

D.B.R.A.SOSE,B-BLOCK YAMUNA VIHAR

FINANCE

GROUP PORTFOLIO

IX - C

(GROUP NAME - CAPTAINS)

(Topic - STOCK MARKET)

W E L C O M E   I N   O U R



P R O J E C T

# GET FAMILIAR WITH OUR GROUP MEMBERS

- Ruhan Khan- (PPT Designer)
- (Group leader)
- Teeksha-(PPT Designer)
- (CO-Group leader)
- Yash Vardhan- (Notes Maker)
- Khushi- (Helping Member)
- Kuldeep<sup>1-26</sup> (Advisor)

# INTRODUCTION

- **Brief overview of What the Stock Market is.**
- The Stock Market is a financial market place where buyers and sellers trade ownership shares in public companies to raise capital by issuing stocks and for investors to buy and sell those stocks. Stocks prices fluctuate based on supply and demands dynamics, economics conditions, and company performance. The stock market serves as a crucial role in facilitating capital allocation and instrument.



## 2. Importance and role of Stock Market in Economy

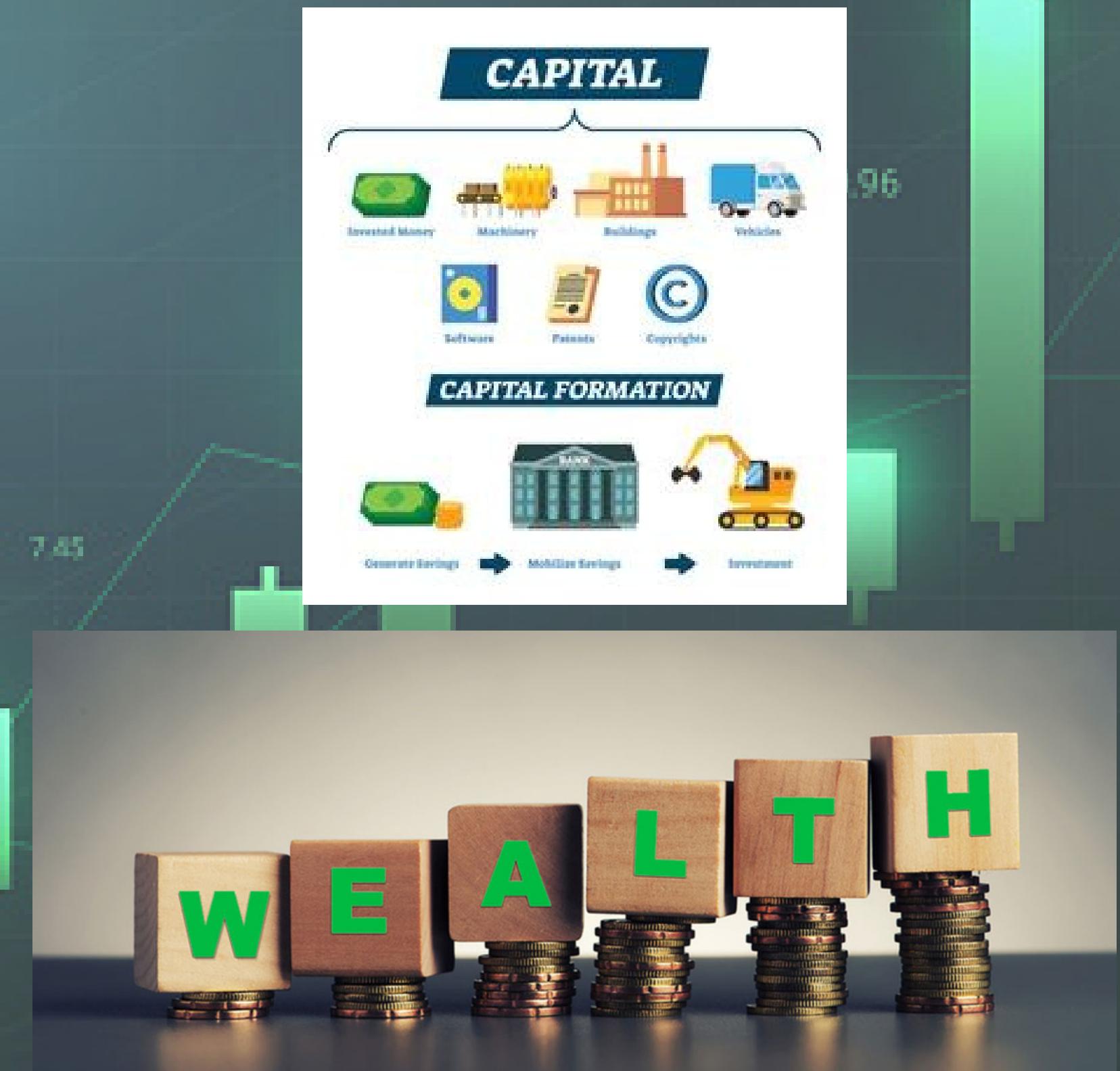
- Stock Market plays a crucial role in economy as :

