

FINANCE

STOCK MARKET

DATA



Stocks Classification



BANKING

MARKETING

Based on Market Capitalisation

- Market Capitalization: – Price per share* No. of Outstanding shares

Parameter	Large Cap	Mid Cap	Small Cap
Market Cap	> 20,000 Cr	5,000 Cr – 20,000 Cr	< 5,000 Cr
Rank	Top 100 Companies	100–250 Companies	All Remaining Companies
Business Stage	Well-established	Established to certain extent	Small companies
Risk	Less volatile	More volatile	Highly volatile
Dividend Payout	High	Moderate	Low
Examples	Reliance Industries, Infosys	Polycab India, Relaxo Footwears	Bajaj Consumer Care

Based on Ownership

- Stocks can be split into three types based on rights & privileges they offer:

Ownership Type	Common Stock	Preference Shares	Hybrid (Convertible Preference Shares)
Voting Rights	Yes	Generally, not available	No, before conversion. Yes, post conversion
Dividend	May or may not receive dividend	Receive a fixed dividend	Receive a fixed dividend
Liquidation Preference	Last to be paid	Preference given over common stockholder	Preference given over common stockholder
Conversion Right	No	No	Yes

Based on Economic Trends

- Defensive Stocks**

Stocks of companies that are less sensitive to economic cycles and tend to perform relatively well even during economic downturns or periods of uncertainty.

Ex : Healthcare, FMCG, Telecommunications, etc.

These companies are less likely to be affected by changes in consumer behavior or economic conditions, as people will continue to need these products and services regardless of the state of the economy.

Examples of some defensive stocks :



Hindustan Unilever Limited



Based on Economic Trends

- Cyclical Stocks**

Stocks of companies that are highly sensitive to economic cycles and tend to perform relatively well during periods of economic expansion and growth, but may struggle during economic downturns or recessions.

Ex : Automobile, Banking, Aviation, etc

These companies are more likely to be affected by changes in consumer behavior and economic conditions, as their products and services are often seen as "nice to have" rather than essential.

Examples of some Cyclical stocks :



HDFC BANK

We understand your world



**MARUTI
SUZUKI**

Infosys[®]
Navigate your next



Based on Dividend Payment

Income Stock



Features

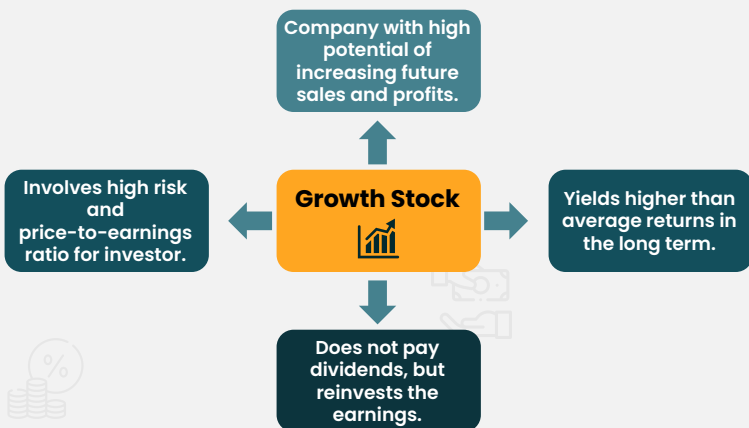
- Low Price Volatility
- Regular Dividend Payment
- Consistent Increase in Dividend Payouts
- Not much Growth in Capital Invested

Examples of some income stocks :



Based on Dividend Payment

What is a Growth Stock?



Examples of some income stocks :

Sportking

ICICI Securities

eki
STEERING THE PLANET TO NET ZERO

Bases on Fundamentals

- Fundamental Analysis is an analysis used to determine true value of a business based on its ability to generate cash.
- The market price of a stock may differ from its intrinsic value owing to demand and supply dynamics.

