

dBPortfolio

Stock Market Simulator

www.dbportfolios.com

An ASHVATTHA TECHNOLOGIES PRIVATE LIMITED venture



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1. Document Version History

Version Number	Description Of Changes	Date Published	Author
1.0	First Version	6 th April 2018	CB
2.0	Second Version	13 th April 2018	CB
4.0	Fourth Version	17 th April 2018	CB
4.1	Recommended Reading Section Added	23 rd April 2018	NK
4.2	Section 6 updated with details of new features After Market Orders and Order Cancellation	7 th June 2018	NK

2. Introduction to Stock Market Simulator

The stock market simulator is developed with the idea of helping aspiring investors by giving them real life experience of making investments in stock market. User will be able to buy / sell stocks and mutual funds in the simulator.

A new user signed up on the web site will get virtual cash for investing in stocks and mutual funds. The virtual cash can be used only on dbportfolios.com for making investments in the simulator. This virtual cash can't be withdrawn or transferred to any other account.

3. Why start with Stock market simulator

Why should you use a simulator for investing instead of putting hard earned money into markets?

Every new investor entering the stock market needs good understanding of the different stock market terms, understanding impact of sensitivity of different news on the stock prices, analysing different industries / companies, concepts of long term / value investing etc.

Investing without training can be as harmful as driving without learning. Learning how to invest on a stock market simulator makes any new investor aware of the different risks involved in the stock market investing. On dbportfolios.com, with the Pro user option, any new investor can try multiple investment strategies in one place and choose the one which best suits them & improve the personal investment skills.

There are less than 1% of the investors who are highly successful and the only way to be successful is to develop deep understanding of the markets and continue improving investment skills.

At dbportfolios.com, we want every investor to have a safe & prosperous journey. The stock market simulator will help in getting the investing basics right.

4. How to start?

Every new Investor on the site gets a Virtual Money in his account as fixed deposit. The start date of the Fixed deposit is 18 March 2018. Users joining after this date will get interest added at market rates to be on par with the Investors who have joined earlier.

Since this is virtual money, this money can't be transferred or withdrawn.

When you have identified the stocks or MF to invest in and know the amount to be invested, you may proceed to break the FD for the amount to be invested and use these funds to invest.

5. How to break your Fixed Deposit



Go to Left panel - Fixed Deposit - Break FD - Pop up opens for entering the amount to be withdrawn for making investments.

X

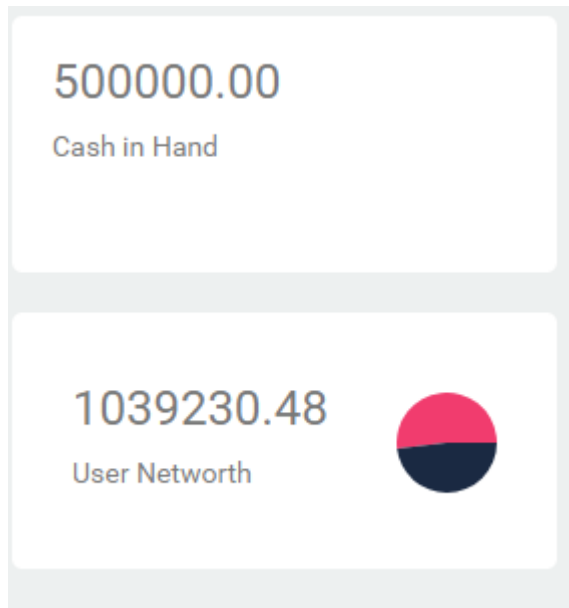
Total Cash	<input type="text" value="1039230.48"/>
Cash in Hand	<input type="text" value="0.00"/>
Cash in FD	<input type="text" value="1039230.48"/>
Amount to be Broken	<input type="text" value="0"/> <input type="button" value="Transfer"/>
<input type="button" value="Save"/>	

Enter the amount. Click transfer and then save the settings.

