

# EQUITIES

I want to buy a stock for my **long term investment**. What should I do?

Hmm... I'm thinking of buying a stock for **short term trading**.

## FUNDAMENTAL ANALYSIS



## TECHNICAL ANALYSIS

Is the financial result good?

### VISION

In a fundamental analysis, it is critical to analyse a company's financial results, management performance and any future economic data. This is to find out if there's an investment opportunity for you.

In a technical analysis, it is important to understand the historical price charts and market statistics data of the company. If a previous market pattern exists, then it's easier to make a decision.

Do you find any market patterns?

Is it underpriced or overpriced?

### GOAL

The goal is to determine whether the intrinsic value is equal to the present value. Investors should analyse top-down and bottom-up on both quantitative and qualitative factors.

This aims to evaluate historical data trends (time of entry and exit) and momentum in price changes. Uses basic statistical method to find patterns and predict future movements based on past market data.

Will this pattern repeat in the future?

Past and future data required

### DATA GATHERED FROM

Data is gathered mostly from the company's financial statements, news reporting, economic events/reports, and industry statistical analysis.



Technically, the data is from reading the charts and graphs analysis as well as the market volumes from the company's activities.

Relevant data sources to support

Long term investment approach

### TIME HORIZON

Predominantly for a long term investment time approach, that can often analyse data over a number of years.



Short term trading approach that can be used in a timeframe of weeks, days or even minutes.

Short term trading approach

Many have experienced success by combining these two methods. So, let's start investing

### COMPARING STOCK ANALYSIS

Key measure used by analysts in selecting a stock is its fundamentals, comprising of financial strength, industry leadership, and good quality management.

Look for companies that have good governance, high profitability, increasing revenues from core businesses, ability to pay off debts, and have a significant level of free cash flow.



Important metrics in technical analysis are price trends and volume of shares traded. Any trend that is coupled with a relatively higher volume indicates a stronger trend.

Look for an increasing real trend reversal in price backed by higher volume.

You can use both methods to research and forecast the future trends on the selected stock. Let's start trading



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