

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 promotes 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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#Learning #Investing

#StockMarket #FundamentalAnalysis