X

Total Cash	<input type="text" value="1039230.48"/>
Cash in Hand	<input type="text" value="0.00"/>
Cash in FD	<input type="text" value="1039230.48"/>
Amount to be Broken	<input type="text" value="50000"/> <input type="button" value="Transfer"/>
<input type="button" value="Save"/>	

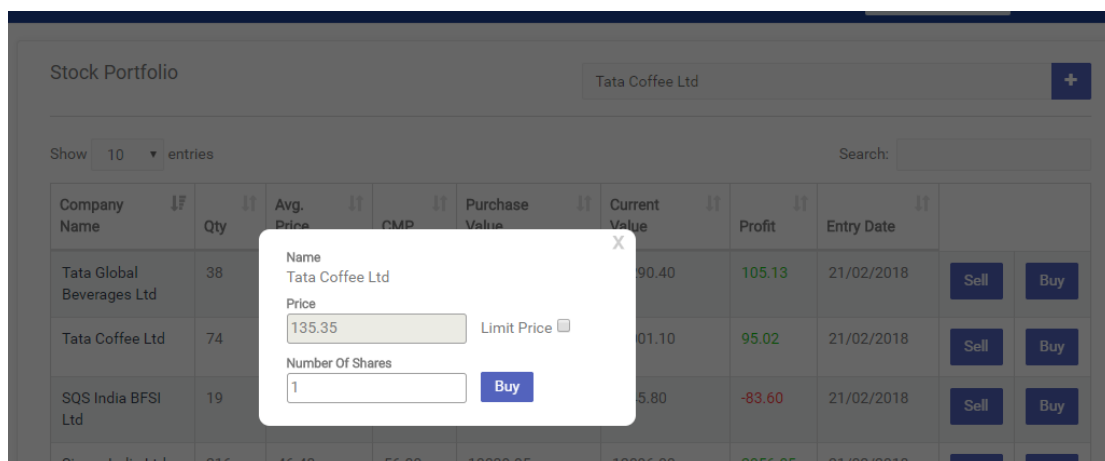
User cash in hand will reflect the amount considered for investments in the dash board.



6. How to make Investments in Stocks

Scroll down on the dashboard for buying stocks.

Enter any stock name of your choice that you are planning to invest in the search bar. Pop up for buying the shares will appear and enter the number of shares you plan to buy. Check Limit price for modifying the price.



Once the order is placed, the orders will be available in "Orders --> Pending orders" for any modifications.

Please note the prices are not live prices but 15 minute delayed prices.

Once the order is placed, the orders will be available in “Orders -->Pending Orders” for any modifications.

The orders will get executed if the prices and the quantity match the prices and volume traded for that day and you can see them in Orders->Executed orders.

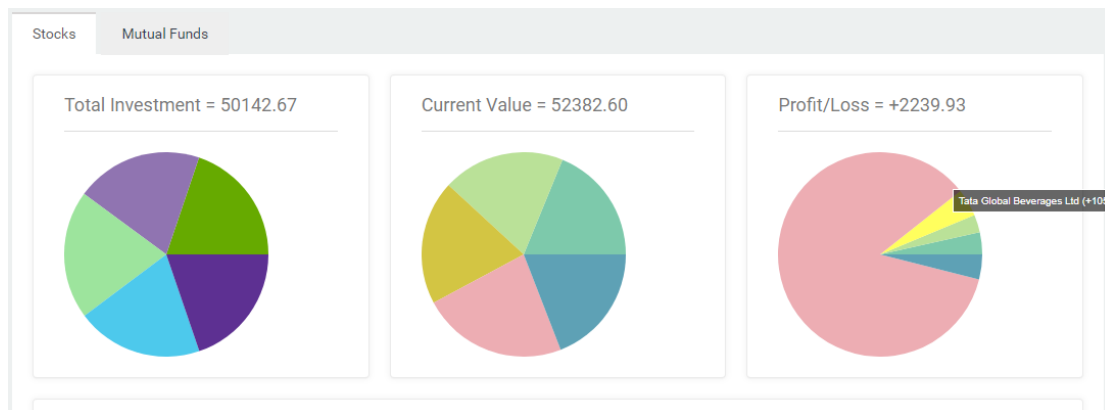
The orders will get executed only during NSE/BSE trading hours i.e. 9.15 AM to 3.30 PM India time on Monday to Friday.

