

HOW TO SCORE IN THE INVESTMENT MATCH

Soccer fever is in the air. As you juggle with your trading and investment reading to take out time to watch your favorite teams at play, we thought of drawing some investment lessons from the most popular sport in the world.

Yes, some useful lessons form the world of soccer. Keep playing.

Pass the ball

One of the first lesson from the sport is don't be too possessive of the ball. Pass the ball quickly, don't hold it for too long. In this environment don't wait for one stock to score the goal for you. Book smaller profits in a number of stock to give you the desired return. Take a 5% return more often than wait for one stock to give you 20% returns.

Don't mess with the referee

Play by the rules. Whether it is for on field behaviour or trading with in your prescribed limits, always pay. Any breach of this may result into your sitting out on an opportunity to score a goal or missing the chance to make money.

Keep an eye on the watch

Always remember the time period you have on hand. You have to score in the limited time of play. In stock market parlance, don't extend your investment beyond the original time for which you invested, unless there is a solid reason. If the investment is for short term, endure that you exit before that time expires.

Have refreshed men on the bench

There is nothing like having a refreshed striker on the bench to inject some fresh energy in the game at a time when it counts. Similarly in investments, keep a reserve of 20-30% cash to make the best use of an investment opportunity that comes your way. By observing this rule of keeping this mandatory cash, you will realise that your investments will be less brash and research based.

Take your time outs

There are times when you have to rest even your star players. Your mind also needs rest. Your eyes that keep staring at the screen for hours together would do with some well deserved brake. Do some neck exercises, rotate your arms and look out of the window at distant greens. Your will return refreshed to the screen for the kill.

Don't miss your penalties

There are times when you have a sure shot scoring opportunity like a penalty. Don't miss them. Similarly in the stock markets there are times when the stocks could give your over night

returns, like election time, vote of confidence etc. These are the times, when through puts or calls, you can trade with less risk. Make use of such instruments at times like these to increase your returns.

Watch the action replay

Watch your action replays of the videos of your team or the opposite team to find where things went wrong. In stocks investments, you can not only learn from your own mistakes but also from the mistake of others. Revisit your own mistakes or read books authored by experienced traders to benefit in future.

Have a good coach

A good coach can make all the difference between a winning team and a losing one. What strategy to adopt, how to mark players, when to strike, how to dodge etc are the inputs a coach could give.

In stock market arena as well, you need a good adviser. Some one who will warn you when to go in cash. Some one who will coax you into buying when there is blood on the street and some one who will identify stocks for you keeping in mind your risk stance and investment profile.

Stick to the brief from the coach and your likely to come out winner at the game, be it soccer or investments.

Three cheers for the winning team !!!