



How to navigate the world of equity investment!

By StockAxis ———




Investing can be rather confusing. Especially when you are new to investing & are just learning to navigate the world of stock markets.





As Warren Buffet famously said, -

“It's good to learn from your mistakes. It's better to learn from other people's mistakes.”

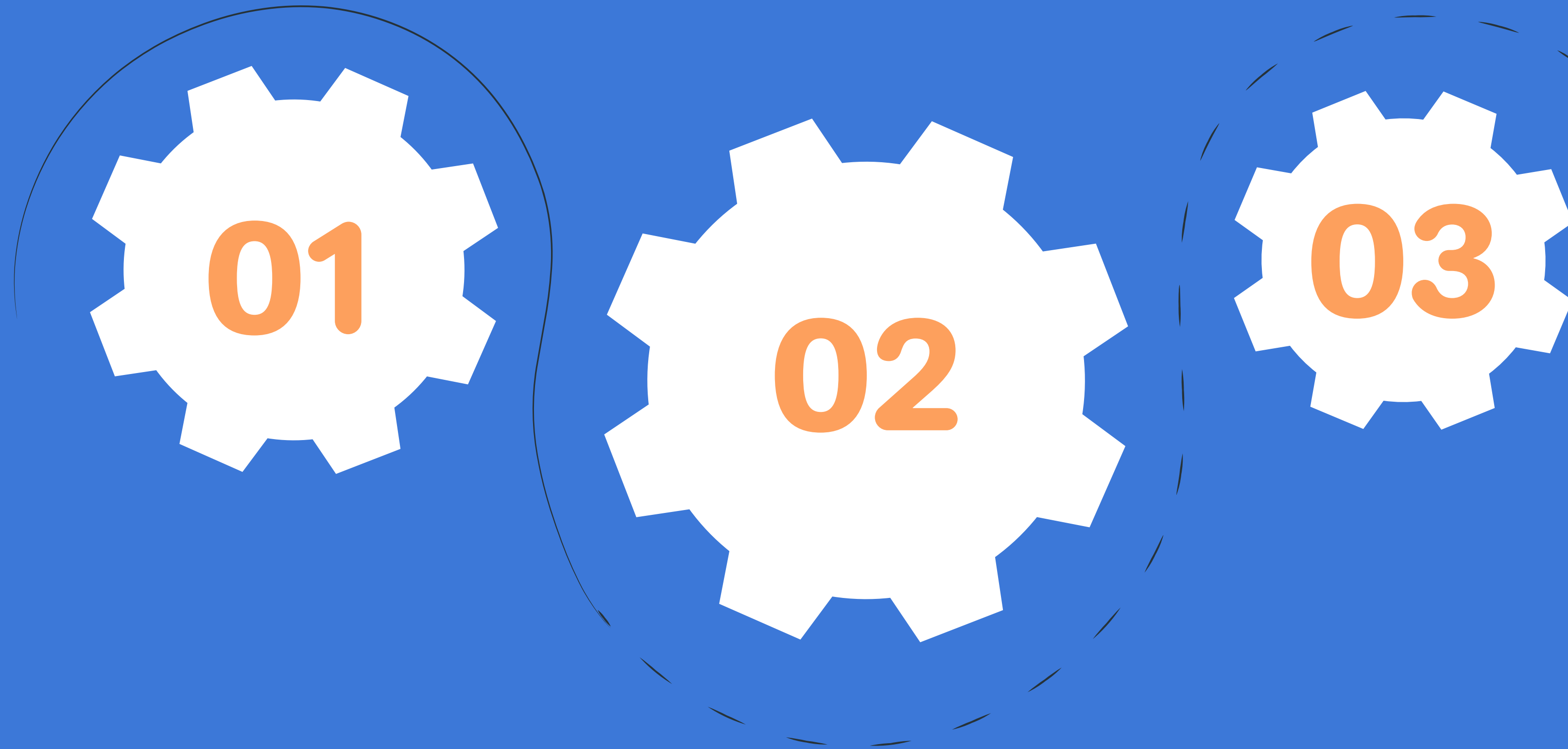




It's always helpful to have a few pointers that can guide you in the right direction.

As investment professionals,
We are here to help you out
so that you can start your
investment journey on a
positive note!

**Simply put, Investing can be
classified into three parts**





Stock Selection

The first step is to choose a fundamentally sound stock and ensure that you buy it at a sustainable price level.