You can now also place orders after or before the market hours or on market holidays and the orders will be placed in pending orders and will be taken up for execution during the next trading session. All unexecuted transactions for a day will be placed in pending transactions and will be taken up for execution during the next trading session when the market opens.

You can now also choose to cancel your unexecuted transactions from Orders →Pending Orders.

7. Be fearless to Invest, this is just a Simulator!!!

The pie charts give a pictorial representation of the Total investment made, Present value of the investment and the Profit / Loss as on that date.



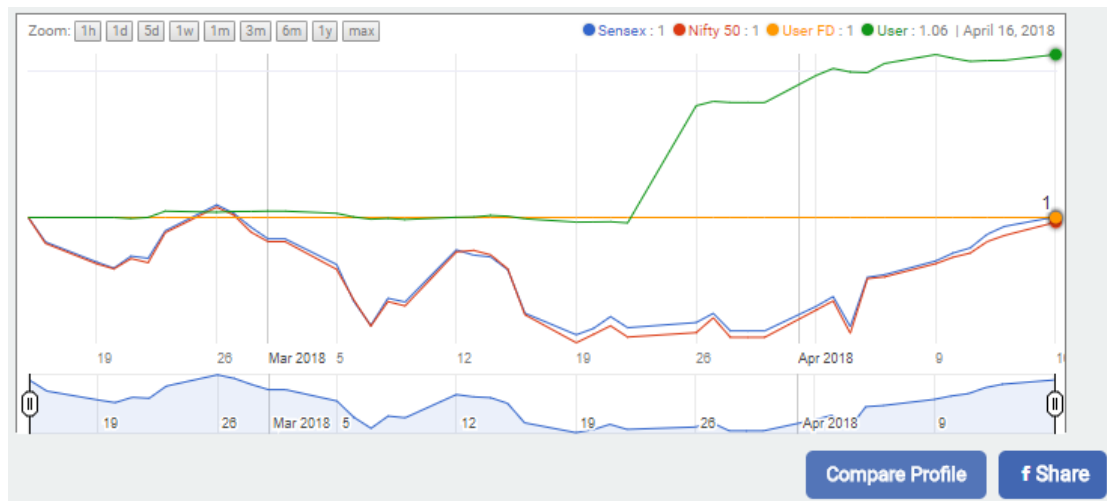
The consolidated list of stocks will appear at the bottom of dash board page.

Stock Portfolio +

Show 10 entries Search:

Company Name	Qty	Avg. Price	CMP	Purchase Value	Current Value	Profit	Entry Date		
Tata Global Beverages Ltd	38	268.03	270.80	10185.27	10290.40	105.13	21/02/2018	Sell	Buy
Tata Coffee Ltd	74	133.87	135.15	9906.08	10001.10	95.02	21/02/2018	Sell	Buy
SQS India BFSI Ltd	19	522.60	518.20	9929.40	9845.80	-83.60	21/02/2018	Sell	Buy
Singer India Ltd	216	46.48	56.00	10039.95	12096.00	2056.05	21/02/2018	Sell	Buy
NCC Ltd	81	124.47	125.30	10082.01	10149.30	67.29	21/02/2018	Sell	Buy

Portfolio comparison with BSE Sensex, NSE Nifty and Fixed Deposit returns can be seen on the graph in dashboard. In the example portfolio shown below, user portfolio is compared against Sensex / Nifty.



8. Making Investments in Mutual Funds

In today's market, there are plenty of Mutual funds available for Investors to deploy their funds. On dbportfolios.com, user may select categories from Equity, Hybrid or Debt. Each of these categories has multiple other sub categories.

For Equity Category, below are the sub categories.