### 1. CAPITAL FORMATION

- Companies can raise capital by issuing Stocks, which investors buy. This money helps companies grow, develop new products, and create new jobs.

### 2. WEALTH CREATION

- Investors can make money by buying Stocks at a lower price and selling them at a higher price, contributing to personal wealth and Financial growth.



### 3. Indicator of Economy

#### Health

- Stock Market trends are often used as indicator of the overall economic health. A thriving stock market can suggest a robust economy.



### 4. Job Creation

- Growing companies often need more resources, leading to job creation and contributing to overall employment levels.



## 5. Corporate Governance

- Publicly traded companies are subject to regulations and transparency requirements, promoting good corporate governance and accountability



# • HOW STOCK MARKET WORKS?

- The stock exchange searches for a sell order for the same share. Once a seller and a buyer are found, a price is agreed to finalize the transaction. Post that, the stock exchange communicates to your broker that your order has been confirmed. This message is then passed on to you by the broker.

# • HOW WE INVEST IN STOCK MARKETS

- We can invest in stocks (or funds made up of stocks) through an online brokerage account. Once we add money to our account we can purchase stocks and other investments from there. We can also invest in stocks through a robo-advisor or a financial advisor.

# • DIFFERENCE BETWEEN “STOCKS” & “SHARES”

- 'Stock' represents the holder's part-ownership in one or several companies. Meanwhile, 'share' refers to a single unit of ownership in a company. For example, if someone has invested in stocks, it could mean that someone has a portfolio of shares across different companies or a collection of investor holdings or a portfolio.
- Shares is a more specific term that can refer to the ownership of a particular company or a type of financial instrument, while stocks is a more generic term that can refer to a slice of ownership of one or more companies or a collection of investor holdings or a portfolio.

# INTRODUCTION OF BONDS

- A bond is a fixed-income instrument that represents a loan made by an investor to a borrower (typically corporate or governmental). A bond could be thought of as an I.O.U. between the lender and borrower that includes the details of the loan and its payments. Bonds are used by companies, municipalities, states, and sovereign governments to finance projects and operations. Owners of bonds are debtholders, or creditors, of the issuer.

# TYPE OF STOCKS

. There are several type of stocks, and they can be classified based on various criteria. Here are some common types of stocks

1. **Common Stocks** : These are the most typical type of stocks that represent ownership in a company. Common stockholders have voting rights and may receive dividends, but they are the last to be paid if the company goes bankrupt.
2. **Preferred Stocks**: Preferred stockholders have a higher claim on a company's assets and earnings than common stockholders. They usually don't have voting rights, but they receive dividends before common shareholders

**3. Blue-Chip Stocks:** Blue-chip stocks are shares in large, well-established companies with a history of stable performance. They are known for their reliability and often pay dividends

**4. Income Stocks:** Income stocks are shares in companies that consistently pay dividends. Investors often choose these stocks for a steady income stream.

**5. Growth Stocks:** Growth stocks belong to companies expected to grow at an above-average rate compared to other companies. These stocks typically reinvest earnings rather than paying dividends

**6. Value Stocks:** Value stocks are shares in companies that are considered undervalued compared to their intrinsic value.

Investors often look for these stocks based on fundamentals like low P/E ratios

Investors often diversify their portfolios by including a mix of these types of stocks based on their financial goals, risk tolerance, and investment strategy.

# THE END

