

A Step towards the Investment World

Warren Buffet once said 'I will tell you how to become rich. Close the doors. Be fearful when others are greedy. Be greedy when others are fearful'

With these thoughts in mind, the budding investors of IMT Nagpur, attended an enthralling session on Fundamental Analysis by Mr. Vindhyachal Tripathi, who is the Research Head and Portfolio Manager of Elite Wealth Advisors Limited, New Delhi. Mr. Tripathi has vast experience in the investment field. Behind the doors of stock investment, lies a world where taking risk is mandatory. The first steps in investment have to be taken cautiously and this insightful session by Mr. Tripathi helped the student managers who have opted for the Investment Management Course taught by Prof. J.S Matharu.

The session commenced with Mr. Tripathi giving an overview about the difference between fundamental and technical analysis. He went on to explain the top down approach with the help of the E-I-C (Economy-Industry-Company) approach.

Mr. Tripathi foresees investment in the BRIC countries as extremely promising and rewarding because of the high economic growth. Through his expertise and proficiency Mr. Tripathi enlightened the student managers by telling them to invest in the IT sector because in the near future, it is going to outperform all the sectors. He also shared an interesting fact that the Apple's present market capitalization is higher than the combined GDP (Normal) of our neighbouring economies viz. Sri Lanka, Pakistan and Bangladesh. When asked about other sectors, which could yield a high return, Mr. Tripathi replied that Banking, Oil&Gas, IT, Auto and Media are the ones to look forward in the coming future.

He also touched upon the formula he uses to invest called CANSLIM. (C- Current Earnings growth, A – Annual Earnings growth, N- New Product or service, S – Supply and Demand , L – Leader or Laggard, I- Institutional Sponsorship, M – Market Direction). This idea has been developed by Mr William O'Neil and mentioned in his book "How to Make Money in Stocks: A Winning System in Good Times and Bad".

The session was an experience mixed with subject knowledge and personal experiences of Mr. Tripathi, which actually increased the understanding of the student managers. Last, but not the least, he shared his take on 'Sentiments'.

The session intrigued the minds of many student managers who want to pursue a career in this field and the insightful session ended on a high note because everyone was one step forward to make their first investment in the Stock market.