Equity - Diversified

- Equity - Auto
- Equity - Tax Planning
- Equity - Pharma
- Equity - Infotech
- Equity - FMCG
- Equity - Banking
- Equity - Index
- Fund of Funds - Equity
- Equity - Media
- Equity Theme - Infrastructure
- Exchange Traded Funds (ETFs)
- Global Funds - Foreign Equity
- Global Funds - Foreign Mutual Fund
- Equity Theme - Natural Resources
- Equity Theme - Shariah
- Exchange Traded Funds (ETFs) - RGESS
- Hybrid - Arbitrage Oriented

For Hybrid, below is the list of sub categories

Hybrid - Equity Oriented

- Hybrid - Debt Oriented
- Monthly Income Plans - Long Term
- Monthly Income Plans - Short Term
- Arbitrage Funds
- Gold - ETFs

Hybrid - Asset Allocation

- Hybrid - Capital Protection
- Hybrid - Fixed Maturity Plans
- Fund of Funds - Gold

For Debt, below is the list of sub categories

Income Funds

- Short Term Income Funds
- Floating Rate Funds - Long Term
- Floating Rate Funds - Short Term
- Liquid Funds
- Gilt Funds - Short Term
- Gilt Funds - Medium & Long Term
- Fixed Maturity Plans
- Ultra Short Term Funds
- Fund of Funds - Debt
- Exchange Traded Funds (ETFs) - Debt
- Interval Income Funds



User may select the fund of his choice and invest the funds as required. An example is given below. Type any asset management company name like HDFC, ICICI, Kotak etc. for getting the list of funds in the category selected.

Mutual Funds Portfolio

Category Sub Category

Show entries

Fund Name	Number of units	NAV	Entry Date	
ICICI Pru Dynamic Plan (D)	1	23.83	08/02/2018	<input type="button" value="Sell"/>

Showing 1 to 1 of 1 entries

Total Investment = 23.83 Total Current Value = 22.99

9. Procedure for creating Multiple Portfolios (with Pro User option only)

1. Go to left panel --> Portfolios -->dB Portfolios Pro.
2. Click on dB Portfolios Pro and observe "Add Portfolio" on top right hand corner.
3. Click on Add Portfolio for creating multiple portfolios like Large Cap, Mid Cap, Small Cap, Multi Cap, Balanced, Debt only, Broker suggested, Recommended in Newspaper, Penny stocks, MF only etc. for getting detailed understanding of how various financial instruments work for common stock market investor.

4. Selecting stocks for Large Cap Portfolio

Select stocks, with market capitalization greater than Rs. 1 Lakh crores.

Example portfolio is listed below.

Sample stocks to be selected with equal weightage

- Kotak Bank
- Reliance Industries
- Maruti Suzuk



- Bajaj Auto
- Wipro
- Larsen & Toubro
- Asian Paint
- Infosys
- Hindustan Unilever
- Tata Consultancy Services
- HDFC Bank.

For equal weightage across all the given stocks, invest the total amount by number of stocks in the portfolio.

Example:

Total Portfolio Net worth: 10,00,000

Number of stocks: 11

Weightage for each stock: $1000000/11 = 90,909$

Number of shares to be purchased for respective stock = $90,909 / \text{Price of respective stock}$

5. Selecting stocks for Midcap Portfolio

Select stocks with market capitalization greater than Rs. 5K crores and less than Rs. 1 Lakh crores.

Sample stocks to be selected with equal weightage

- Shriram City Union Finance
- Bharat Forge
- Berger Paints
- TVS Motor
- Kansai Nerolac
- Petronet LNG
- Tata Chemicals
- Tata Global Beverages
- Future Retail
- Havells India
- Amara Raja

1. Selecting stocks for Small Cap Portfolio

Select stocks with market capitalization greater than Rs. 250 crores and less than Rs. 5K crores.

Sample stocks to be selected with equal weightage

- Gujarat Borosil
- Singer India
- Relaxo Footware
- NCC
- Suprajit Engineering
- Rupa & Company



- La Opala
- Tata Coffee
- SKF
- Aarti Industries
- Navneet Education
- Ashoka Buildcon

6. Selecting Stocks for Multicap Portfolio

Select any combination of Large cap, Mid cap & small cap stocks. Example portfolio is listed below.