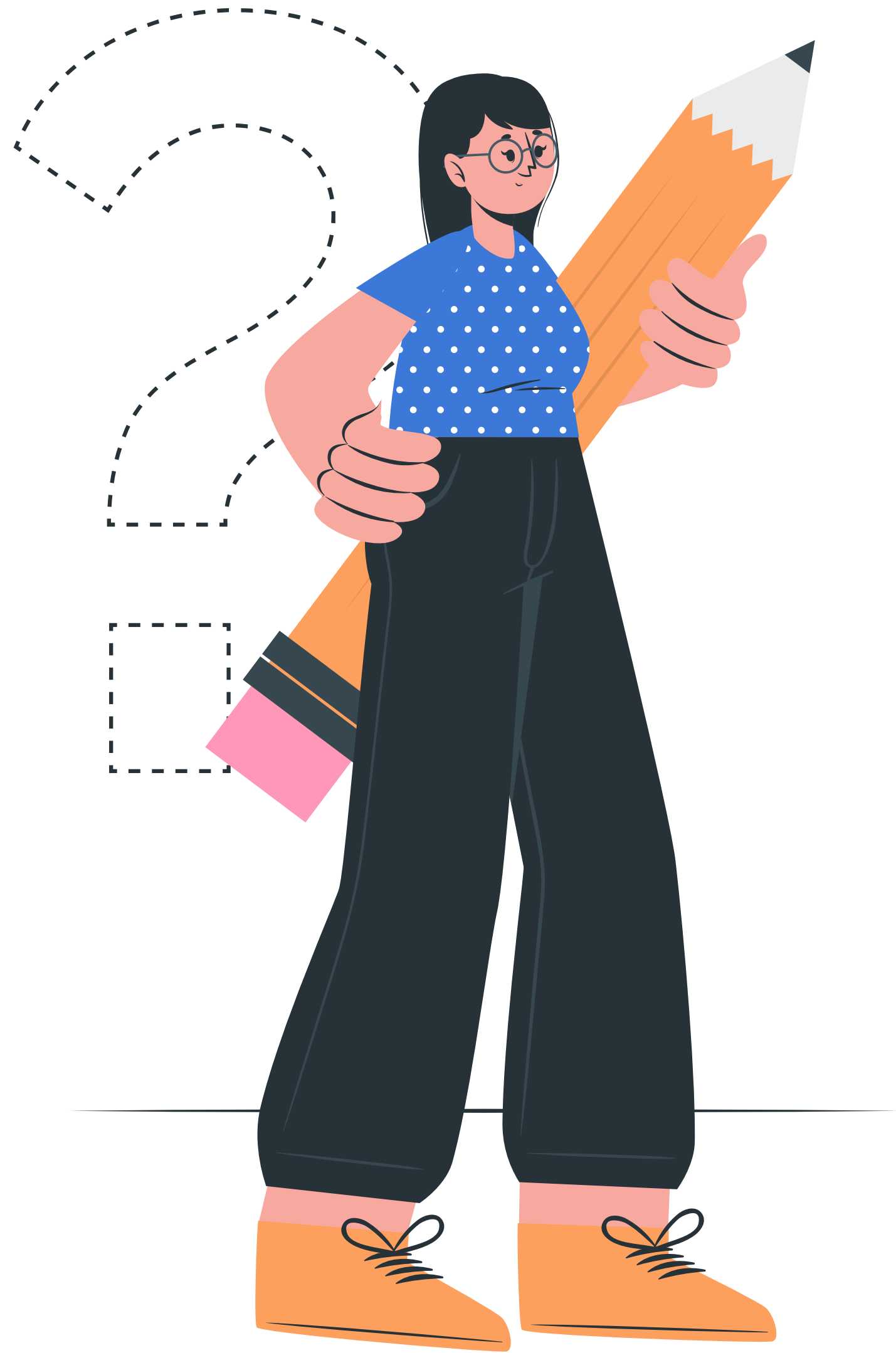
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This leads us to

Lesson 1

Fundamental analysis or
technical analysis for investing?





