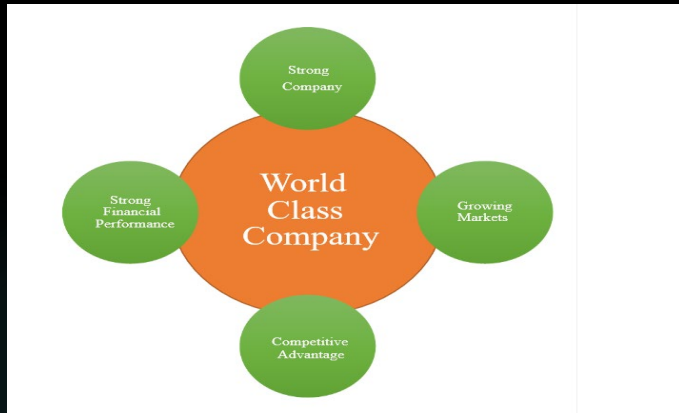# Stock Market Training

GENERAL INFORMATION

- What is stock market analysis.
- What are key analysis I am required to know.
- Which accounts are required to open in order to start trading.
- Where should I open my trading account, service broker or discount broker.
- What are the different products available for trading in stock markets & what are risks vs rewards ratio associated with same.
- Who am I, assessing self & knowing where to start trading safely in order to build confidence levels.
- What are taxes required to pay at the end of the day/year while trading
- How to generate reports required for the income tax
- Where to invest, in stocks or mutual funds.

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FUNDAMENTAL ANALYSIS

- Fundamental analysis is the analyzing the economic, financial & other qualitative, quantitative factors of the company in order to determine its intrinsic value. It is study of external factors like dynamic macroeconomic conditions (overall country's economy, global factors etc.) that may influence company's market value.

- Fundamental analysis involves study of key financial ratios of company like revenue, profitability ratios, EPS (earning per share), Book value of the company, ROE (return on equity) & debt to equity ratio, P/E ratio (price to earnings) which helps to identify the health of the company as an individual & its performance in sector Vs its peer companies in which it operates.

- Analyzing above parameters of company for the past period, current state & the management's commentary @ future business opportunities of company help to arrive at optimistic valuation of the of the company.

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TECHNICAL ANALYSIS

What is Technical analysis

- It is typically study of chart of the company by plotting key data on chart like company's price, volume over the period. The price & volume data is analyzed for the past period, current period & likely trend of price in future is predicted using the general direction of price movement in correlation with the volume as seen on chart.

- The analysis of the other few data available on chart is done like identifying support (demand) & resistance (supply) zones, analyzing the candle stick patterns & different chart patterns etc.

- A few indicators like moving averages, MACD, RSI are plotted on chart to formalize a solid strategy for entry & exit levels.

- The above strategy helps further towards buying or selling certain scrip at earlier stage at certain value in order to get better risk to reward ratio. The beauty of this analysis is one need not to know the fundamental analysis of company as strength can be witnessed on charts.

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