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stock market and financial education

"Empower your financial future with knowledge – welcome to the gateway of intelligent investing at StockEd, where understanding the stock market becomes your key to financial success

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Module

1

[Introduction to stock market](#)

15 Chapters

The stock market can play a pivotal role in ensuring your financial security. In this module, you will learn how to get started in the stock market, its fundamentals, how it functions, and the various intermediaries that appertain it.

2

[Technical Analysis](#)

22 Chapters

Technical Analysis (TA) helps in developing a point of view. In this module, we will discover the complex attributes, various patterns, indicators, and theories of TA that will help you as a trader to find upright trading opportunities in the market.

3

[Fundamental Analysis](#)

16 chapters

The Fundamental Analysis (FA) module explores Equity research by reading financial statements and annual reports, calculating and analyzing Financial Ratios, and evaluating the intrinsic value of a stock to find long-term investing opportunities

4

[Future Trading](#)

13 Chapters

Futures Trading is a segment of the derivatives market. This module covers the various intricacies involved in undergoing a futures trade,

including margins, leverages, pricing, etc. It also discusses the use of derivatives for hedging purposes.

5

[Theory for Professional Trading](#)

22 Chapters

Options Trading is a segment of the derivatives segment. Options contracts grant the buyer the right to buy/sell the underlying without a compulsory obligation. This module discusses options contracts, pricing, and their profit and loss payoffs.

6

[Option Strategies](#)

14 chapters

A trader can use options strategies to monetize their views on volatility, sentiment, and timing. This module explores various options strategies that can be built with a multi-dimensional approach involving Option Greeks, Risk-Return, etc.

7

[Markets and Taxation](#)

8 Chapters

As a trader in India, you should be informed of the taxes applicable to your investments and trades. This module outlines essential topics like calculating your turnover, preparing balance sheet and P&L statements, and filing your Income Tax Returns.

8

[Currency, Commodity, and Government Securities](#)

19 Chapters

Interest rates, forex rates, and inflation impact each other and commodity prices. Commodity prices impact each other, too. This module discusses trading in currency and commodity derivatives and Government Securities (GSec) in the Indian markets.

9

Risk Management and Trading Psychology

16 chapters

Trading and investing are subject to risks. Our emotions also influence our choices in the market and could aggravate risks. This module discusses risk and risk management tools along with the psychology required for sustaining in the markets.

10

Trading Systems

16 Chapters

Have you considered building your own Trading System? Well, then, this module is for you. In this module, we will learn about the components of building a good trading system and more, including the techniques and different types of Trading Systems.

11

Personal Finance - Mutual Funds

32 Chapters

Managing personal finances can help you achieve your short-term and long-term financial goals. This module encompasses the various aspects of personal finance, such as retirement planning, mutual funds, ETFs, bonds, and goal-oriented investments.

12

Innerworth - Mind over markets

603 chapters

Originally a collection of newsletters on trading psychology published between 2002 and 2007 by Marketwise, a US stock broking firm, "Innerworth - Mind over Markets" will guide you and prepare you psychologically to become a rational trader.

13

Integrated Financial Modelling

18 Chapters

An integrated financial model of a company breaks down the financials of a company to give you granular insights. A financial model includes assets, reserves, debt schedules, cashflows, and valuation models. Learn all that and more in this module.

14

Personal Finance - Insurance

9 Chapters

If you have been working on your financial plan and continuously saving and investing, it is crucial to be prepared to tackle any unforeseen eventualities. The short chapters in this module elucidate the importance of insurance in one's life.

15

Sector Analysis

11 chapters

Sector analysis is an extension of fundamental analysis. Each sector exhibits unique features and reacts differently to the same market forces. This module helps you understand what to look for in each sector as a stock picker or an equity investor.

8

Currency, Commodity, and Government Securities

1.Currency Basics

1.1 – Module Orientation At the onset, let me give you a quick orientation so that you can set your expectations for this module. The focus of this module will be on three main topics – Curren ..

2. Reference Rates & Impact of events

2.1 – Dual View Think about a stock, Infosys for example, when you buy or sell Infosys – your view on the stock is straightforward – you are either bullish or bearish on Infosys. Therefore, you ...

