

5 Steps Approach For Great Stock Picking

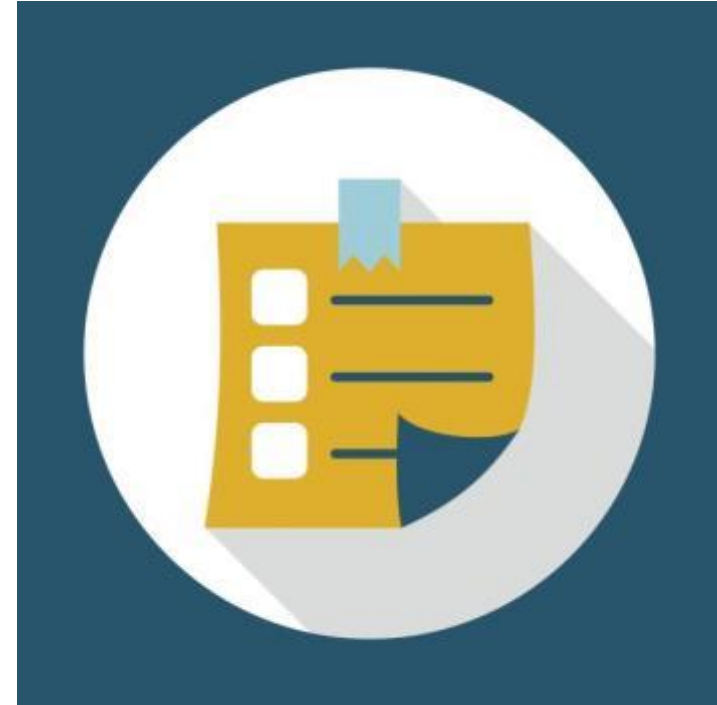
1. Approach stock purchases as buying a business rather than just a stock purchase in the portfolio.
2. Evaluate the true worth of the business considering the future earning potential.
3. The margin of safety is the real risk containment measure, and not stop loss.
4. Do not depend on turnaround as it seldom occurs.
5. Invest for the long term to generate inflation-adjusted superior returns.



So when one asks how to choose stock to invest in, the real question, is how to identify a great business and what all parameters should be used to identify it?

Remember

1. Always remember your financial goals and investment timeframe.
2. Review your financial goals periodically, at-least once in 5 years.
3. Risk and Return profile of various assets are not constant.
4. Consider taking help from a registered and qualified Investment Advisor.
5. No stock remain the best all the time. Market is dynamic and you need to review your portfolio periodically.





“Investing money is the process of committing resources in a strategic way to accomplish a specific objective.”

Alan Gotthardt

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