Twitter Thread by Equity4Life® Rishikesh Singh



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Thread on

■How to choose best stocks for long term #Investing.

1■ Check out fundamentals:

■Debt to Equity Ratio = 0 or <1
■Revenue Growth > 10%
■Net Profit Growth > 15%
■Return on Equity > 20%
■Earning per share increases 10% Y-O-Y.

(1/N)

2■ Business model of the company:

■What the company sells or what services it offers and how the company makes a profit from its operations.

■Whether the products or services exists even after 50 years.

(2/N)

3■ The management of the company:

■The educational, employment backgrounds of the persons in key positions i.e. CEO, CFP, COO & CIO.

■Whether the management promoters the business as an open, transparent and flexible way.

(3/N)

4■ Competitive advantage:

■Company that has a sustainable competitive advantages in respect of cost structure brand reorganization, product/services quality distribution network and superior customary support.

(4/N)

5■ Qualitative factors:

■A domestic player or a big gun around the globe.

■Strong entry barrier.

■Future plans i.e. expansion of business, marketing policy.

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#StockMarket #FundamentalAnalysis