3 Impact of events (Brexit) & Interest Rate Parity

3.1 – Brexit, the event extraordinaire! I originally planned to dedicate this entire chapter to the USD INR pair, which as you may know is the largest traded currency contract in India. But then, th ..

4. The USD INR Pair (Part 1)

4.1 – The contract We make an extremely critical assumption at this stage – we will assume you are familiar with how Future and Options contracts work. Technical Analysis plays an important role ....

5. The USD INR Pair (Part 2)

5.1 – Futures Calendar spread All else equal, the futures contract is always supposed to trade at a premium to the spot. This, as we know, can be attributed to the interest rate factor cost of carr ..

6. EUR, GBP, and JPY

The other currency pairs We focused on the USD INR pair extensively over the last few chapters, and we now look into the other currency pairs that are traded in the Indian markets, namely the ..

..

7.Gold (Part 1) (The Finale)

7.1 – Orientation As you know, there are two commodity exchanges in India – Multi Commodity Exchange (MCX) and National Commodity and Derivative Exchange (NCDEX). MCX is particularly popular f ...

.

8. Gold (Part 2)

8.1 – The London fix In the previous chapter, we discussed the various Gold contracts that are available on MCX. I want to begin this chapter by discussing how the prices of Gold in the spot market ....

..

3

Fundamental Analysis

1. [Introduction to Fundamental Analysis](#)

The chapter lays a foundation to Fundamental Analysis, which is a holistic approach to study and analyze a business. A fundamental perspective is important because the stock prices of a fundamentally.

2. [Mindset of an Investor](#)

A insightful look at the basics of Fundamental Analysis and how it can be broken down to Qualitative and Quantitative factors to study the intrinsic value of the stock. Also includes a precise underst .

3. [How to Read the Annual Report of a Company](#)

The chapter lays a foundation for understanding the basic structure of a typical annual report. It takes you through the various sections and helps you understand what to look for when glancing throug.

Futures Trading

The chapter explains all that you need about shorting, be it futures or stocks with practical real life examples. Emphasis is also made on things you need to take care of when you short stocks or futu ..

..

9. [The Nifty Futures](#)

This chapter is a primer on trading Nifty Futures. All that you need to know about Nifty futures is discussed in this chapter including the impact cost, liquidity, and benefits of trading Nifty future .. ..

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1

Introduction to stock Market

1. [The Need to Invest](#)

Learn about the importance of savings. Identify avenues to invest the savings in suitable investment vehicle. Compare historical returns generated by different assets, and know what to expect from you .

2. [Regulators, the guardians of capital markets](#)

Find out who and how the regulators govern the financial markets and also understand different types of financial market participants. Understand the need to regulate the markets.

3. [Market Intermediaries](#)

An overview of the financial intermediaries in the Indian stock market and the services they offer. ..

4. [The IPO Markets (Part 1)](#)

Understand the origins of business and the funding environment of business. Learn about the different funding stages and also learn how funding works.

5. [The IPO Markets (Part 2)](#)

Learn the basics of the IPO market and the process of how to go about investing in IPO's. This chapter also helps us understand the different

IPO Jargons that are commonly used. ..

6.<u>The Stock Markets</u>

We explore the basics of stock trading and understand what makes the stock move on a minute by minute basis. We also explore concept of return calculation. ..

7.<u>The Stock Markets Index</u>

An overview of the Indian Stock Market Indices, their construction, and practical uses in trading ..

8. <u>Commonly Used Jargons</u>

Glossary of common stock market terms & associated concepts used in trading. We also explain in detail on how to short a stock. ..

9. <u>The Trading Terminal</u>

An introduction to The Trading Terminal, its interface, various functionalities and relevant concepts ..

7

Markets and Taxation

1.Introduction (Setting the Context)

The first chapter aims to reassure the reader that taxation is not something to be feared and can actually be interesting when looked at from a traders'/investors' perspective. ..