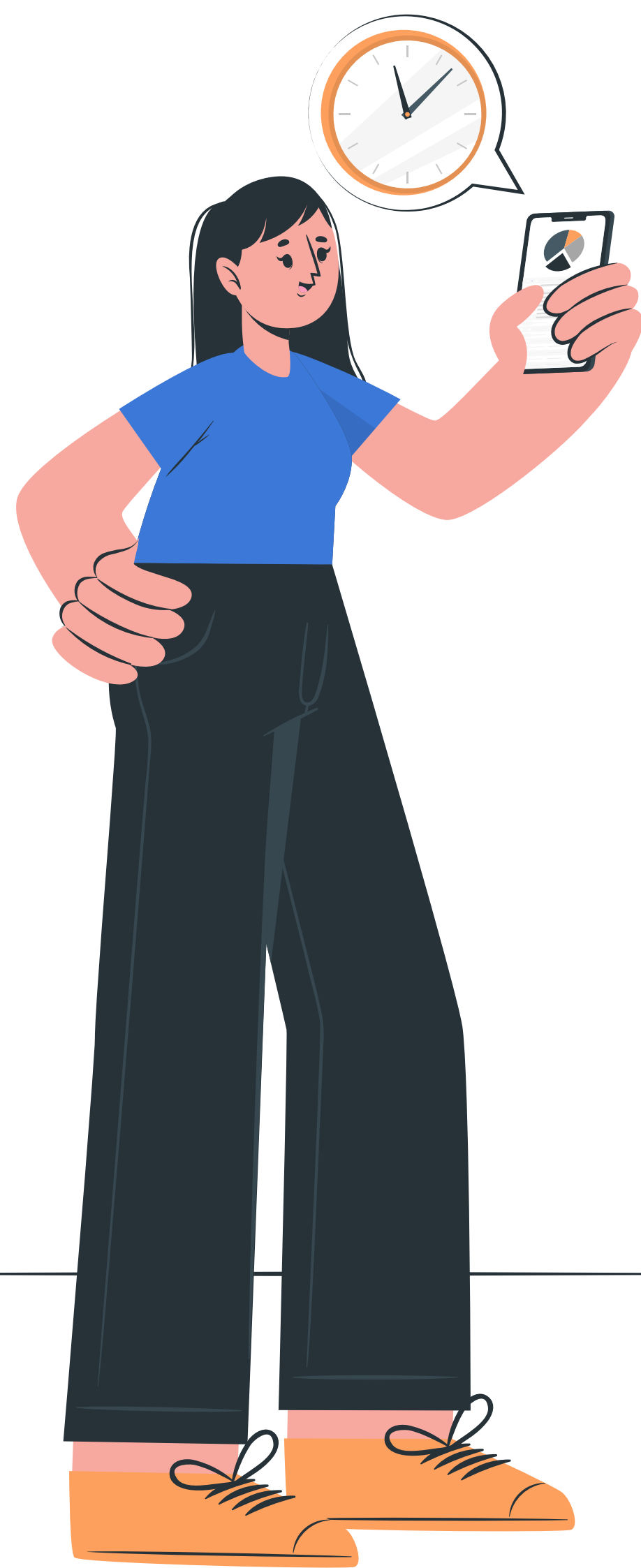
How about Both? It's definitely not an either or question!

Consider fundamentals to gauge the quality and strength of the company & follow technicals to observe the stock performance before you invest.

Lesson 2

Does it matter when you buy a stock if the fundamentals are sound?





Absolutely! After all, Timing is everything.

Price really does discount everything and charts communicate critical information that can be easily missed if you only rely on fundamentals

Lesson 3

Growth Investing vs Value Investing?





It's a choice between quality & a bargain!

Growth stocks show consistent earnings & sales growth and usually have a higher than average P/E ratio due to their superior earnings growth.



Value buys are undervalued gems generally with low P/E ratios.

The Market can usually take years before realising the true value of such a stock. Sometimes, it doesn't happen at all!

