. A liquid stock is one that can be sold quickly. For this to happen there must always be willing buyers when sellers choose to sell.

---

*"If your head tells you one thing and your heart tells you another; before you do anything.... Decide first whether you have a better head or a better heart."*



➔ Second, price. Liquidity also implies that a stock can be sold without materially affecting the market price.

## MULTIBAGGER

### **MULTI - BAGGER**

Potential to give **MULTIPLE** times returns.  
Something you will need many **BAGS** for?

➔ A Multibagger Stock in equity stock which gives a return of more than 100%.

➔ These are essentially stocks that are undervalued and have strong fundamentals and strong on corporate governance.

### ➔ Examples of multibagger stocks in India

Caplin Point Laboratorie

Uniply Industries,

Page Industries,

Ajanta Pharma,

Tata Metaliks etc.

Wipro

Eicher Motor

Yes Bank

Symphony

Infosys

Rain Industries

### ➔ How to Identify Multibagger Stock?

-Hunting for a potential multibagger stock is a difficult task. You can follow steps given below to identify potential multibagger stock.

-The debt level of a company should be low. A company should be nearly debt free.

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*The saltiest sea in the world is the Red Sea. The largest ocean is the Pacific Ocean.  
The Artic Ocean is the world's smallest ocean.*

- A revenue of company should be growing.
- A performance history of a company should be good.
- The company should have good source of earning.
- The company business model should be favorable with future business potential and Huge growth potential
- Business expansion, a global market presence or new monopoly product could be added advantage.
- The valuation of stock should be low.
- A management of the company should be strong and clean and decisive.
- Must be Emerging Sectors

### **EVENTS BASED TRADING**

We must be know each and every event and its impact in market. Awareness is the key. Higher the awareness level higher will be the chance of profit.

1. Idea Meger With Vodafone

2. Reliance Jio Effect

3. Financial Tech plunges 66% on NSEL crisis, MCX drops 20%

4. GST gold rate 3% ..titan moves 17%

5. Narendra Modi becoming India's pm..

6. Liquor Ban On Highways.....

.....there are infact unlimited events...and you can make very very easy profit by just researching that event.



---

***Success is like your own shadow...if you try to catch it you will never succeed... ignore it and walk in your own way. It will follow u !***

## BLUE-CHIP STOCKS

➔ These are stocks of well-established companies with stable earnings. These companies have lower liabilities like debt. This helps the companies pay regular dividends.

➔ Blue-chip stocks are thus considered safe and stable. They are named after blue-colored chips in the game of poker, as the chips are considered the most valuable.



## VOLUME

➔ If a company has a stipulated number of shares floated on the exchange, not all of them may be traded in a single day. It depends on demand for the stock. This is understood in the 'volume' section of the stock quote, which shows how many stocks changed hands. A higher trading volume is usually followed by a significant change in the stock price.

➔ Volume is defined as, "the number of shares or contracts traded in a security or an entire market during a given period of time."

➔ For example: If a buyer of a stock purchases 100 shares from a seller, then the volume for that period increases by 100 shares.

➔ Volume reveals the numbers of shares traded in the market

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***Things To Be Learn From A Child..(1) To Be Happy For No Reason.(2) To Be Always Busy Doing Something....Never Lose A Child Inside You!!!***

## **DAY HIGH/LOW**

➔ During market hours, share prices keep changing as more trades are conducted. This is because buying makes the stock more valuable, while selling makes it less valuable. This in turn affects the share price. To give an investor a basis for comparison, the stock quote mentions the highest and lowest prices the stock hit in that day. If the share price is constantly rising, the 'high' would keep climbing. In the same way, the 'low' would keep falling in a down market. Once the market closes, the difference between the highest and the lowest prices gives an idea about the volatility in the stock's price.

## **52-WEEK HIGH/LOW**

➔ This shows the highest and lowest stock price in one year or 52-weeks. This too helps the investor understand the stock's trading range over a broader period of time.

## **NET CHANGE**

➔ The closing price also helps calculate how much the stock's price has changed. This change is written in both percentage as well as absolute value format. It is calculated by subtracting today's price from the previous closing price, and then dividing with the closing price to get the percentage change. A positive change indicates the stock price has increased from the previous day. When the net change is positive, the stock is written in green colour, while red colour is used to denote share price has fallen.

## **LAST TRADED PRICE(LTP)**

- ➔ The last traded price is simply the last price at which a trade occurred.
- ➔ Depending on the liquidity of a market, the last traded price could have occurred one second ago.
- ➔ It is not the price at which you will be able to trade.



## OFFER PRICE VS BID PRICE

➔ Offer price is the price that others are offering their shares at. So you can buy at the offer price.

➔ Bid price is the price that others are willing to buy shares at. So you can sell at the bid price.

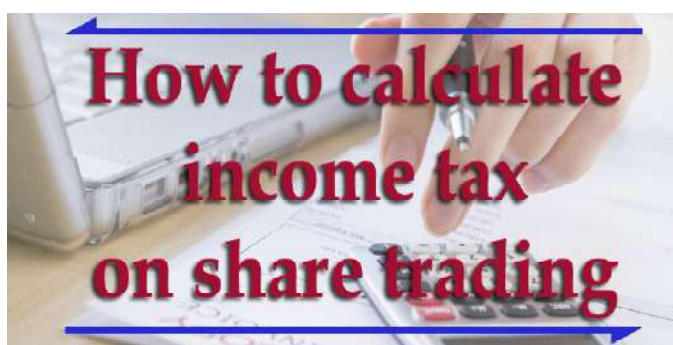
Bid Quantity	Top 5 Bids	Top5 Offers	Offer Quantity
100	179.3	179.35	50
200	179.25	179.4	100
50	179.2	179.45	200
150	179.15	179.5	150
10	179.1	179.55	50

Source: IndianInsight.com

## TAXATION OF STOCK MARKET PROFIT AND LOSS

➔ Investing in equity not only helps you diversify your portfolio but also fetches high returns in the long term. Investing in equity also offers various tax exemptions and deductions which you can avail of on your stock market investments.

➔ If you need any tax advise mail us at [investaaj@gmail.com](mailto:investaaj@gmail.com)



## WHAT IS A BLOCK DEAL?

➔ A single trade having quantity greater than or equal to 500,000 or value greater than or equal Rs. 5 crores, executed through Block deal window.

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*Golden words of success: See the clock only when you have no work, don't see the clock when you are working..clock is a lock for success...*

➔ It has no specific impact on the stock. A block deal happens through a separate window which is provided by stock exchanges. This window is open for only 35 minutes. A block deal happens when two parties agree to buy or sell shares at an agreed price among themselves.

➔ These are the transactions between :

1. Mutual Funds
2. HNIs
3. FII
4. Banks
5. Institutions

➔ It is not for small investors like us.

### **ROLLING SETTLEMENT**

➔ In India, trades in rolling settlement are settled on a T+2 basis i.e. on the 2nd working day after a trade.

➔ For arriving at the settlement day, all intervening holidays, which include bank holidays, exchange holidays, Saturdays and Sundays, are excluded. Typically, trades taking place on Monday are settled on Wednesday, Tuesday's trades are settled on Thursday and so on.

➔ Let's give an example. If you sell the shares of Oriental Bank of Commerce on Tuesday, you would receive payment of the same after 2 days, that is on Friday, because the trade is settled on Thursday.

### **DO I NEED TO MAINTAIN ANY MINIMUM BALANCE IN MY TRADING ACCOUNT ?**

➔ No, there is no minimum balance / margin requirement while opening an account with us. You only need to send an account opening cheque with account opening form and proofs and later on you can transfer funds per your trading requirement.

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*Realize you can't change the past, But you can start a new tomorrow.  
Don't try to do everything at once; Take one step at a time*

## DISCLOSED QUANTITY (DQ)

➔ Disclosed Quantity (DQ)- An order with a DQ condition allows to disclose only a part of the order quantity to the market.

➔ For example, an order of 1000 with a disclosed quantity condition of 200 will mean that 200 is displayed to the market at a time. After this is traded, another 200 is automatically released and so on till the full order is executed. (The Exchange may set a minimum disclosed quantity criteria from time to time).

## CAN I CHANGE MY POSITIONS FROM INTRADAY TO CARRYFORWARD ?

➔ Yes, you can change your positions from Intraday to Delivery. However, this can be done only if you have sufficient margins for the Carry Forward positions. The change of position needs to be done atleast 15 minutes before market closing time in NSE segment including Currency and 30 minutes before market closing time in MCX segment when the auto square off of positions start. Only buy order can be changed.

## CAN I CHANGE MY POSITIONS FROM CARRYFORWARD TO INTRADAY ?

➔ Yes, you may do this, but only upto 15 minutes before the close of the market.

## MARKET MOVERS (TOP GAINER TOP LOSER)



*Every sunset gives us one day less to live! But every sunrise give us, One more to hope! So, hope for the best. Best of Luck!*

➔ Generally Top Gainer of the day must be purchased and Top Loser of the day should be sold.

## **TYPES OF TRADER**

### ➔ **Day Trading**

Also known as 'Intraday', positions are usually entered & exited within the same trading day.

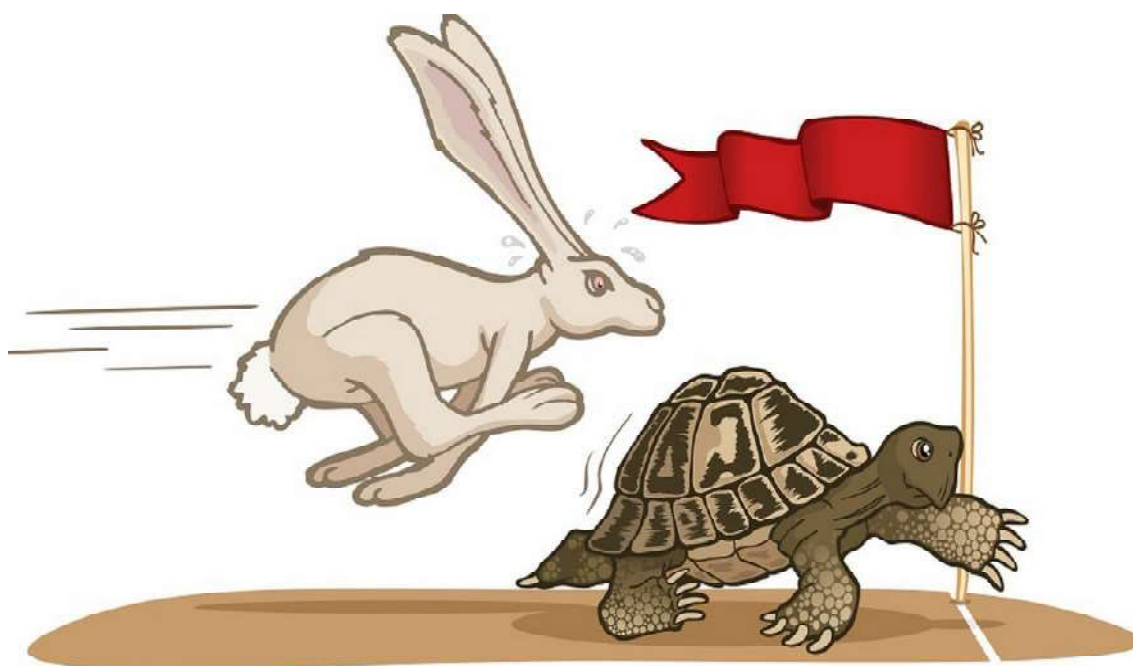
### ➔ **Swing Trading**

Swing trading is typically a short to intermediate term trend following system lasting anywhere from 1 to 30 days.