2. Basics

The reader is introduced to the meaning, importance of Income tax and the applicable tax slabs to different income levels. ..p>

3 Classifying Your Market Activity

Here we study in detail the four heads of income for a trader/investor and their meaning and relevance. The rules for computation of tax under

each head is clearly outlined. We also study the advanta ..

4. Taxation for Investors

This topic explains how long term and short term capital gains/losses are determined based on the holding period of the investment and their applicable tax rates. We also studied how one can reduce LT ....

5. Taxation for Traders

Here we take a detailed look at the two heads of business income (speculative and non speculative) and their tax treatment. We also studied key terms such as BTST, Advance tax and Tax loss harvesting. ..

6. Turnover, Balance Sheet, and P&L

This topic covers the differences between paying income tax and filing income tax and the various ITR forms for different categories of assesses. The chapter also addresses several relevant queries on ..

..

7.ITR Forms (The Finale)

The final chapter on taxation introduces and explains the different income tax forms and the importance of selecting the appropriate form. This chapter also walks us through the entire tax filing proc ....

.

8.Foreign Stocks and Taxation

In the previous chapters, you learned how investing and trading in the Indian stock market are taxed as per the Income Tax Act. We also touched upon maintaining books of accounts and rules of the tax ...

..

6

Option Strategies

1.Orientation

1.1 – Setting the context Before we start this module on Option Strategy, I would like to share with you a Behavioral Finance article I read couple of years ago. The article was titled "Why winnin ....

2. Bull Call Spread

2.1 – Background The spread strategies are some of the simplest option strategies that a trader can implement. Spreads are multi leg strategies involving 2 or more options. When I say multi leg stra ...

3.Bull Put Spread

3.1 – Why Bull Put Spread? Similar to the Bull Call Spread, the Bull Put Spread is a two leg option strategy invoked when the view on the market is 'moderately bullish'. The Bull Put Spread is s .. .

4. Call Ratio Back Spread

4.1 – Background The Call Ratio Back Spread is an interesting options strategy. I call this interesting keeping in mind the simplicity of implementation and the kind of pay off it offers the trader. ...

5.Bear Call Ladder

5.1 – Background The 'Bear' in the "Bear Call Ladder" should not deceive you to believe that this is a bearish strategy. The Bear Call Ladder is an improvisation over the Call ratio back spr ...

6.Synthetic Long & Arbitrage

6.1 – Background Imagine a situation where you would be required to simultaneously establish a long and short position on Nifty Futures, expiring in the same series. How would you do this and more i ...

..

7.Bear Put Spread

7.1 – Spreads versus naked positions Over the last five chapters we've discussed various multi leg bullish strategies. These strategies ranged to suit an assortment of market outlook – from ...

.

8.Bear Call Spread

8.1 – Choosing Calls over Puts Similar to the Bear Put Spread, the Bear Call Spread is a two leg option strategy invoked when the view on the market is 'moderately bearish'. The Bear Call Spread ..

..

9. Put Ratio Back spread

9.1 – Background We discussed the "Call Ratio Back spread" strategy extensively in chapter 4 of this module. The Put ratio back spread is similar except that the trader invokes this when he is b ..

5

Options Theory for Professional Trading

1.Call Option Basics

1.1– Breaking the Ice As with any of the previous modules in Varsity, we will again make the same old assumption that you are new to options and therefore know nothing about options. For this reason .....

2. Basic Option Jargons

2.1– Decoding the basic jargons In the previous chapter, we understood the basic call option structure. The idea of the previous chapter was to capture a few essential 'Call Option' concepts suc ....

3.Buying a Call Option

3.1 – Buying call option In the previous chapters we looked at the basic structure of a call option and understood the broad context under which it makes sense to buy a call option. In this chapter, .

4.Selling/Writing a Call Option

Two sides of the same coin Do you remember the 1975 Bollywood super hit flick 'Deewaar', which attained a cult status for the incredibly famous 'Mere paas maa hai' dialogue ☺? The mo ......

5.The Put Option Buying

5.1 – Getting the orientation right I hope by now you are through with the practicalities of a Call option from both the buyers and sellers perspective. If you are indeed familiar with the call opti .. .. ..

