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SOME IMPORTANT POINTS

 # Speculators- They are the investors and traders who purchase assets for short period of time and employ strategies in order to profit from change in its price.

Anyone who buys or sells a security with the expectations of a favourable price change.

Individual traders can be speculators, trading firms also can be speculators.

 # Stock Traders- Stock trader is an individual or professional who trades on behalf of a financial company.

Frequently buying or selling the stocks, commodities or currencies.

 # Investment banking- **An investment banking helps an organisation which may be a company,or a government or one of its agencies in the issuance and sale of new securities. Ex- A.K capital service limited, Axis bank limited, Ashika capital limited and so on.**

It is not a bank in the general sense.

It acts as a financial intermediary for business and other large organisations, connecting the need for money with the source of money.

When company issue new securities such as stock or bonds. An investment banking helps in this process by providing expertise and customers to buy the securities.

 # Arbitrageurs- **Arbitrageurs is an individual who earns profit by taking**

advantage of ineffeciencies in financial market.

Arbitrage opportunity arise when an asset is priced differently between multiple markets at the same time.

 # Customer protection fund- Stock exchange establish and maintain customer protection fund- to protect the interests of the client of the trading members of the exchange. Who may have been declared defaulters or who may have been expelled under the rules and laws.

 # Underwriting- It is an agreement between two parties the underwriter and issuer that their should be minimum purchase of shares or debentures from the public has to be done for the validating of IPO so the issuer will make an agreement with with the underwriter

that they will purchase the balance share that not purchase by the public.

Investment process-

- **Understanding the needs**

- risk capacity

- tax status

- investment fund

- objective

- knowledge

- **Analysis-**

- Market

- industry

- companies

- **Valuation-**

- Intrinsic value

- Future value

- **Portfolio construction/ asset selection decisions-**

- Diversification

- Selection and allocation

- **Portfolio evaluation-**

- Appraisal

- Revision

 # wealth management- It includes management of investment, Portfolio, tax planning, insurance planning charitable contribution, retirement planning.

It focuses on asset management and financial planning.

It has a process driven approach involving coordination of inputs from financial experts, lawyers, accountant, insurance agents and etc.

 # FPO- Second or subsequent public issues of the shares of a listed public company.

 # IPO- When a company issues shares to the public first time.

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