### ➔ **Position Trading**

Position trading, also known as 'trend trading', can best be described as a 'buy and hold' method. Positions can be open for a few days, a few weeks, a few months or longer.

## **DIFFERENCE BETWEEN TRADING & INVESTMENT**



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*"FORGIVE everyone who hurts you. Understand that they are not bad,  
They are also suffering from some pain deep inside*



<u>Basis</u>	<u>Trading</u>	<u>Investing</u>
<b>Time scale</b>	Short-term, a few days or even minutes	Long-term, years
<b>Reason to buy</b>	Believe a share will move in a certain direction	Believe a company will perform well in the long term and deliver dividends and share price growth
<b>Goal</b>	Make money by buying and selling shares to profit from share price moves	Make money by holding shares in good companies
<b>Research tools</b>	Technical analysis, charts	Fundamental analysis

Finally, investing is a lot less stressful than trading, and with stress a leading cause of illness and depression, who needs more of it? Happy investing!

	Trading	Investing
<b>Time required to be spent</b>	Daily continuous tracking of the stock	Few hours before taking the investment decision
<b>Costs</b>	Higher due to frequent trades	Relatively Lower
<b>Risk involved</b>	High	Relatively lower
<b>Returns</b>	Low (can even tend towards negative over the long term)	Higher
<b>Taxation</b>	Short term Capital Gains tax	None provided held for more than a year

---

*Life is like a coin. Pleasure and Pain are the two sides. Only one side is visible at a time. But remember other side is also waiting for it's turn.*

## **8.HOW TO VALUE INDEX POINTS**

➔ The index reflects the general market trend for a period of time. The index is a broad representation of the country's state of economy. A stock market index that is up indicates people are optimistic about the future. Likewise when the stock market index is down it indicates that people are pessimistic about the future.

➔ For example the Nifty value on 1st of January 2014 was 6301 and the value as of 24th June 2014 was 7580. This represents a change of 1279 points in the index of 20.3% increase. This simply means that during the time period under consideration, the markets have gone up quite significantly indicating a strong optimistic economic future.

➔ The time frame for calculating the index can be for any length of time.. For example, the Index at 9:30 AM on 25th June 2014 was at 7,583 but an hour later it moves to 7,565. A drop of 18 points during this period indicates that the market participants are not too enthusiastic.

➔ Computing index of next day requires the index value and the total market capitalization of the previous day and is computed as follows:

$$\text{Index Value} = \frac{\text{Today's Market Capitalisation}}{\text{Yesterday's Market Capitalisation}} \times \text{Yesterday's Index Point}$$

➔ **Example :** If the market capitalization of 10 securities ( considered to be the index ) as at the beginning of 01.04.2008 amount to Rs. 5 crores is taken as base and equated to 100 and at day end market capitalization amounts to Rs. 5.50 crores, then the index at the end of 01.04.2008 will be 110 .

$$\text{i.e Opening Index} \times \frac{\text{Closing Market Capitalization}}{\text{Opening Market Capitalization}} = 100 \times \frac{5.50}{5.00} = 110$$

If at the end 02.04.2008 , the market capitalization is Rs. 6.30 crores , then the index value would be 126.

$$\text{Opening Index} \times \frac{\text{Closing Market Capitalization}}{\text{Opening Market Capitalization}} = 110 \times \frac{6.30}{5.50} = 126$$

### **DONATION OF SHARES**

➔ You can donate listed stocks to the Lord in demat form.

➔ Account Number 1601010000384828 with the Stock Holding Corporation of India is divine. It belongs to Lord Balaji, opened by the Tirumala Tirupati Devasthanams.

### **TRIGGER PRICE**

➔ If i have selling order the trigger price is 93.00, the limit price is 95.00 and the market (last trade) price is 90.00, then this order will be released into the system once when the market price reaches or exceeds 93.00.

➔ The condition being that the order is activated only when that stock trades at a specific price defined by you. As is the case in any order, you will have to specify the quantity and the limit price (or market price) at which you want the order to be executed. And in addition you will have to specify a Trigger Price.

➔ In a stop loss order you choose limit or market, but with a trigger price. What a trigger price does is that it activates your order which otherwise is inactive.

➔ Trigger price is the price, which if touched, activates an order.

➔ Suppose you are long on a stock at 102. You don't want a loss of more than Rs. 1. So you put a stop loss sell order of Rs 101 with a trigger price of Rs 101.05.

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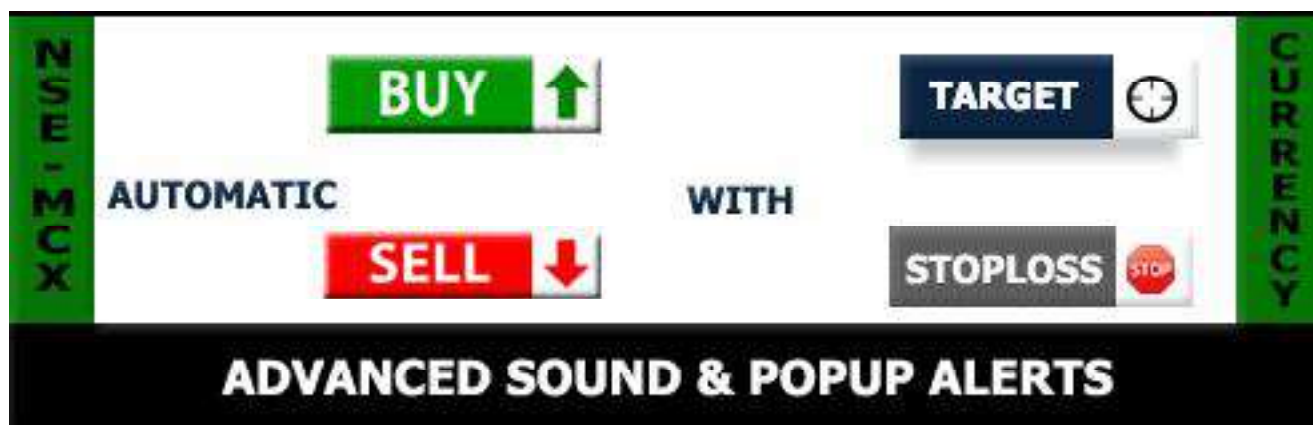
*" There's no such thing of having a bad day, just bad things happening on a good day."*

## ADVANCE DECLINE RATIO



- ➔ To calculate the advance/decline ratio, divide the number of advancing shares by the number of declining shares.
- ➔ Advance means price rise and Decline means price fall.
- ➔ Technical analysts look at advances and declines to analyze the overall behavior of the stock market, in order to discern volatility and to predict whether a price trend is likely to continue or reverse. Typically, a market will be more bullish if more stocks advance than decline.

## AUTO TRADING SOFTWARE



*There 2 ways to establish competitive advantage*

*1. Do things better than others or 2. Do things differently....*



- ➔ Good For Intraday or short term investor.
- ➔ Automated Trading or Algorithmic Trading is a computer trading program that automatically gives buy sell signal without any human intervention.
- ➔ In the Trading ecosystem, Automatic Trading is a word of an hour now.
- ➔ There are many auto trading software ,mail us at [investaaj@gmail.com](mailto:investaaj@gmail.com) if you want more details.



## IMPORTANCE OF EDUCATION

- ➔ THE RULE IS FIRST LEARN AND THEN EARN
- ➔ Share market trading and investing requires appropriate knowledge, so it is advisable to gain adequate knowledge before you start trading and investing.”
- ➔ Ignorant and Uneducated individual who trades In Market Is A Gambler.

**“An investment in knowledge pays the best interest.”**

- ➔ When it comes to investing, nothing will pay off more than educating yourself. Do the necessary research, study and analysis before making any investment decisions.

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***One Of My Favourite Line "Its Better To Stay Away From Those Who Try to Avoid you...Because, Walking alone is better than walking alone in a Group'***



## **BE THE STUDENTS OF THE MARKET**

➔ In Today's Knowledge-Based Economy, What You Earn Depends On What You Learn

***OUR MOTIVE——MONEY MUST GROW***

## **HOW TO INCREASE KNOWLEDGE/ STOCK MARKET AWARENESS/HOW TO DO RESEARCH**

Apart from attending my class

1. Referring Pen Drive Material/Books Given By ME



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***" One second, one minute, one hour, one day, one week, one month, one year:  
and you are one year older. Make full use of your time."***

## 2. Keeping Updated by following medium

(i). News Channel



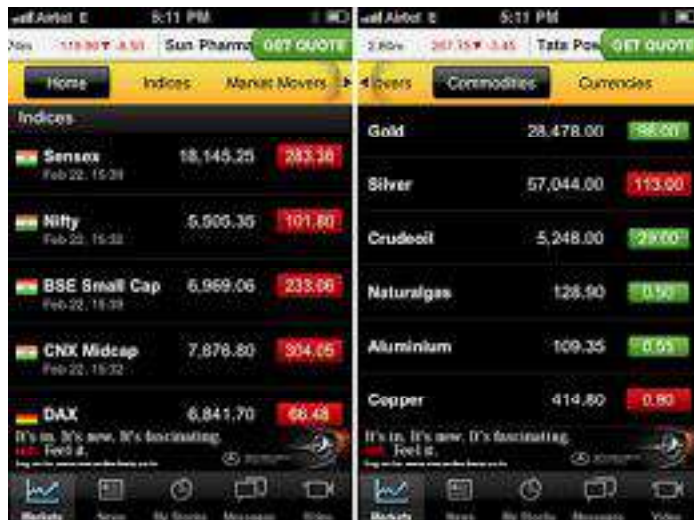
(ii). News Paper



(iii). Websites



## 3. Business Related App



4. Start Trading in very very small amount just to learn in all avenues stated in class.

---

*Diamonds were first discovered in the riverbeds of the Golconda region of India over 4,000 years ago.*



## **FDI VS FII**

➔ Full form of FDI is Foreign Direct Investment while full form of FII is Foreign Institutional Investor.

**The significant differences between FDI and FII are explained below:**

➔ Foreign Direct Investment or FDI is defined as the investment made by a company in the company situated outside the country. Foreign Institutional Investor or FII is when investors, most commonly in the form of institutions that invest in the country's financial market.

➔ FII is a way to to make quick money, the entry and exit to the stock market are very easy. On the other hand, the entry and exit are not easy in FDI.

➔ FDI brings long-term capital in the investee company whereas FII may bring long or short term capital in the country.

➔ In the case of FDI, there is the transfer of funds, resources, technology, strategies, know-how. Conversely, FII involves the transfer of funds only.

➔ FDI increases job opportunities, infrastructural development in the investee country and thus leads to economic growth, which is not in the case of FII.