Lesson 4

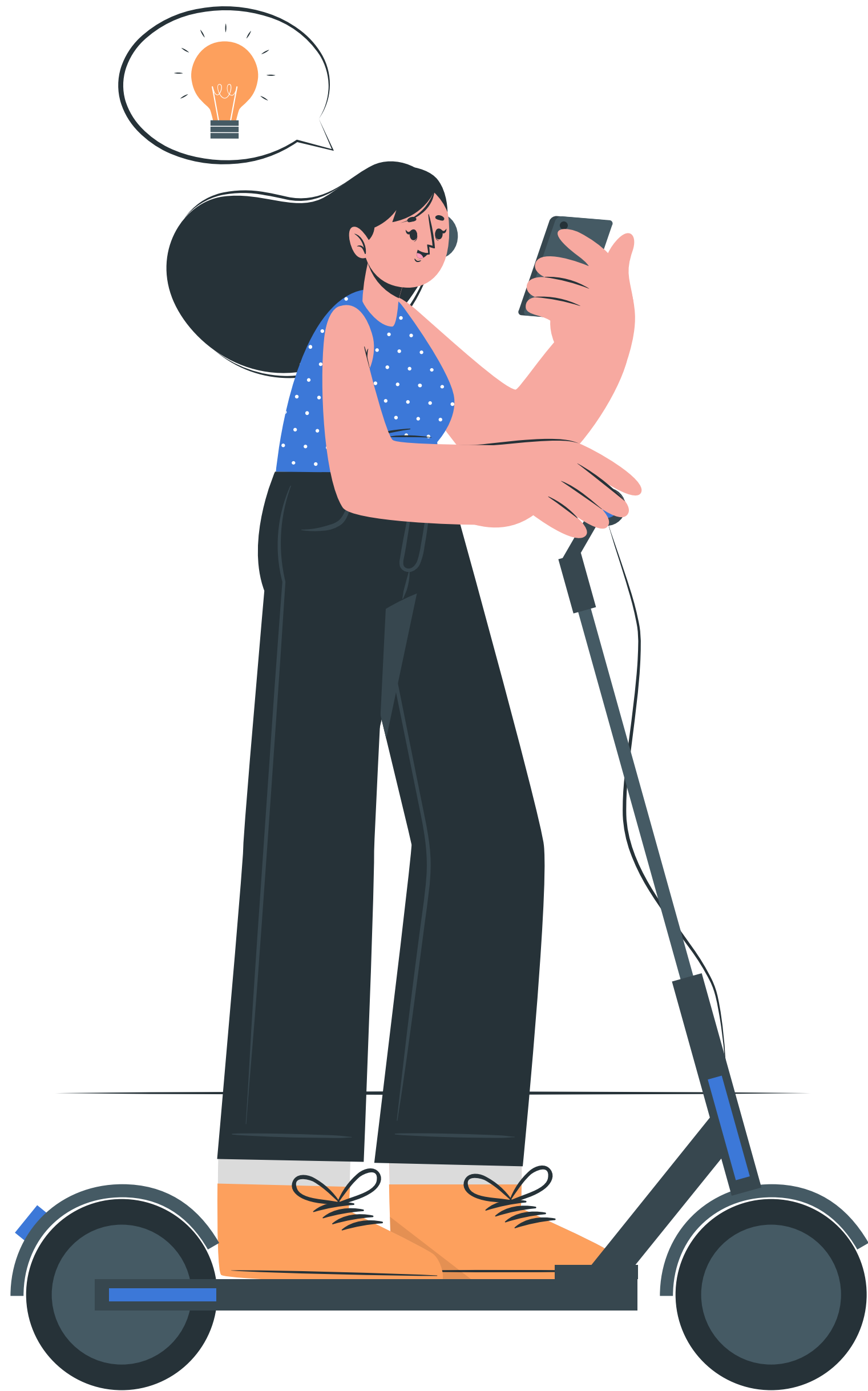
Are stocks with low PE ratios
'bargain' buys?





You simply get what you pay for!

P/Es are often misused, misunderstood and overstated as a stock selection tool.



A low P/E isn't always a bargain
& a high P/E isn't always
overpriced.

Leading companies often trade
at high P/Es.

Lesson 5

Why avoid low priced stocks?





Penny stocks are usually cheap for a good reason!

Fortunes have been lost in cheap stocks with poor fundamentals & shady track records.



Institutional investors will not buy these kind of stocks & neither should you!

Lesson 6

What about futures & options?





Risky, volatile & highly speculative!

People with 'Get rich quick' bug who dabble heavily in derivatives are asking for trouble.



We advise that you undertake minimum risk while aiming for maximum profit.

It can be easily done in common stocks!

02



Tracking

After you have chosen your stocks, maintain regular track of your portfolio & ensure it stays healthy. it stays healthy.