■ Overvalued Stocks

- $\text{Market Price} > \text{Intrinsic Value}$
- Investors opt for Short-Selling
- Anticipate Price fall in future

■ Undervalued Stocks

- $\text{Market Price} < \text{Intrinsic Value}$
- Investors opt for Long position
- Anticipate Price rise in future

Intrinsic Value of a Stock

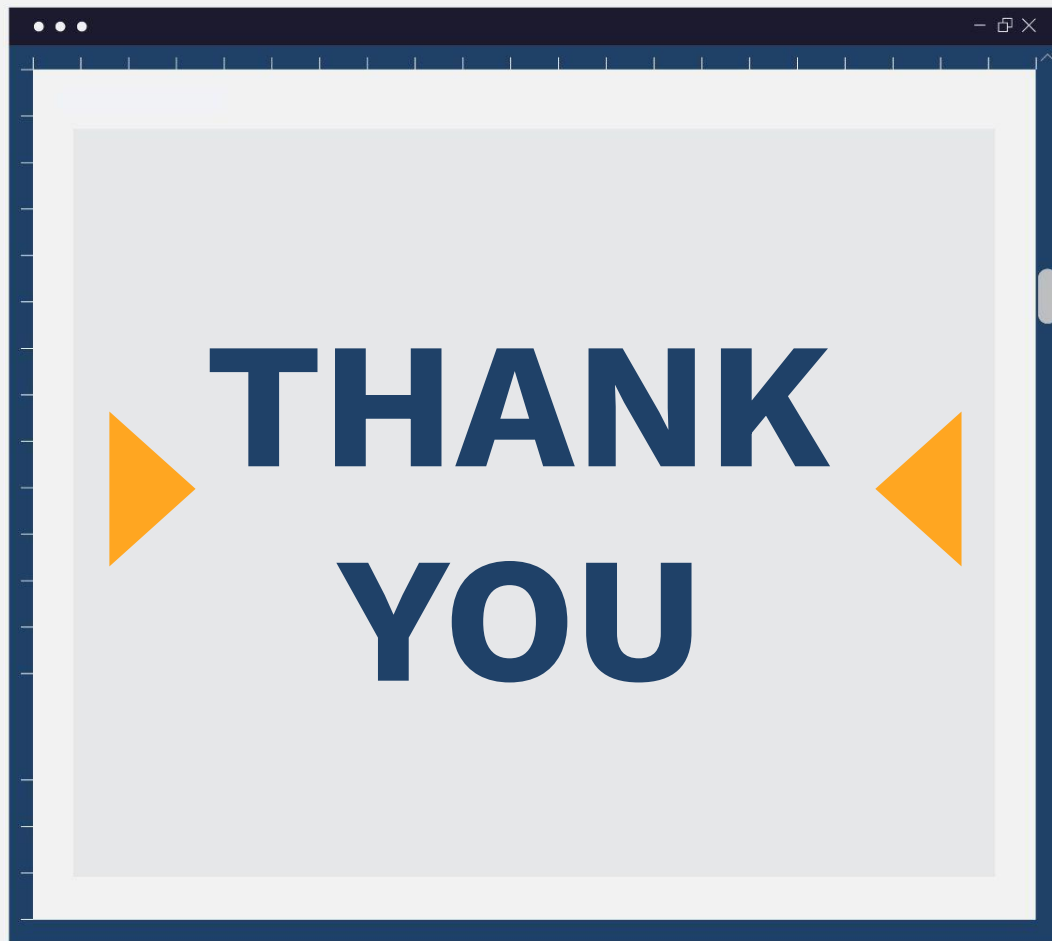
- The intrinsic value of a stock is the theoretical true value of a company's stock based on its underlying fundamentals, such as its financial performance, assets, growth prospects, and competitive advantages.
- The intrinsic value of a stock is determined by calculating the present value of the company's future cash flows involving estimation of future cash flows and discounting them back to their present value .
- It provides a basis for evaluating whether the current market price of the stock is overvalued, undervalued, or fairly valued.
- Investors should conduct their own research and analysis before making any investment decisions based on intrinsic value as it involves a degree of subjectivity and uncertainty.



FINANCE

STOCK MARKET

DATA



BANKING

MARKETING