---

***Be grateful that you don't have everything you want...***

***That means you still have an opportunity to be happier than you are today!!!***



→ FDI results in the increase in the country's productivity. As opposed to FII that results in the increase in the country's capital.

→ FDI targets a particular company, but FII does not target a particular company.

→ FDI obtains management control in the company. However, FII does not enable such control



### FII & DII

→ The DII is known as domestic institutional investors. The FII is known as foreign institutional investors. Both are institutional investors and have a lot of money collected from investors to invest. The mutual fund can be considered institutional investors.

→ They have a lot of influence on the market. Because of their money power, they can make rise and fall in the stock market index or the prices of any individual stock. Because of their money power, they buy shares of any company in large quantities, which in turn pushes up the market price of the shares of the company. Similarly, when they sell in large quantities, the prices fall. So, they are capable of swinging the market behaviour of any stock exchange.

### HIGHEST SHARE PRICE

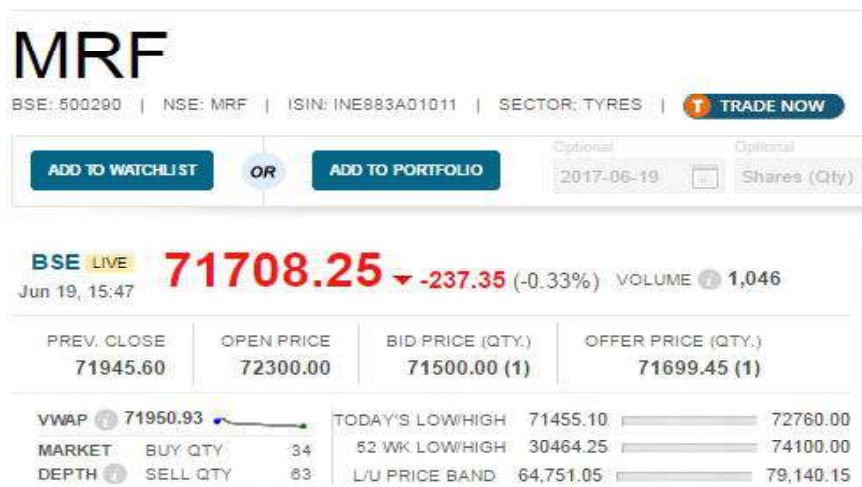
#### Berkshire Hathaway:

One share in Warren Buffett's Berkshire Hathaway now costs \$200,000. The company is known for its control by investor Warren Buffett, who is the company's chairman, president, and CEO and largest shareholder of Berkshire Hathaway. It claimed an overall 751,113% gain during the 1964-2014 period.



**MRF:**

MRF the largest manufacturer of tyres in India touched a 52-week high of Rs 51,486.90 in today's trade. The company is the most expensive stock by share price on Bombay Stock Exchange. MRF hits Rs 50,000, but at 10 PE it is third cheapest tyre stock in market Moneycontrol undertook a study to find out the number of companies whose stock price was trading above Rs 15000 as of today. As a filter, we shortlisted the top five expensive companies by share price. They are MRF, Eicher Motors, Bosch, Shree Cement and Page Industries.



***Motivation is what gets you started.  
Habit is what keeps you going.***

## **GOLDEN RULES FOR TRADER**



### **RULES/Tips for Successful Share Trading**

**Always Remember “Trading is a simple process, but not easy”.**

1.No Trading with Borrowed Capital.



2.INVESTMENT-Risk Only What You Can Afford to Lose.Invest only 1 TO 10 % of your total idle/SPARE money .Rest keep safe in Fixed Deposit.



---

*Live with no excuses and love with no regrets. When life gives you a hundred reasons to cry, show life that you have thousand reasons to smile.*

3. Do not invest all your money in one stock. Always try to build a portfolio.



4. LOSS- Never lose more than 10% of your Capital Investment in Delivery & 2% per day in Intraday. If it happens book your loss.

Rule No.1: Never lose money.  
Rule No.2: Never forget rule No.1.

*Warren Buffett*



5. Don't buy or sell without any reason.

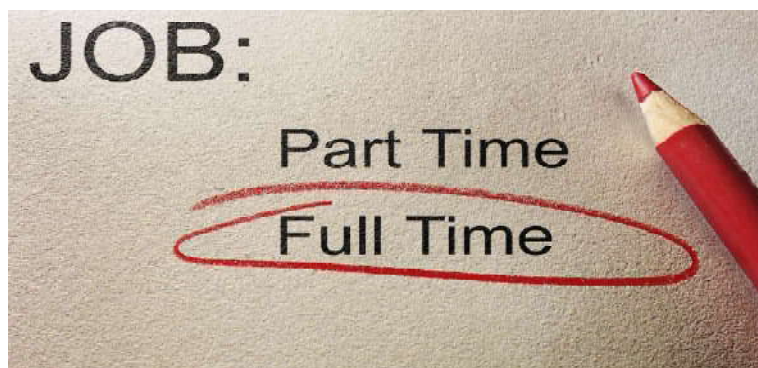


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*A lot of people end up unhappy in life because they make the mistake of having permanent decisions for temporary emotions.*



6. Intra Day Trading is a full time job. Don't do it if you can't stay with the market for the entire day.



7. Practice Before You Jump In [Paper Trading]. For Intraday at least you need to practice for 1 year before actual trading. Deliver Based Trading you can start from Day 1.

You **Play**  
the way you  
**Practice**

8. Sit before Television for at least a month to understand market fluctuation before actual trading.

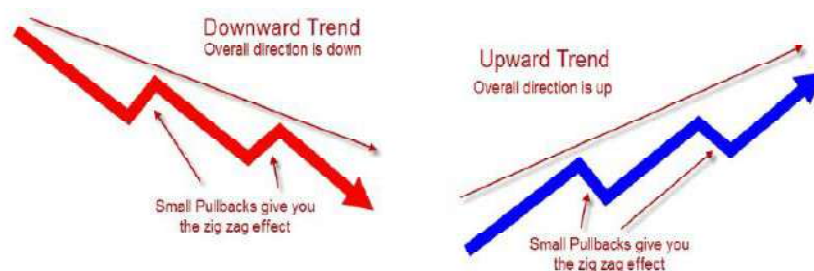


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*A kid asked Swami Vivekanand, Sab kuch khone se zyada bura kya hai? Swamiji replied, wo ummid khona, Jiske bharose pe hum sab kuch vapas pa sakte hain.*

**9. Never Trade Against Security/Market Trend.** Don't enter a trade if you are unsure of the trend. Do not trade against the trend. If a stock or the market is trending down and you begin to buy, you are trading 'against' the market. Don't fight the market Trend. Always follow market trend.

### What is The Trend Line ?



**10. Preferably start trading around 9.30 am to know the clear market direction.**



**11. Exit from a position as soon as there is trend reversal .Remember Market Punishes those who do not respect trend reversal & stay in losing trade .Avoid getting in wrong and out wrong; or getting in right and out wrong. This is making a double mistake.**

---

*Don't judge a person by what others say. Sometimes the person may be true to you, but not to others. The same sun which melts the ice hardens the clay.*



**12.** Always set your targets before entering a stock else you end up making losses because of unplanned decision. Set Your Profit Target- Never let a profit turn into a loss; Remember daily 1% return means 300% yearly. If you are earning Re.1 from investing Rs.100, book your profit immediately. Avoid greed. Remember Market Punishes those who do not book profit on time.



**13.** TRYING TO CASH ON RUMORS/guesses/SPECULATION-NEVER BUY SELL BEFORE ANY EVENT. Let the event happen. If the event is good Buy and If Bad Sell.



**SPECULATIONS**

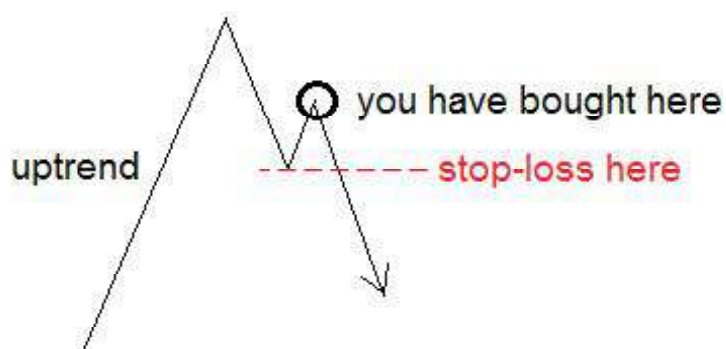
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*Performance always come from passion and from pressure .  
Be passionate, love what you do and do what you love.*

**14.** Never buy or sell just because the price is low or high. Do not be afraid to buy at high prices and sell at low prices. Do not buy just because it is a low price & do not sell because it is high.



### **15. ALWAYS USE STOP LOSS**



### **16. RELYING ON LUCK & GOD**

Luck factor is very less in stock markets. Investing is all about your own strategies, hectic analysis, patience and the knowledge you have about the company in which you are investing. When you lose don't blame it on luck. God will never let ur loss position convert into profit. Hence donot involve god into ur trading business.

---

*Right things are not possible always. Possible things are not right always.  
Be true to your heart, you will never go wrong.*





**17.**For intraday you must sit before tv all the time when you are doing trading. Any breaking news can make or break ur position. Once i was doing intraday and i was in good profit ..i went for lunch for 15 min...and my all profit position turned into huge loss..reason..breaking news flased on TV that India makes a surgical stike on Pakistan....



**18.**Trade with a calm mind. Use discipline and patience versus emotion and panic.



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*New day new blessings, don't let yesterdays failures ruin the beauty of today, because each day has its own promise of love, joy, forgiveness.*

**19.** Emotion is the enemy when trading. If you don't change your attitude towards market, you will get the same results what you are getting now.



**20.** Never Trade In Doubt. When in doubt the best thing to do is 'Get Out', and don't 'Get In' when in doubt. Simply put, when in doubt prefer staying at home and enjoy the company of your loved ones. Avoid get rich quick mentality.



**21.** Find out which events move Markets. Today there was a hope that GST will pass hence sir taken long position. Also as soon as Bihar cm announced that liquor will be banned, united spirit fell by Rs.200 .Sure shot profit. The reaction to news is more important than the news itself. Sell when there is bad news and Sell when there is good news.



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*When things get bad, pray they get worse and overcome them .. Challenge yourself and push yourself to your limits ... this is only way to truly become great*

22. Donot take any position just on the basis of your speculation before any important events.



## **GOLDEN RULES FOR ALL INVESTORS**

➔ Among many other rules explained in class, The three golden rules for all investors are:

1. Invest early
2. Invest regularly
3. Invest for long term and not short term

## **PENNY STOCKS**



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*To smile without condition, to talk without intention, to give without reason and to care without expectation is the beauty of any relation.*

➔ Penny stocks are those that trade at a very low price, have very low market capitalisation, are mostly illiquid.

➔ Penny stocks in the Indian stock market can have prices below Rs 10. These stocks are very speculative in nature and are considered highly risky because of lack of liquidity, smaller number of shareholders, large bid-ask spreads and limited disclosure of information.

➔ Investment in Penny share category is a risky one as penny shares lack fundamentals and lot of manipulation and rumours will happen in that category.

