

# **Report on Stock Market**

**SOC: Online Trading with Pine Script**

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# 1 Introduction

Stocks are like owning a piece of a company based on how many shares you have. This report is about stocks, different types, how companies use stocks to make money, and the essentials of diving into the world of stock market investing. A stock shows that you own part of a company and get a cut of its assets and profits.

## 2 Types of Stocks

There are two main types of stocks: common stocks and preferred stocks.

1. **Common Stocks:** You get to vote on decisions within the company.
2. **Preferred Stocks:** You may not have voting power, but you get first dibs on dividends and cash distributions.

## 3 Raising Capital Through Stocks

Companies sell stocks to raise money without too much hassle. Once their stocks hit the market, anyone can buy or sell them based on supply and demand. If more people want a stock, the price goes up; if fewer do, it goes down.

## 4 Automated Trading Systems

Back in the day, people traded stocks by hand on trading floors. Now, super fancy automated trading systems take care of most transactions at lightning speed. The prices move with all these trades that happen in seconds because lots of investors are making decisions.

## 5 Investing in the Stock Market

The stock market can offer big returns if you play your cards right - some companies give back crazy high percentages annually.

## 6 Steps to Invest in the Stock Market

In the video, there was a section about steps to invest in the stock market. I analyzed it and shortened it into three points:

1. **Open a Trading Account:** Get a brokerage account to start buying and selling shares.
2. **Choose Companies:** Pick companies based on things like how they're performing in the market and how interested you are in them.
3. **Do Your Research:** Check out a company's financials (like statements), where they stand in the market, and how they might grow in the future.

## 7 Conclusion

While investing in stocks could mean big money but it also comes with some risk. So i find its better to do your homework before jumping in and make sure you're financially ready for any surprises. By understanding how stocks work and getting the basics down, one will be making smarter choices towards reaching your financial goals.