- Mahindra & Mahindra
- HDFC Bank
- Larsen & Toubro
- Bharat Forge
- Petronet LNG
- Tata Chemicals
- Tata Global Beverages
- Havells India
- Singer India
- Tata Coffee
- NCC

7. Exercise

1. Build Portfolio when Index falls by 1% and more than 5% & compare the returns after 1 year.
2. Build Portfolio when any of the specific stock falls by more than 10% than price at user joining date. Check the returns after 1 year.
3. Keep shares for long term in few portfolios and Try Buying and selling shares in few portfolios. Keep a track of Brokerage expenses and returns in both cases

8. Diversification & Di" Worsification"

Portfolios with all the net worth concentrated in few stocks may offer wild fluctuations & Portfolios with net worth distributed across large number of stocks will not make the investor to get great returns. An optimum number of credible stocks will be required to get Index beating returns.

Exercise:

1. Create portfolio with only 5 stocks or less. Observe how portfolio performs over a period of 1 year.
2. Create a portfolio of 50+ stocks and see how the portfolio performs over a period of 1 year

Compare the performance of both these 2 portfolios with the Large Cap, Mid Cap, Small cap & Multicap portfolios above.



9. Liquid Fund Portfolio

It is advisable to park funds in liquid funds, if the prices of stocks are high. Liquid funds offer low risk than stocks. They offer higher returns than fixed deposits for short duration (<90 days). Always go for direct plan to avoid commission to agents.

1.1 Sample portfolio with liquid funds

- Edelweiss Liquid Fund - Direct Plan – Growth
- Sundaram Ultra Short Term Fund - Direct Plan - Growth,
- Tata Money Market Fund - Direct Plan - Growth,
- ICICI Prudential Liquid - Direct Plan - Growth,
- Kotak Liquid - Plan A - Direct Plan - Growth

User may also select combination of different stocks and debt Mutual Funds for Balanced Portfolio

User may also create portfolios based on recommendations received on News Paper, Broker or suggested by friends and family members.

Write down comments on these portfolios based on their periodic updates to the market and make changes as and when necessary.

The Pro User option will be valid for one year and aspiring Investor will be able to experiment with different stocks / mutual funds during this period. With simulator a Pro user can afford to make mistakes and identifying mistakes early for improving the investment skills. Experimenting with virtual money is an important step in understanding the market dynamics. Experimenting with hard earned money is not an option.

Investing for future is a long journey and spending quality time on dbportfolios.com with Pro User option will sharpen the general investment skills of the Investor and overcome the risk involved in investing the hard earned money.

Knowing the mistake early can immensely help an Investors journey in becoming prosperous.

10. Recommended Reading

- The Intelligent Investor - Benjamin Graham
- Common Stocks and Uncommon Profits - Philip A Fisher
- The Interpretation of Financial Statements - Benjamin Graham & Spencer B Meredith
- Poor Charlie's Almanack - Charles T Munger
- Graham and Dodd's Security Analysis - Sidney Cottle, Roger F Murray & Frank E Block
- How to Pick Stocks Like Warren Buffett - Timothy Wick
- The Essays of Warren Buffett - Lawrence A Cunningham
- Warren Buffett Speaks - Janet Lowe
- Investment Advisor Level 1 & Level 2 - National Institute of Securities Markets
- Investment Biker - Jim Rogers



- Beating the Street - Peter Lynch

"I never make the same mistake twice... I make it 5 or 6 times just to be sure" - By a famous Film Actress

11. Training programs

We are soon going to be coming up with training programs for Investors making a beginning in the stock market. Contact us if you are looking for any training's on making Stock Market Investments.

Contact Us

WhatsApp: +91-6361 299 393

Mail: support@dbportfolios.com

12. Disclaimer:

The stock market simulator is only for developing understanding about making stock market investments and tracking the investments through the simulators. None of the examples given here are a recommendation for making personal investments. For any advice on making stock market related investments, please contact your Investment Advisor.

The team at dbportfolios.com (owned by Ashvattha Technologies Pvt Ltd) is not authorized to give any recommendations on making personal investments.

The team at dBPortfolios.com is not liable or be held responsible for any losses incurred by any user after making stock market related investments. We encourage the users to try our stock market simulator for getting deep understanding of the Stock Market / Mutual Fund Investments, before making actual investments.