### HOW CREDIT RATINGS AFFECT THE MARKETS

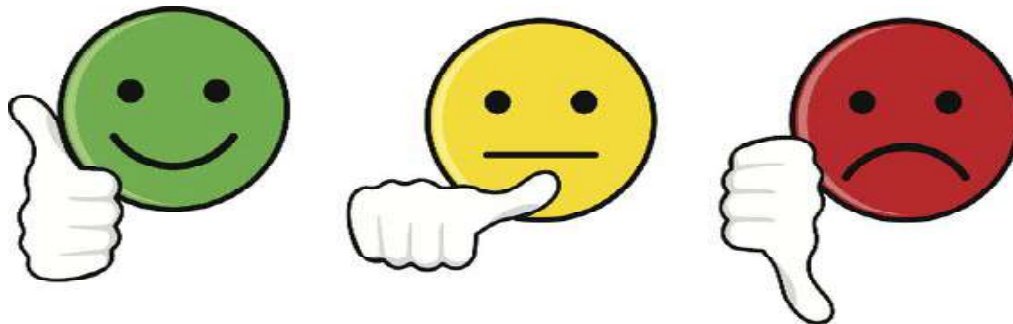
➔ The market reacts more strongly to rating downgrades and rating upgrades.

➔ Credit ratings agencies downgraded bonds issued by IDBI Bank and Reliance Communications, seriously impacted their stock prices. The counters fell 22% and 40%, respectively in few month.



*The size of your problems is nothing compared with your ability to solve them.  
Don't overestimate your problems and underestimate yourself.*





- 1 • Improves Corporate Image
- 2 • Lowers Cost of Borrowing
- 3 • Wider Audience for Borrowing
- 4 • Good for Non-Popular Companies
- 5 • Act as a Marketing Tool
- 6 • Helps in Growth and Expansion

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*We always feel that life of others is better than us.  
But we always forget that we are also others for someone else.*

### What do the letter ratings mean?

The general meaning of our credit rating opinions is summarized below.

**‘AAA’—Extremely strong capacity to meet financial commitments. Highest Rating.**

**‘AA’—Very strong capacity to meet financial commitments.**

**‘A’—Strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances.**

**‘BBB’—Adequate capacity to meet financial commitments, but more subject to adverse economic conditions.**

**‘BBB-’—Considered lowest investment grade by market participants.**

**‘BB+’—Considered highest speculative grade by market participants.**

**‘BB’—Less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions.**

**‘B’—More vulnerable to adverse business, financial and economic conditions but currently has the capacity to meet financial commitments.**

**‘CCC’—Currently vulnerable and dependent on favorable business, financial and economic conditions to meet financial commitments.**

**‘CC’—Currently highly vulnerable.**

**‘C’—Currently highly vulnerable obligations and other defined circumstances.**

**‘D’—Payment default on financial commitments.**

### OIL PRICES & ITS IMPACT ON MARKET



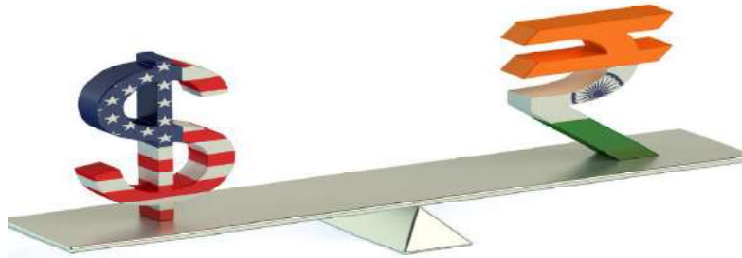
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*In the game of life, sometimes people kick us as if we are football, but they don't know that they themselves are sending us near the goal. Think positive.*

→ Investors might want to consider shorting the stocks of companies who uses oil as raw material when oil prices are high. Conversely, it makes sense to buy when oil prices are low.

→ We believe that lower crude impact has a bigger impact on CCC (Common Man, Country Finances and Corporate Sectors)

## **DOLLAR RUPEE FLUCTUATIONS AND ITS IMPACT ON MARKET**



→ Indian companies can be divided into two groups based on the impact of currency fluctuation on their stock price and profitability:

**Net Exporters** – These companies sell product to outside world and receive payment in foreign currency (be it dollar, pound, euro etc). Whenever rupee appreciates as compared to these currencies, companies are exposed to translation loss as they can buy fewer rupees with same amount of foreign currency. This translation loss hurts their profitability since the raw material cost is in terms of rupees. Similarly, company's profitability increases in case of rupee depreciation.

**Net Importers** – These companies buy product from outside world and make payment in foreign currency. Whenever rupee appreciates they are able to buy more foreign currency for payment resulting in overall translation gain. Profitability of companies increases in this case and similarly, profitability decreases when rupee depreciates.

### **Choosing the sectors to invest**

Now we know the broad impact of currency movement so let's focus on the sectors where

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*Great word By Abdul Kalam... 'Intezar karne valoi ko sirf utna hi milta he..Jitna koshish karne vale chhod dete hai'*

one should bet (long or short) in case of anticipated currency movement (up or down)

### **Information technology (Infosys, TCS, Wipro)**

This is one of the sectors which are most sensitive to exchange rates. It falls into category of net exporter hence benefits from rupee weakness as compared to foreign currency. This is one of the recommended sectors to take exposure for short term as the stock price movements are in the tune of 4 to 5% in very short span of time.

### **Textiles (Arvind Mills)**

This sector is a net exporter and receives most of the payment in dollar terms. It benefits once the rupee gets weak.

### **Petrochemical (Reliance)**

Earnings in most businesses of this sector are linked to dollar as the key raw material i.e. crude oil is purchased in USD. Rupee appreciation benefits this sector in short and long term.

### **Pharmaceuticals (Ranbaxy, Dr Reddy's Labs)**

This sector has exposure both in terms of export and import. They earn foreign currency through exports but they need it for importing various chemicals too. This sector is a tricky one with respect to exchange rates.

### **Auto (Maruti, M&M, Bajaj Auto)**

This sector has considerable amount of income from export of vehicles. It benefits from rupee weakening but there is one more angle to it. Sometimes the parts they use for assembly are imported. The one who uses more indigenous parts benefits the most in case of rupee depreciation.



Sector	Category	Rupee	Exposure
Information Technology	Exporter	Strong	Sell
		Weak	Buy
Textile	Exporter	Strong	Sell
		Weak	Buy
Petrochemical	Importer	Strong	Buy
		Weak	Sell
Pharmaceuticals	Exporter/Importer	Strong	Tricky
		Weak	Tricky
Auto	Exporter	Strong	Sell
		Weak	Buy

### **WHAT IS PROFIT BOOKING ?**



➔ If you have regularly observed the stock market, you may have noticed that a lot of time when the market falls, experts attribute this fall to profit booking. The concept of profit booking is known to a lot of people. However, the knowledge is merely superficial. In this article, we will have a closer look at the concept of profit booking.

#### **➔ What is Profit Booking ?**

Profit booking, also known as profit taking is when individuals or companies liquidate their holdings to cash out the profits that they have created. It must be understood that for a situation to be called profit booking, there has to be a profit involved. If stocks are liquidated and cashed out to avoid losses, then such a situation cannot be called profit booking. There are a couple of more features of profit booking that are described in this article.

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***Success is never achieved by the size of BRAIN but always by the size of THOUGHTS. Think big. Think positive. Think to do Different. Think to achieve.***

### → **Notional Wealth vs. Real Wealth**

When stocks rise in value, the resultant wealth created is nominal wealth. This is because the price of stock is only a notion that can change at any point in time. Therefore the value is not stable and keeps on fluctuating. Any profits and losses calculations made using this value are merely notional.

On the other hand, when the investments are liquidated, investors have hard cash in their hands. The value of hard cash does not fluctuate. Therefore the wealth created is real. Therefore, in other words, the transfer of nominal wealth to real wealth can be called profit booking.

### **Temporary vs. Permanent**

When profit booking is done, money flows out of the market. People liquidate their shares for cash. Therefore, there is an inflow of shares and an outflow of cash. This situation leads to the price of the stocks falling. As a result a slump is created in the market when a lot of people indulge in profit booking. However, the slumps created as a result of profit booking are extremely temporary in nature. These issues get resolved and the stock price comes back to normal in a matter of days since there is no problem with the fundamentals of the stock. Profit booking are just temporary aberrations created by market sentiments.

### **Situations in Which Profit Booking is Commonly Done ?**

The following situation leads to investors cashing out their investments en masse.

**Company Specific News:** There may be times when company specific positive news hits the market. Let's say this company has won a massive contract or has developed some new technology. In such case, at first a lot of people will start buying the stock. This excessive buying will lead to a price rise. As a result, the investment targets of a lot of people are met. This causes them to sell out their stock causing a temporary slump in the market induced by profit booking.

**Sector Specific News:** Just like there can be positive news for a single company, there can also be positive news for a sector. Once again, first there will be a rise in price followed by

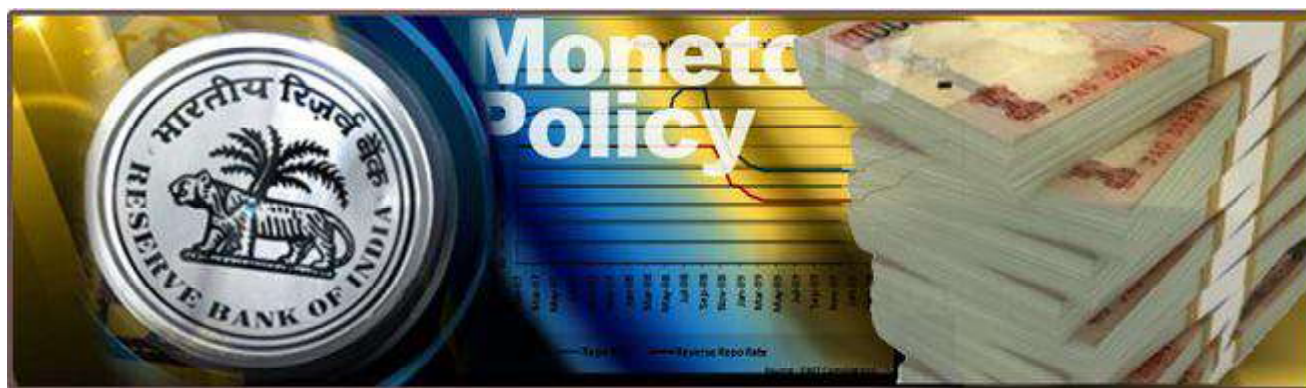
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***LIFE is very similar to a Boxing RING. DEFEAT is not declared  
When you fall DOWN..It's declared when You REFUSE to Get Up..!!***

a peak, then followed by a selloff leading to a temporary slump.

**Economic Data:** Macro economic data can also cause people to book profits. In some cases, the future projections of macroeconomic data may not be that positive. As such organizations and individuals may want to cash out their investments given the bleak future opportunities.

## **WHAT IS RBI POLICY? HOW ITS EFFECTS NSE MARKET?**



➔ The RBI through its monetary policies like Bank Rate, Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR) can increase/decrease the credit available to the banks. RBI also used Repo rate and Reverse Repo rate to achieve its objective.