Lesson 7

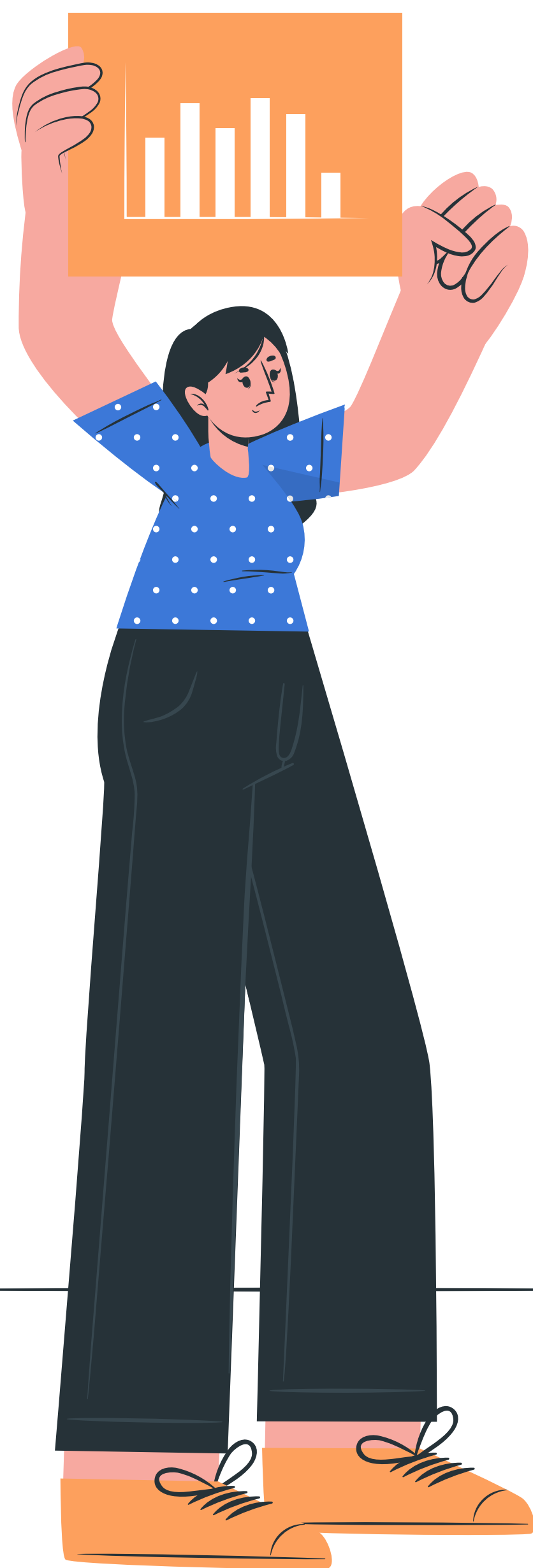
What separates successful investors from average ones?





Successful investors don't insist on being right all the time!

Be patient and focus on making big money when you are right and get out as early as you can when you appear to be wrong.



The key is to refrain from making emotional decisions and getting attached to your stock investments.



Never hesitate to admit your mistakes & always protect your investments!

Lesson 8

Avoid being the jack of all trades!





Keep things simple!

Avoid the 'Get rich Quick' approach at all costs & don't fall for speculative booby traps like penny stocks & derivatives.

The key is concentration, patience & focus.

Lesson 9

What's the right mix for a healthy portfolio?





An over diversified Portfolio will eat up your profits!

Your goal should not just be to be right in the market but also to make substantial money whenever you are right.



**This is best achieved by
concentrating your eggs in
fewer baskets, knowing them
well & watching over them!**

03



Selling Rules

After all, Your decision to sell is just as significant as your decision to buy!

Lesson 10

Master the selling rules!





Selling is just as important as buying!

The #1 selling rule is to cut your losses short & protect your portfolio against the possibility of a greater loss.



**Hold only quality stocks bought
at the right price levels!**



Additionally, avoid the mistake of averaging down and putting good money after non-performers.

Lesson 11

How to avoid selling off a
Potential Multibagger?





Sit tight & let your winners run!

Stocks tend to experience pullbacks. Be patient as long as your initial price level is intact.



**Don't quickly sell and book profit
if your leader runs up in a short
time span.**

**It is a sign of real power &
potential leadership.**



**Happy
Investing!**

Thank you for watching.