

# CERTIFIED TRADER : A PROGRAM FOR SELF-INVESTORS

Duration: 4 Months

Fee: INR 30,000 / USD 600



## Module 1: BASIC OF STOCK MARKET

### AIM 1

- Learn What is share and Share Trading
- Capital structure and cost of capital
- Indian and Global Stock Exchanges
- Understanding NIFTY and Sensex
- Market Capitalization
- OTC Trading and Online Trading Mechanism
- Initial Public Offering – IPO
- Rules to buy an IPO
- Understanding Bond Market
- Due diligence of a Broker
- Market Regulators and Participants
- How to protect your trade and complaint forums

### AIM 2

- Learn Intraday Trading
- Training of software Terminal
- Trading in Deliveries/Cash Market
- Putting Right Stop Loss order
- Avoiding common mistakes
- Understanding Brokerage and taxations
- Trading on Stock and Indices
- How to confidently speculate
- Intraday trading risk factors

### AIM 3

- Assessing your Risk and Return
- 4 major Emotions to Control
- How to avoid FII, DII and Television Traps
- Thumb rules for Beginners in Stock Market.

**AIM 4**

- What are derivatives? Why derivatives were introduced?
- Understanding Forward Contracts
- Understanding Future Contracts
- Valuation and Hedging strategies
- **Basic Arbitrage Techniques**
- Open Interest & Volume Correlation and using them for trading
- Understanding Options
  - Call Options
  - Put Options
- Learn Option Valuation, Premium, Strike Price and Time Value Concept

**AIM 5**

- Understanding Option Pricing
- Understanding Option Greeks
- Using Greeks in Hedging and choosing right strikes & premium
- Using Option calculators for right pricing

**AIM 6**

- **Bullish strategies**
  - Synthetic Long Stock
  - Long synthetic split strike
  - Bull Spread
- **Bearish Strategies**
  - Synthetic Put Stock
  - Short synthetic split strike
  - Bear Spread
- **Neutral Strategies**
  - Covered Call
  - Protective Put
  - Collar
  - BOX Spread
  - Short Straddle and Long Straddle
  - Short Strangle and Long Strangle
  - Long Butterfly and Short Butterfly
  - Long Condor and Short Condor
  - Ratio Call Spread and Ratio Put Spread

## Module 3: Equity Research and Analysis

### AIM 7: Analysis and Interpretation of Economy and Industry data

- Understanding Key Economic Indicators
- Global economic factors
- Monetary and Fiscal policy
- Foreign Exchange Rate
- Effect of Demand & supply
- Major Industry or sectors in India
- Analysis major sectors and its performance
- Comparative analysis
- Data Mining and snooping from various website
- Dollar Index usages in trading
- Biased and Non-Biased Trading
- Trading on News

### AIM 8: Company Analysis

- Overview of the Financial statements of a company
- Understanding of Income Statement
- Cash Flow Analysis
- Comparative Ratio Analysis
- Understanding Balance Sheet
- Analysis Directors report of the company
- Peer Analysis

### AIM 9: Fundamental Analysis & Equity Valuation

- Analysing Key Fundamental Ratio
- Using fundamental values in decision making
- Equity Valuation Models
- Cash Flow Models/Asset based Model/Relative Valuation
- 13 parameters to buy a company not just the price
- Thumb Rules to follow by investment Gurus (Benjamin Graham/Phillip Fisher/Warren Buffet/Jim Roger)
- **Data Mining, News Evaluations, Web Recourses, Print Recourses**

### AIM 9: Basic of world Commodity Markets and Trading system

- History and evolution of commodity market in India
- Introduction to Stock, Forex, and Commodity
- Introduction to Agro, Base Metal, Precious Metal and Energy
- Introduction to world commodity market
- Study on MCX and NCDEX
- Study on LME, COMEX, CBOT and NYMEX
- Introduction to Currency markets
- Spot Markets: Auction, Trading & Settlement
- Trading Mechanism on commodity exchanges
- Regulatory Framework: Policies, functions & rights

### AIM 10: Commodity Futures

- Understanding Forward and Futures
- Valuation and strategies using future contracts
- Spot to future and Future to Future Arbitrage
- Trading on Spreads

### AIM 11: Fundamental Analysis

- Fundamental Analysis of Bullion - Gold / Silver
- Fundamental Analysis of Ferrous and Non-Ferrous Metals - Copper/ Nickel/Tin/Lead/Zinc/Aluminium
- Fundamental Analysis of Energy - Crude Oil, Natural Gas, Gasoline, Heating Oil
- Using LME Inventory to trade