### **Cash Reserve Ratio (CRR)**

Banks in India are required to hold a certain proportion of their deposits in the form of cash.. The commercial banks have to keep reserve as a deposit with the RBI. RBI uses CRR either to drain excess liquidity or to release funds needed for the growth of the economy from time to time. Increase in CRR means that banks have less funds available and money is sucked out of circulation. Cash Reserve Ratio is set by the RBI and it is changed as per the requirements of the economy

### **Statutory liquidity ratio**

Statutory liquidity ratio also called as SLR is a reserve requirement that the banks in

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*Drop of water in lake has no identity, but it is falls on lotus, it shines like pearl.  
Choose best place where you can shine. Be a Pearl*

India should maintain in the form of gold or government approved securities before providing credit to their customers in India. This SLR regulates the credit growth in India.

### **Repo rate**

Repo rate is the rate at which the RBI lends short-term money to the banks against the govt approved securities. If RBI wants to limit the credit growth in the economy, it can make the borrowing expensive for the bank by increasing the repo rate. Similarly, if bank want to expand the credit in the economy, it wants to make it cheaper for banks to borrow money, by reducing the repo rate

### **Reverse Repo Rate**

Reverse Repo Rate is a monetary policy instrument which can be used to control the money supply in the country. Reverse Repo rate is the rate at which banks deposit's their short-term excess liquidity with the RBI. The banks use this tool when they feel that they are stuck with excess funds and are not able to invest anywhere for reasonable returns.

#### **Note:**

If the RBI wants to reduce inflation, it makes loans expensive by increasing interest rates. And, it cuts rates when it wants to encourage borrowing and induce growth.

We take a look at how the Central Bank rate cut will impact the economy:

- 1. Infrastructure investment to get a push:**
- 2. Home loans and corporate loans to be cheaper:**
- 3. Housing sector will get a boost:**
- 4. Realty sector:**
- 5. Auto sector:**

### **Impact on stock markets**

If you watch investment channels or read business papers, you will know that the financial markets pay obsessive attention to the actions of the RBI. This is with good reason since any changes in monetary policy has an immediate impact on financial markets.

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*Truth is like surgery, it hurts but it cures and lie is like a pain killer,  
it gives relief but has side effects later.*



In general a tighter policy will hurt investor sentiment and stock prices. There will be less liquidity floating around and higher interest rates will raise the cost of capital for companies hurting their bottom lines and stock prices. Companies which have high levels of debt are especially vulnerable.

A tighter policy will harm some sectors like banking and real estate more than others. For example banks don't earn interest on the reserves they keep with the RBI; therefore an increase in the CRR immediately hurts their bottom line. Similarly if tighter policy leads to higher interest rates, this will reduce demand for housing as home loans become more expensive.

### **CELEBRITIES INVESTMENT IMPACTING STOCK PRICES RISE**



→ Everyone likes having someone to aspire to, and mimicking the success of Warren Buffett or RAKESH JHUNJHUNWALA is every novice investor's dream.

→ **Examples:**

Rakesh Jhunjhunwala acquires 1.4 % stake in Spicejet. Rakesh Jhunjhunwala has last laugh as SpiceJet up 400% since investment.

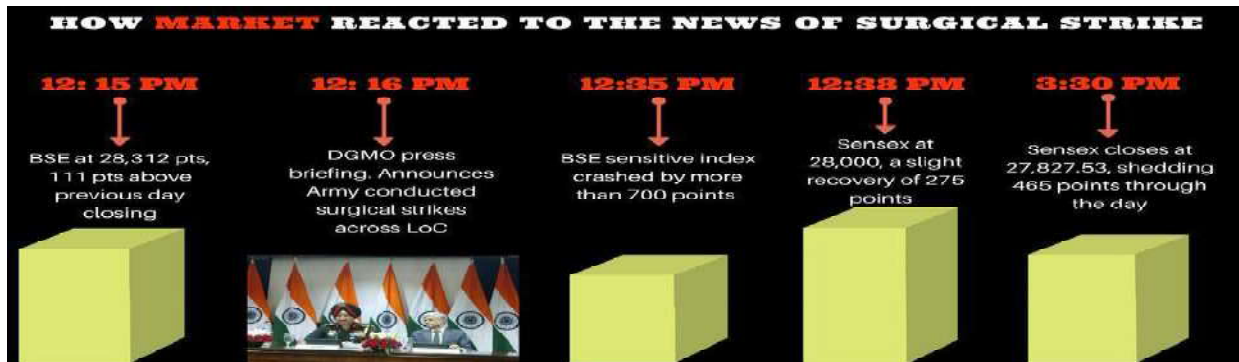
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***When you trust a person you finally get one of the two results:-  
A person for life.. Or a lesson for life..***

Amitabh Bachchan Invests in Nitin Fire, Shares Jump 10%.

Jet Airways shares surge as Rakesh Jhunjhunwala buys stake: In intra-day trade, shares of Jet Airways gained as much as 10.6% to touch a high of Rs483 a share on BSE, a level last seen on 15 April

### WAR & ITS IMPACT IN MARKET



➔ The stock market hates uncertainty & violence, and there is plenty of uncertainty in case of War like situation. Market loves peace. Hence in war like situation, market will fall.

➔ **Example**- Sensex tanks 465 points as India carries out surgical strikes against Pakistan



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*Life is a most difficult exam, but many people fail because they try to copy others, not realizing that everyone has a different question paper.*

### Conclusion

Now that you've finished reading this book, I just want to let you know that you already know sooo much. What took me 6 whole months to understand, you just read in this past hour or so. And believe me when I tell you this: You are **READY**. You already have what it takes to be an investor. All you have to do now is take a step forward by following the steps and guides above.

With that, I'd like to ask a little something from you. I would like for you to read the words below aloud. It may sound corny but do it anyway. These words summarize on who you have become in the process of reading this book (and well, it's also an awesome way of ending the book too!) So are you ready? Let's say this all together now.

**“I am no longer a slave to money. I am free.  
I am no longer a spender and I am better than a saver.  
I am an investor. And I make my money work hard for me!”**



**INVEST**  
**आत**

**Investment Bacho ka khel**

**Small Step To Richer Journey**  
For Demat Gold Mutual Fund

**A VENTURE OF AADITYA JAIN CLASSES**  
investaaj@gmail.com

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*Life is a most difficult exam, but many people fail because they try to copy others,  
not realizing that everyone has a different question paper.*

## DERIVATIVES



### INTRODUCTION

➔ The value of financial instruments like shares keeps fluctuating. So, it is difficult to fix a particular price. Derivatives instruments come handy here.

➔ These are instruments that help you trade in the future at a price that you fix today. Simply put, you enter into an agreement to either buy or sell a share or other instrument at a certain fixed price.

➔ One of the key features of financial markets are extreme volatility. Prices of foreign currencies, petroleum and other commodities, equity shares and instruments fluctuate all the time, and poses a significant risk to those whose businesses are linked to such fluctuating prices. To reduce this risk, modern finance provides a method called hedging. Derivatives are widely used for hedging. Of course, some people use it to speculate as well.

### TYPES OF DERIVATIVES CONTRACT

(i) FUTURES & (ii) OPTIONS

### TYPES OF DERIVATIVES INSTRUMENT

(i) STOCKS (ii) INDEX (iii) COMMODITY (iv) CURRENCY

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*" There's no such thing of having a bad day, just bad things happening on a good day."*



## STOCK FUTURES

- ➔ Future contract is an agreement to buy or sell a specified quantity of underlying equity share for a future date at a price agreed upon between the buyer and seller.
- ➔ NSE commenced trading in futures on individual securities on November 9, 2001.
- ➔ The futures contracts are available on 175 securities stipulated by the Securities & Exchange Board of India (SEBI)



## LOT/CONTRACT SIZE

In the derivatives market, contracts cannot be traded for a single share. Instead, every stock futures contract consists of a fixed lot of the underlying share. The size of this lot is determined by the exchange on which it is traded on. It differs from stock to stock. For instance, a Reliance Industries Ltd. (RIL) futures contract has a lot of 250 RIL shares, i.e., when you buy one futures contract of RIL, you are actually trading 250 shares of RIL. Similarly, the lot size for Infosys is 125 shares.

## EXPIRY

Contracts expire on the last Thursday of the expiry month. If the last Thursday is a trading holiday, the contracts expire on the previous trading day.

What is the expiry date of a futures contract?

The expiry date of a futures contract is the date on which the buyer and seller have to settle their obligations to the exchange.

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*Each problem has hidden in it an opportunity, the greatest success stories were created by people who recognized a problem and turned it into an opportunity.*

**Example:** If you want to purchase a single July futures contract of ABC Ltd., you would have to do so at the price at which the July futures contracts are currently available in the derivatives market. Let's say that ABC Ltd July futures are trading at Rs 1,000 per share. This means, you are agreeing to buy/sell at a fixed price of Rs 1,000 per share on the last Thursday in July. However, it is not necessary that the price of the stock in the cash market on Thursday has to be Rs 1,000. It could be Rs 992 or Rs 1,005 or anything else, depending on the prevailing market conditions. This difference in prices can be taken advantage of to make profits.

Futures contracts have a maximum of 3-month trading cycle - the near month (one), the next month (two) and the far month (three). New contracts are introduced on the trading day following the expiry of the near month contracts. The new contracts are introduced for a three month duration. This way, at any point in time, there will be 3 contracts available for trading in the market (for each security) i.e., one near month, one mid month and one far month duration respectively.

### **INITIAL MARGIN**

Initial margin is defined as a percentage of your open position and is set for different positions by the exchange or clearing house. The factors that decide the amount of initial margin are the average volatility of the stock in concern over a specified period of time and the interest cost. Initial margin amounts fluctuate daily depending on the market value of your open positions.

### **WHAT ARE INDEX FUTURES**

➔ A stock index is used to measure changes in the prices of a group stocks over a period of time. It is constructed by selecting stocks of similar companies in terms of an industry or size. Some indices represent a certain segment or the overall market, thus helping track price movements. For instance, the BSE Sensex is comprised of 30 liquid and fundamentally strong companies. Since these stocks are market leaders, any change in the fundamentals of the economy or industries will be reflected in this index through movements in the prices of these stocks on the BSE. Similarly, there are other popular indices like the CNX Nifty 50, S&P 500, etc, which represent price movements on different exchanges or in

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***Fear is an illusion. Make your own reality and step up to any challenge  
, no matter how great.***

different segments.

➔ Futures contracts are also available on these indices. This helps traders make money on the performance of the index.

## **COMMODITY FUTURES**



### **WHAT ARE COMMODITY FUTURES?**

➔ Commodity Futures are contracts to buy specific quantity of a particular commodity at a future date. It is similar to the Index futures and Stock futures but the underlying happens to be commodities instead of Stocks and Indices

➔ Commodity trading is an age-old phenomenon, which involves the buying and selling of primary products packaged as standardized contracts. It is very similar to the trading of equity on a stock exchange; however, an investor buys and sells commodity products instead of the shares of a company.