6. The Put Option selling

6.1 – Building the case Previously we understood that, an option seller and the buyer are like two sides of the same coin. They have a diametrically opposite view on markets. Going by this, if the P ..

..

7. Summarizing Call & Put Options

7.1 – Remember these graphs Over the last few chapters, we have looked at two basic option type's, i.e. the 'Call Option' and the 'Put Option'. Further, we looked at four different variant .. .

.

8.Moneyness of an Option Contract

8.1 – Intrinsic Value The moneyness of an option contract is a classification method wherein each option (strike) gets classified as either – In the money (ITM), At the money (ATM), or Out of ...

..

9. The Option Greeks (Delta)

9.1 – Overview Yesterday I watched the latest bollywood flick 'Piku'. Quite nice I must say. After watching the movie I was casually pondering over what really made me like Piku – was ..

9

Risk Management and Trading Psychology

1. Orientation note

1.1 – A unique opportunity I'm excited about this brand new module on Varsity, wherein we will be discussing two important and closely related market topics – 'Risk Management and Trading Psyc ...

2. Risk (Part 1)

2.1 – Warming up to risk For every rupee of profit made by a trader, there must be a trader losing that rupee. As an extension of this, if a group of traders consistently make money, then there must ..

3.Risk (Part 2) – Variance & Covariance

3.1 – Variance In the previous chapter, we touched upon the topic of expected return, continuing on it, we will understand the concept of 'Portfolio variance'. Portfolio Variance helps us unders ...

Technical Analysis

Introduction to the concept of technical analysis and how it differs from Fundamental analysis. We also discuss the kind of return expectation one needs to set while trading based on Technical Analysi ...

This chapter explores the many characteristics of Technical Analysis including its adaptability to different asset classes, time frames etc. We also understand the need to summarize the Open, high, lo ...

We explore the different chart types used in technical analysis along with its merits and de merits. Specifically we discuss the candlestick chart and why traders prefer candlesticks over bar charts.

Basic concepts on various candlestick patterns used by traders to make decisions on the market. We also discuss the basic classification of candlestick patterns ...

Detailed description on the Bullish and Bearish Marubozu with real examples from Indian markets. The chapter discusses how to identify and set up a trade based on Marubozu.

The Doji and Spinning top candlestick patterns explained in detail and how these patterns play a key role in developing a view on markets. ...

This chapter explores how to identify hammer and hanging man. We understand the thought process behind these patterns and how to setup trades based on these patterns. .
.

In this chapter we understand how two or more candlesticks can be combined to identify trading opportunities. To begin with we understand the bullish and bearish engulfing pattern with real examples

..

9.[Multiple Candlestick Patterns (Part 2)](#)

Continuing from the previous chapter, we discuss the bullish harami and the bearish harami patterns with real examples taken from the Indian markets

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10

Trading Systems

1. What to expect?

What is a trading system? Such a glorious day to start this module! Here is the headline that rocked the stock markets today – Yesterday i.e 24th Oct 2017, the Finance Minister announced that the Go ...

2.Pair Trading logic

2.1 – The idea If you have ever been on an interstate highway, then you would have noticed that the highway usually includes the main highway, on which the vehicles zoom by at full speed. On either ..

3.Pair Trading, Method 1, Chapter 1 (PTM1, C1) -Tracking Pairs

3.1 – Getting you familiar with Jargons Like I had mentioned in the previous chapter, there are two techniques based on which you can pair trade. The first technique that we will discuss starting no ....

4. PTM1, C2 – Pair stats

4.1 – Correlation and its types I have to mention this at this point. The pair trading technique we are discussing now is discussed in a book called, 'Trading Pairs', by Mark Whistler. I like th ...

5. PTM1, C3 – Pre trade setup – Correlation Matrix & Portfolio Variance

5.1 – Revisiting the Normal Distribution If you have been a regular reader on Varsity, then chances are you'd have come across the discussion on Normal Distribution in the Options Module. If you&# ...

SIP CALCULATOR

INVESTMENT AMOUNT ₹

| 10000₹ |

Return Rate %

| 15% |

Duration Yrs

| 20Yrs |

CALCULATE

AMOUNT INVESTED:

FINAL AMOUNT:

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