### AIM 12: Study on Agro Commodities

- Major Agro commodities
- Yield, Season, growth and market share
- Analysis of Effects of weather on prices
- Major commodity Mandies & States in India
- Major Importer and Exporters

### AIM 13: Basic of world FOREX Markets and Trading system

- Introduction to Stock, Forex, and Commodity
- Introduction to Currency markets
- History and evaluation
- Gold standard and current pricing system
- Study on NSE and MCX Forex Trading
- Study on International Forex Trading
- An Overview of the World's Major Currencies.
- Spot Markets: Auction, Trading & Settlement
- Trading Mechanism on Forex exchanges
- Regulatory Framework: Policies, functions & rights

### AIM 14: Trading Currency Future

- Setting Up Your Demo Forex Trading Account
- Direct/Indirect Quotes
- An Explanation of Pips and Fractional Pips
- Understanding Future & Forward Contracts
- Rollover for Beginners
- How to Calculate Your Leverage Ratio
- Live Trading in Indian Market
- Live Trading in International Market
- **Various Time zone analysis**

### AIM 15: Future Strategies – 3 hrs

- Hedging between Spot & Future
- Hedging between Future & Future
- Trading on Spreads
- Understanding traders psychology and Common mistakes made by traders
- Trading based on Open Interest
- How to Trade the Carry Trade Strategy
- Currency SWAP<sup>New</sup>

### AIM 16: Economy Analysis & Usages in Trading

- How Interest rate moves Forex Market
- Effect of Export & import
- The balance of payments (BOP)
- Global economic factors
- Data sourcing, mining and usages
- Correlation between different Currency Pairs
- Using Dollar Index for trading

### AIM 16: Choose the right broker

- Why Choosing a Forex Broker is So Confusing
- Examining Regulation and Financial Stability
- How to Evaluate Transaction Costs

### AIM 17: Basic of Technical Analysis

- Understanding the origin and history of Technical Analysis.
- **Various charts:** Learn various charts like line, candle and bar to understand current market sentiments.
- **Dows Theory:** It's concept developed by Charls Dows and it is widely used to identify price trends in the market.
- **Support & Resistance:** These are point where you take an entry or exit. Create stoploss or take profit.
- **Chart Patterns:** A chart pattern can be used to identify saturation points, breakouts or changes in market sentiments to buy or sell. There are various chart patterns like cup and handle, double top & bottom and many more.
- **Trend Line:** Price often travels in trend and if you can draw correct trend line you can easily find out accurate breakout points.
- **Candlestick Charts:** Developed by Japanese and you can use it to find out price reversals.
- **GAP Analysis:** Price gaps show momentums in the market use it to identify fake signals.
- **Fibonacci Retracement:** It's a great tool to identify price retracements in the market.

### AIM 18: Using Indicators

- Indicators are based on price and volume movements. Normally, if price changes an indicator will also change.
  - Advance decline line
  - ATR
  - Moving Averages
  - MACD
  - Relative Strength Index (RSI)
  - Stochastic oscillator
  - Trix
  - William's % R, MFI
  - Momentum
  - Accumulation/distribution index
  - Money Flow
  - On-balance volume
  - Bollinger Bands
  - Envelopes

### AIM 19: Advance Technical Analysis

- **Multi-time Analysis:** Charts can be seen in various time frames like 5 Min, 1 hour, daily, weekly. A multi-time frame analysis gives you a better view of bull and bear market and trend reversals.
- **Open Interest Analysis:** Open interest in relation with price and volume can give you better idea of liquidity in the market. It can help you in understanding major market moves.
- **Multi-Moving Averages:** Applying multi time averages can give you amazing turning point.
- **Combining Indicators:** Various indicators can be combined to get more accurate entry and exit points. You'll learn how to create your own indicators using various other indicators.
- **Creating trading system:** You'll learn how to create your own trading system based on various indicators and time frame.
- **Various trading styles:**
  - Scalping
  - Intraday Trading techniques
  - Swing Trading system
  - Positional Trading
- **Training on advance Software like:**
  - MT4
  - Metastock
  - Falcon
  - Spider

### AIM 20: Trading Psychology and Money Management

- **Understanding our emotional behaviour:** It helps in understanding our own trading styles and helps in controlling our emotions.
- **Risk Management:** These tools can be used to limit your risk in the market.
- **Money management:** Traders lose their capital due to lack of knowledge of effective money management in their trade.
- **Developing you own trading plan:** Most people lose money in the market because you don't have a trading plan. They trade just like that.
- **Major Mistakes committed by traders**