➔ Using a commodities futures contract, a farmer can sell his harvest much before he has planted it, even though he may get a better price for it in the future. If a boom in demand raises prices by the time the crop is available, the buyer of the futures contract wins. However, if prices fall, the speculator will make serious losses.

➔ The following factors have an impact on commodity prices:

(i) Demand & Supply

(ii) Natural Factors: Soil and climatic conditions, natural calamities etc.

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*If you like someone, show it. It will be sweeter than telling. But if you don't like someone. Just tell it. It will be less painful than showing it.*

(iii) Government Policies - e.g. EXIM Policies like tariff rates, minimum support prices  
Annual production, consumption and carry-over quantity of stocks

(iv) Economic policies and conditions:

Interest Rates - e.g. hike in federal rates bring down the dollar, thereby increasing lucrativeness of investment in precious metals.

### ➔ Indian Commodity Market Details-

Supply – World's leading producer of 17 Agri Commodities

Demand – World's, major market of Bullion, Foodgrains, Edible oils, Fibers, Spices and plantation crops.

GDP Driver – Predominantly an AGRARIAN Economy

Captive Market – Agro products produced and consumed locally

Width and Spread – Over 30 major markets and 5500 Mandies

Waiting to Explode – Value of production around Rs. 3,00,000 crore and expected futures market potential around Rs. 30,00,000 crore.

## TYPES OF COMMODITIES

The term 'commodity' is a very broad term and it includes –

Bullion – gold and silver

Metals – Aluminum, copper, lead, iron, steel, nickel, tin, zinc

Energy-crude oil, gasoline, heating oil, electricity, natural gas

Weather- carbon

Oil and oil seeds – crude palm oil, kapsica khali, refined Soya oil, Soya bean

Cereals- barley, wheat, maize

Fiber- cotton, kapas

Species-cardamom, coriander, termuric etc

Pluses – chana

Others- like potatoes, sugar, almonds, gaur

## WHO REGULATES THE INDIAN COMMODITY FUTURE MARKET ?

➔ Just as SEBI regulates the stock exchanges, commodity exchanges are regulated by the Forwards Market Commission (FMC), which comes under the purview of the Ministry of

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*Without Tasting The Worst Situation, No One Can Taste The Best Thing Of Life.....  
Dare To Face Anything in Your Mysterious Life*



Food, Agriculture and Public Distribution

➔ On 28 September 2015 the FMC was merged with the Securities and Exchange Board of India (SEBI).

### **WHAT ARE THE MAJOR COMMODITY EXCHANGES?**

Multi-Commodity Exchange of India Ltd, Mumbai (MCX).

National Commodity and Derivatives Exchange of India, Mumbai (NCDEX).



#### **Details:**

##### **NCDEX**

It is the largest commodity derivatives exchange in India and is the only commodity exchange promoted by national level institutions. NCDEX was incorporated in 2003 under the Companies Act, 1956 and is regulated by the Forward Market Commission in respect of the futures trading in commodities. NCDEX is located in Mumbai

##### **MCX**

MCX is recognised by the government of India and is amongst the world's top three bullion exchanges and top four energy exchanges. MCX's headquarter is in Mumbai and facilitates online trading, clearing and settlement operations for the commodities futures market in the country.

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*Abraham Lincoln wrote to his son's teacher: "Teach my son how to win, but most important also teach him how to handle failure".*

## **WHAT ARE THE COMMODITY DERIVATIVES MARKET TIMINGS?**

➔ Monday to Friday: 10 am to 11.30 pm (Agri-commodities up to 5 p.m. only) Saturday: 10 am to 2 pm

## **IS DELIVERY OF COMMODITIES AVAILABLE? IS IT COMPULSORY?**

Yes, but its not compulsory

## **WHO ARE THE PARTICIPANTS IN COMMODITY TRADING?**

- (i) Hedgers [ Producers;manufacturer;buyer;seller ]
- (ii) Speculator



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*God doesn't require us to succeed; he only requires that you try. Be a lifelong student.  
The more you learn, the more you earn and the more self-confidence you will have.*

## WHAT IS THE DATE OF EXPIRY?

➔ Different dates for different commodities.

## CURRENCY DERIVATIVES ( CD) FUTURE SEGMENT

*Currency derivative turnover on the three top bourses of the country surged 36% to nearly Rs 76 lakh crore during last fiscal*



### ➔ Meaning

Currency Future are contracts which you can buy or sell specific quantity of a particular currency pair at a future date.

It is similar to the Stock Futures but the underlying happens to be currency pair (i.e. USDINR, EURINR, JPYINR OR GBPINR) instead of Stocks.

## WHO ARE THE PARTICIPANTS IN CURRENCY TRADING?

Following are the participants in Currency Trading:

Hedgers-Importers/Exporters

Speculators

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*Live in your dreams, but dreams may die... do not get shattered, never ever cry. The world is big and has lots to give. Pick up a new dream, that's the way to live.*





### **WHAT IS THE DATE OF EXPIRY?**

All Currency contracts expire two working days prior to the last business day of the expiry month at 12 noon.

### **WHAT ARE THE TRADE TIMINGS OF CURRENCY TRADING?**

In NSE for Currency Derivatives the trade timings are as follows: Trading Session- Monday to Friday- 9:00 AM to 5:00 PM

Intraday Square Off- Monday to Friday - 30 minutes prior to market closure

### **WHO IS REGULATORY BODY THAT GOVERNS CURRENCY TRADING IN INDIA?**

The Exchange Traded Currency Derivative market is regulated by SEBI through the recognized stock exchanges. The Foreign Exchange Management Act is the law, which regulates the Foreign Exchange market and the regulatory authority for the Indian Foreign Exchange Market is the Reserve Bank of India (RBI).

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*Successful People Don't Relax On Chair.They Feel Relaxed With Their Work.  
They Sleep With Their Dreams And Wake Up With A Commitment*



## **TYPES OF CURRENCY TRADED**

Euro-Indian Rupee (EURINR),  
Us dollar-Indian rupee (USDINR),  
Pound Sterling-Indian Rupee (GBPINR) and  
Japanese Yen-Indian Rupee (JPYINR).

## **STOCK OPTIONS**

A stock option is a privilege, sold by one party to another, that gives the buyer the right, but not the obligation, to buy or sell a stock at an agreed-upon price within a certain period of time.

### **WHAT IS A 'CALL' OPTION?**

Call option gives the buyer the right but not the obligation to buy a given quantity of the underlying asset at a given price on or before a given future date.

For e.g.: Buying 1 call option of ONGC 1250 30Dec2010 comprising 250 equity shares for Rs. 80 per call will give the buyer the right to buy 250 ONGC shares on or before 30th December 2010 at Rs. 1,250 per share, irrespective of the share price (in cash market). Since it is only a right and no obligation to buy, the buyer can let this right lapse, which will be the case when ONGC share price is less than Rs. 1,250 in cash market. In the above case, loss is limited to Rs. 80 while the gains are unlimited to the buyer.

Rs. 80 paid is termed as option premium or the cost of purchasing 1 call option containing the pre-determined quantity of the underlying.

Selling a call option gives the seller the obligation to sell a given quantity of the underlying asset at a given price on or before a given future date, when the right is exercised by the buyer. For a seller of call option, profit is limited to the premium earned while loss is unlimited, as the buyer can exercise his call option anytime till the expiry of contract.

### **WHAT IS A 'PUT' OPTION?**

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*Nice Lines By CHANAKYA:-You Are Born Without Anything But You Die With  
Your Name...So "That Name Must Not Be A Word only,It Must Be A History....*

Put option gives the buyer the right but not the obligation to sell a given quantity of the underlying asset at a given price on or before a given future date.

For e.g.: Buying 1 put option of ONGC 1250 30Dec2010 comprising 250 equity shares for Rs. 15 per put, will give the buyer the right to sell 250 ONGC shares on or before 30th December 2010 at Rs. 1,250 per share, irrespective of the share price (in cash market). Since it is only a right and no obligation to sell, the buyer can let this right lapse, which will be the case when ONGC share price is more than Rs. 1,250 in cash market. In the above case, loss is limited to Rs. 15 while the gains are unlimited to the buyer.

Rs. 15 paid is termed as option premium or the cost of purchasing 1 put option containing the pre-determined quantity of the underlying i.e. 250 ONGC equity shares.

Selling a put option gives the seller the obligation to buy a given quantity of the underlying asset at a given price on or before a given future date, when the right is exercised by the buyer. For a seller of put option, profit is limited to the premium earned while loss is unlimited, as the buyer can exercise his put option anytime till the expiry of contract.



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*When defeat comes, accept it as a signal that your plans are not sound, rebuild those plans & set sail once more toward your coveted goal.*

**WHAT DOES 'IN THE MONEY', 'OUT OF MONEY', 'AT THE MONEY' MEAN, WITH RESPECT TO CALL OPTION?**



➔ A Call Option is said to be 'In the Money' if its strike price is less than the current stock price in the cash segment of the market. Exercising an 'In the Money' Call Option will lead to profit for the option holder.

➔ Call Option is 'At the Money' if its strike price is equal to price of the underlying i.e. current stock price in the cash segment of the market. Exercising an 'At the Money' Call Option will lead to no profit / no loss situation for the option holder.

➔ Call Option is said to be 'Out of the Money' if its strike price is more than the current stock price in the cash segment of the market. Option holder must not exercise an 'Out of the Money' Call Option as it will lead to loss.

➔ E.g. If share price of ABC Ltd is Rs. 100 in the cash market, a call option with strike price of 90 is 'In the Money' call option, whereas a call option with strike price of 110 is 'Out of Money' call option and call option with strike price 100 is 'At the Money' Call option.

➔ If will be opposite in case of Put Option

## **PREMIUM**

➔ The upfront payment made by the buyer to the seller to enjoy the privileges of an option contract.

### **➔ HOW IS PREMIUM PRICING ARRIVED AT :**

The price of an Option Premium is controlled by two factors – intrinsic value and time value of the option.

## **STRIKE PRICE / EXERCISE PRICE:**

The pre-decided price at which the asset can be bought or sold.

## **OPTION STRATEGIES**

Straddle . where you sell a call option and a put option at the same strike price (or alternatively buy a call option and a put option at the same strike price) (these are also called Jhota / Duranga in the Indian markets)

## **WHAT ARE INDEX OPTIONS**

➔ Same as explained above.

## **COMMODITY OPTIONS**

➔ Same as explained above.

## **CURRENCY OPTIONS**

➔ Same as explained above.

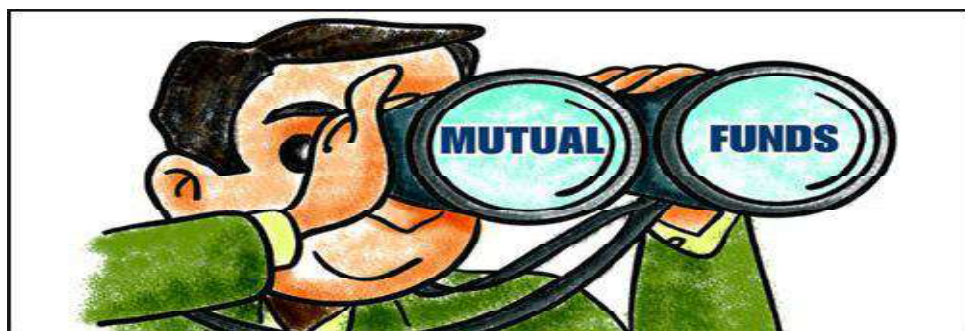
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*OUR behaviour is Greater than our knowledge..Because there are many situations where our Knowledge may fail,but our behaviour can handle that very well..*



## MUTUAL FUND



- ➔ These are investment vehicles that allow you to indirectly invest in stocks or bonds. It pools money from a collection of investors, and then invests that sum in financial instruments. This is handled by a professional fund manager.
- ➔ Every mutual fund scheme issues units, which have a certain value just like a share.
- ➔ When you invest, you thus become a unit-holder. When the instruments that the MF scheme invests in make money, as a unit-holder, you get money.
- ➔ This is either through a rise in the value of the units or through the distribution of dividends – money to all unit-holders.

**PUT THE FUN  
IN MUTUAL FUNDS**

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*It's not important to hold all the good cards in life, but it's important how well you play with the cards you hold.*

## **Few Points:**

### **➔ NET ASSET VALUE:**

This is perhaps the most important term to know with respect to mutual funds. Net Asset Value (NAV) is important to understand the performance of a particular scheme of a mutual fund. As an investor, when you put in money in a mutual fund, you will be issued units. You will then become a unit-holder. This is akin to a shareholding buying stocks. Mutual funds invest the money collected from the investors in the securities markets. In simple words, Net Asset Value is the market value of all the securities held by the scheme. It is measured on a per-unit basis. Since market value of securities changes every day, NAV of a scheme also varies on day-to-day basis.

NAV is calculated by dividing the total net assets by the total number of units issued. Total net assets is the market value of all the assets a mutual fund holds, less any liabilities, as of a certain date.

For example, if the market value of securities of a mutual fund scheme is Rs 200 crore and it has issued 10 crore units to investors, then the fund's NAV per unit is Rs 20. NAV is required to be disclosed by mutual funds on a regular basis – either daily or weekly depending on the type of scheme.



*Haq, ek behtar zindagi ka.*

**PUT THE FUN  
IN MUTUAL FUNDS**

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*More business is lost every year through neglect  
than through any other cause.-*

➔ **NEW FUND OFFERING (NFO):**

When a stock gets listed on the exchange, it comes up with an IPO or Initial Public Offering. Similarly, when a mutual fund starts a new scheme and invites investors to put in money in exchange for units, it is called a New Fund Offering or NFO.

➔ **WHAT IS A SYSTEMATIC INVESTMENT PLAN:**

Sometimes, we may wish to invest a big some of amount, but won't have the entire sum at once. A systematic investment plan (SIP) comes handy in such a situation. It helps you spread your investment over time through fixed payments either on a monthly or quarterly basis. This also helps inject discipline into your investment habit, as many who wish to invest regularly forget to do so. Thus, you may end up spending more than you should, and not investing enough. SIPs help you avoid this.

Under SIP, you automate your monthly mutual fund investment activities. You, thus, invest small sums at regular intervals to buy mutual fund units. Many prefer an SIP over investing in lump sum in mutual funds. This is because SIP offers some benefits that a lump sum investment doesn't.



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*Live only for today,  
for tomorrow may never come.*

## **GOLD INVESTMENT**



➔ If you want to invest in Gold these are FEW OPTIONS-

### **1) Jewellery buying**

Our age-old and traditional way of investment is jewellery buying where one can buy gold ornaments, bars or coins. However, it has its own disadvantages, total buying cost involves heavy making charges (it can be 10 to 20% of total cost). However, when you try to sell the same piece to same jeweler, he will buy it below market rates and deduct those making charges from the total price of your jewel.



### **2) Investment in Gold coins and bars**

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*Never blame a day in your life. Good days give you "Happiness". Bad days give you Experience. Both are essential in life.*



Investment in gold coins and bars is also a better option over jewel buying. You need to decide on ‘Where to buy gold coins or bars?’. You should buy gold bars and coins only from jeweler. Banks also sell gold coins or bars. Then why do we advocate for buying gold bars and coins from jewelers? To answer this question you ask yourself “How to sell gold coins or bars?” or “Where to sell gold coins in India?”

Banks sell gold coins and bars, but they cannot buy it back. Whereas, the jewelers can buy back the gold coins from you.

### **3) Gold ETF:(Paper gold investment options in India)**

What is Gold Exchange Traded Fund? Gold exchange traded fund is a type of mutual fund which in turn invests in gold and the units of this mutual fund scheme is listed in the stock exchange.

How to invest in Gold ETFs in India? You need to buy Gold ETFs from the stock exchange by way of opening a demat account and trading account.

## **BONDS**



➔ Companies need money to undertake projects. They then pay back using the money earned through the project. One way of raising funds is through bonds. When a company borrows from the bank in exchange for regular interest payments, it is called a loan. Similarly, when a company borrows from multiple investors in exchange for timely payments of interest, it is called a bond.

➔ For example, imagine you want to start a project that will start earning money in two years. To undertake the project, you will need an initial amount to get started. So, you acquire the requisite funds from a friend and write down a receipt of this loan saying 'I owe you Rs 1 lakh and will repay you the principal loan amount by five years, and will pay a 5% interest every year until then'. When your friend holds this receipt, it means he has just bought a bond by lending money to your company. You promise to make the 5%

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*You must have long range goals to keep you from being frustrated  
by short range failures.*

interest payment at the end of every year, and pay the principal amount of Rs 1 lakh at the end of the fifth year.

➔ Thus, a bond is a means of investing money by lending to others. This is why it is called a debt instrument. When you invest in bonds, it will show the face value – the amount of money being borrowed, the coupon rate or yield – the interest rate that the borrower has to pay, the coupon or interest payments, and the deadline for paying the money back called as the maturity date.

## SPECIAL INSTRUMENTS

### INFRASTRUCTURE INVESTMENT TRUST (INVIT)

➔ InvITs are trusts that manage income-generating infrastructure assets, typically offering investors regular yield and a liquid method of investing in infrastructure projects.

➔ Investment Trusts and Real Estate Investment Trusts are entities that invest in rent-yielding assets and distribute most of their income to shareholders as dividends.

➔ IRB InvIT is INDIA's first Infrastructure Investment Trust



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*Don't Accept Others Definition Of Life..Its Your Life,Define It Yourself, The Way U Love It To Be,Be Yourself B'coz none Knows About You Better Than You ...*

## **CPSE ETF: A PROMISING ETF FOR YOUR PORTFOLIO**



➔ The fund will invest into stocks, which are the constituents of Nifty CPSE Index, in the same proportion as the Index.

➔ The stocks included in this index must fulfil the following parameters.  
Be a part of the list of CPSEs published by the Department of Public Enterprise.  
Be Listed at National Stock Exchange of India Ltd (NSE)  
Have more than 55% Government Holding under promoter category.

**NIFTY CPSE Index Constituents**

Company's Name	Weights (%)
Oil & Natural Gas Corporation Ltd	24.51
Coal India Ltd.	20.68
Indian Oil Corporation Ltd	18.08
GAIL (India) Ltd.	11.25
Power Finance Corporation Ltd.	5.62
Rural Electrification Corporation Ltd.	5.25
Container Corporation of India Ltd.	5.08
Bharat Electronics Ltd.	4.36
Oil India Ltd.	3.41
Engineers India Ltd.	2.28

Source: NSE

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***Don't look back when you are moving to success..  
But, Don't forget to look back after reaching success..!!***

## **CHILDREN'S FUTURE PLANNING:**

➔ Child Education is probably the first major financial goal for which every parent wants to plan. The costs of professional courses are already high and shall get costlier due to inflation as the time passes.

➔ Thus, it is important for parents to start investing early and in low cost, transparent investment options to create a large fund to meet the future education needs of the child.

➔ The child plans launched by mutual funds are an attempt to inculcate long-term investing discipline in parents. "If you have invested in a fund called a child plan, you will think twice before withdrawing from it for discretionary spending,"

➔ Example: HDFC Children's Gift Fund, UTI Children's Career Balanced Plan, ICICI Prudential Child Care Plan, Axis Children's Gift Fund, among others.

### **HDFC Childrens Gift Fund - Savings Plan<sup>PLAN</sup>**

**43.579** ▲ **0.06** (0.15%)

NAV as on 19 Jun, 2017

## **INSURANCE PLANNING:**

➔ UTI Unit Linked Insurance Plan

### **LIC MF Unit Linked Insurance Scheme - Direct Plan<sup>F</sup>**

**16.867** ▲ **0.05** (0.31%)

NAV as on 18 Jun, 2017

## **RETIREMENT PLANNING:**

➔ UTI Retirement Benefit Pension Fund



## UTI Retirement Benefit Pension Fund - Direct Plan<sup>PL</sup>

25.162 ▲ 0.04 (0.14%)

NAV as on 16 Jun, 2017

### ELSS (TAX-SAVING SCHEMES):

➔ Investors are now encouraged to invest in the equity markets through the Equity Linked Savings Scheme (ELSS) by offering them a tax rebate. When you invest in such schemes, your total taxable income falls. However, there is a limit of Rs 1 lakh for tax purposes. The crutch is that the units purchased cannot be redeemed, sold or transferred for a period of three years.

➔ However, in comparison with other tax-saving financial instruments like Public Provident Funds (PPF) and Employee Provident Funds (EPF), ELSS funds have the lowest lock-in period. An example of ELSS scheme is the Edelweiss ELSS Fund.

Edelweiss ELSS Fund (D) PLAN: Regular OPTIONS: Dividend [More Pla](#)

17.340 ▼ 0.01 (0.06%)

### INSURANCE SECTOR IN INDIA

Insurance sector has shown tremendous growth in the recent years. In the future as well, it is expected to progress at a high scale. Earlier, only two Insurance companies were there in India – Life Insurance Corporation of India (LIC) and General Insurance Corporation of India (GIC). Now, this sector has 24 Life Insurance and 24 General Insurance companies which offer various innovative products keeping in mind the different needs of people. Most of these companies have entered the market in collaboration with International firms.

These companies have come up with a bundle of policies which have their own pros and cons. Every investor has his/her own needs, risk appetite, future goals and budget. As per these factors, a plan useless for one can be the best for another.

### **Q1. What is Insurance?**

Insurance is a contract between the insurer and the insured wherein against receipt of certain amount, called premium, the insurer agrees to make good any financial loss that may be suffered by the insured, due to the operation of an insured peril on the subject matter of insurance.

### **Q.2 : Why People Opt for Insurance?**

The Life is full of uncertainties.. People opt for insurance purely for the reasons of uncertainties in life. Insurance gives the insured a kind of peace of mind as he is assured to making up the loss in the event of such uncertainties in life happen.

### **Q.3 How does Insurance work?**

Insurance is a technique wherein a number of people, who are exposed to similar risk, participate in the scheme and contribute in the shape of periodic premiums. Such premiums are received by the insurer who is able to pay out of the premiums received by him, for the losses of some of those who have participated in the scheme.

Thus it is wonderful technique of spreading and transfer or risks.

### **Q.4 : What kind of Insurance Are Available in India?**

Insurance business is divided into four classes , namely :

- 1) Life Insurance. Popular Products in Life insurance are Endowment Assurance (Participating), and Money Back (Participating). More than 80% of the life insurance business is from these products
  - 2) Fire Insurance
  - 3) Marine Insurance and
- 
-

4) Miscellaneous Insurance. Fire and Miscellaneous insurance businesses are predominant. Motor Vehicle insurance is compulsory.

Life Insurers transact life insurance business; General Insurers transact the rest i.e. Fire Insurance, Marine Insurance and Miscellaneous Insurance.

### **Q.5 : What are the Primary Legislations for Insurance in India:**

In India Insurance is a federal subject. The primary legislations that deals with insurance business in India are:

Insurance Act, 1938, and Insurance Regulatory & Development Authority Act, 1999.



### **MAJOR PLAYERS IN INSURANCE INDUSTRY IN INDIA**

#### **Life Insurers:**

Life Insurance Corporation of India (LIC)

HDFC Standard Life Insurance Company Ltd.

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Max New York Life Insurance Co. Ltd.

Om Kotak Mahindra Life Insurance Co. Ltd.

Birla Sun Life Insurance Company Ltd.

Tata AIG Life Insurance Company Ltd.

SBI Life Insurance Company Limited .

ING Vysya Life Insurance Company Private Limited

Allianz Bajaj Life Insurance Company Ltd.

Metlife India Insurance Company Pvt. Ltd.

AMP SANMAR Assurance Company Ltd.

Dabur CGU Life Insurance Company Pvt. Ltd.

### **GENERAL INSURERS**

Royal Sundaram Alliance Insurance Company Limited

Reliance General Insurance Company Limited.

IFFCO Tokio General Insurance Co. Ltd

TATAAIG General Insurance Company Ltd.

Bajaj Allianz General Insurance Company Limited

Cholamandalam General Insurance Company Ltd.

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## **THE STOCK MARKET AND YOU**

➔ Stock markets are in the news everyday and they make an excellent place for spiritual learning Whenever you think or talk about it or invest in the stock market, you would not normally look at the spiritual perspective Stock markets are about buying and selling, profit and loss, bulls and bears and anticipation While people enter the stock market primarily with the intention of making money, there is a spiritual side to trading, and someone who is receptive can learn a lot of lessons about life here.

➔ As in life, the only certainty in stock markets is uncertainty and unpredictability Every morning, although we have a broad idea of how our day is likely to be, we cannot predict with surety about events that might happen or not happen during the day Similarly, every stock trader and broker knows that the behaviour of the markets cannot be predicted with centum confidence While the general trends might be predicted or anticipated, what eventually happens when the markets open and trading begins, is known only minute by minute.

➔ This is true of our lives too, where life flows moment to moment; we can only live in the present Life is enmeshed in duality, with its ups and downs, victories and losses The same is true of stock markets, where investors move from happiness to sorrow and from ecstasy to dejection, with cyclical regularity As in life, with stocks too, no one is a permanent winner or loser Change is the only constant Stock markets and life are about being in the present moment, making continuous assessments of the current situation, and then taking whatever course of action seems right to us, at that instant.

➔ And these actions might bring about results which are acceptable or unacceptable One must have the maturity to accept both the good and the bad with equanimity Life is all about putting in our best efforts and then surrendering to a higher authority or power This letting go is often required in investing too where, after having made a decision, one should not continuously be thinking about it Having done our job, we must let go and let existence take over, and give us whatever returns or rewards Learn to accept that which you cannot change.

➔ At the same time, one cannot afford to be callous or careless, as these qualities always

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***An Airoplane Is Always Safe At Ground. But It's Not Made For That.  
So Always Take Some Meaningful Risks In Life To Get Great Acheivment.***

lead to trouble. Life and the stock markets are ruled by two emotions – greed and fear. Depending on mindsets of individuals, some might veer more towards greed, while many might act predominantly from fear. What is needed is a healthy balance of desire and caution; else we either get too greedy or are too scared. Extreme greed and extreme fear lead more to losses than profits and are major causes of misery and unhappiness.

➔ Life moves in cycles and good times are followed by not-so-good times. On the stock market there are winners, there are losers and often times the roles are reversed. The qualities that make our life joyous, balanced and harmonious – awareness, presence of mind, maturity, patience, truthfulness to oneself, acceptance, and an ability to forgive and forget, resilience, and trust and faith in a higher power – are the very traits that will hold any trader in good stead, through buoyancies and crashes, and will ensure that he does not lose his peace of mind and become a victim of stress, anxiety and depression.

## **Avoid Get Rich Quick Mentality**

➔ Market is for building long-term wealth where you run a marathon, not a sprint.

➔ You have been hearing people becoming rich overnight may be true but then you have to consider after how many years of experience and hard work did he manage to find way to investing that works for his way of investing in the stock at the right price and at the right time to build wealth for himself.

➔ There are lots of people who may have made a fortune overnight but then it is not just one of fortune that makes him what he is but a systematic wealth-building plan that made him or her that money. News and media will only exaggerate only a segment that is worth mention but look at the whole picture to see how that segment is being formed over and over again.

## **Get-Rich-Quick Mentality Leads to Poverty**

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*Which marketing expert said that, “Marketing takes a day to learn,  
but unfortunately it takes a lifetime to master” ? Philip Kotler*



the *Good* life



Now let us see the 15 things which the Successful people never do.

1. **They never gossip about other people** : Gossip is an exercise of the tongue. They don't have time for such high school drama. They are focused on their work and on acing whatever they are doing. Successful people don't gossip because they believe in spending their time and energies in much more productive work.

2. **They never make excuses** : "I got late because of this", "I won't be able to submit the report because of this", "I won't be able to..." – are words you won't hear from successful people. Because they don't ever make excuses. If they can't do something, they generally don't take it up. Successful people don't let it reach a point where they will need to make excuses. They plan their hours in such a smart way that they are never found chasing their agendas.

3. **They never say No** : They have this fearlessness written large on their faces. Alibis are not in sync with their personalities. They take charge and see to it that things get done. They don't say a downright no to doing things. Successful people are good at a lot of things because they don't say no.

4. **They never complain about the system** : Let's admit, even they have problems when the work system becomes a little restrictive. But what sets successful people apart is instead of cribbing, they find a way out.

5. **They never complain about how much work they have** : They enjoy their work. They sign up for it. Because they like to have a lot on their plate and then achieve it all. They over prepare themselves and then they go with the flow. They don't complain about the quantity of their work. They just try to set new quality standards.

6. **They never talk too much about their personal lives** : Successful people believe in keeping the mystery around themselves. They also know how to communicate better in

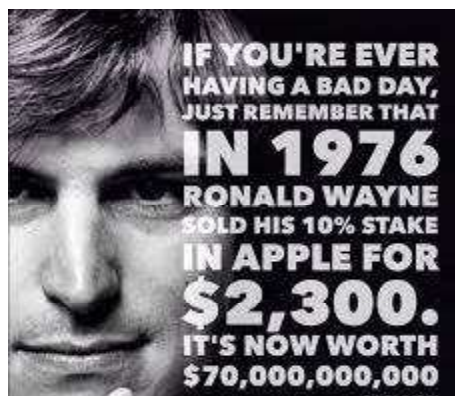
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*5 frogs are sitting on a log. 4 decided to jump off. How many are Left????????? Still 5 left.. Moral: There's a Lot of difference between Deciding & Doing.*

their workplaces. They know that at work, one should focus only on work related issues. That's why, they talk the least about their personal lives.

7. **They never say mean things to their colleagues** : Because they are awesome people. They are never rude to their colleagues. If they don't like something, they make polite confrontations. They don't believe in rumors. They simply know 'How to avoid controversies'.

8. **They never talk about their financials** : Successful people don't brag about the money they make because they know it breeds unhealthy competition. They want everyone to compete on equal footing on the basis of their talents and outcomes and productivity; not money. Successful people also know – money is not a good end result of every endeavor. Hence, they keep it out of their discussions



**THE STOCK MARKET  
CAN BE FOOLED, BUT  
NOT FOREVER**

### **QUALITY OF SUCCESSFUL TRADERS**

Trading is trend and price based, and not opinion based. This means that if you buy stock at Rs 100, and then the price falls to Rs 95 you can take your loss and square off your trade. This is one common quality of successful traders.

In trading you should remember Churchill's words, 'You have to lose many a battle to win the War'. Along with that one should also remember word of George Sores, "It's not important whether you are right or wrong, more important is how much you lose when you are wrong and how much money you make when you are right". This requires you to square unfavorable trade, and to pyramid your profitable ones. In trading, everything else is illusion and hope, the sole reality being a price.

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*We Don t Change When someone Tell us a Better Option;  
but we Change only When we realize There is No Other Option...*





Do what the wealthy do, and you will have what they have. Here is what they do:

**1. Develop a “workaholic” attitude.** This is the 40+ formula: you work 40 hours a week for survival and everything after that for success—every hour over 40 is an investment in your future (the average millionaire works 59 hours a week).

**2. Do first things first.** Make a to-do list. Set priorities on each activity, focus on the highest priority first, and work on it till it is done. Ask yourself “what is the best use of my time right now?” and then do it. This is the habit of high performance.

**3. Practice self-discipline.** Do what you should do when you should do it even if you don’t feel like it. Delay gratification for long-term benefit—successful people do the things they don’t like to do when failures don’t do them.

**4. Dedicate yourself to lifelong learning.** To earn more you must learn more.

**5. Dedicate yourself to serving others.** Success is determined by doing more than what is expected—there are never any traffic jams on the extra mile.

**6. Get around the right people.** Your network = your net worth. You will tend to be like the people you spend time around. Build a network of quality people—find those you want to be like, get involved, help those people, be a go-giver instead of a go-getter.

**7. Never consider the possibility of failure.** Failure makes you stronger—fear of failure is what will hold you back. Take calculated risks in the direction of your goals. What is the worst that could happen? Make a habit of doing the things you fear

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*Life has no pause buttons! Dreams have no expiry date!*

*Time has no holiday! So don’t waste a single moment in ur life..Live it! Rock it!*

**WE RECEIVE THREE EDUCATIONS, ONE FROM OUR PARENTS, ONE FROM OUR SCHOOLMASTERS, AND ONE FROM THE WORLD. THE THIRD CONTRADICTS ALL THAT THE FIRST TWO TEACH US.**

**L[e]ARN**



**आविट्यजैन**

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depends on what you learn**

**FEW DAYS OF LEARNING FOR A  
LIFETIME OF EARNING**



**'Knowledge Without Practice Is Useless. Practice Without Knowledge is Dangerous.'**



Knowledge is of no value unless you put it into practice.



**Some people learn to lose. Others lose and learn.**

**CA Aditya Jain**

**MILESTONES ACHIEVED SO FAR.....**

**AIR-1  
RANKS  
14**

**NCFM  
(100/100)  
6**

**RANKS  
580**

**STUDENT  
TAUGHT  
1,06000+**

**ACROSS INDIA  
100+ CENTERS**

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accountants to  
be modern,  
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Economic  
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